



FOR IMMEDIATE RELEASE

Accelerating Decarbonization, ESS Inc. and SMUD Announce Agreement to Deploy up to 200 MW / 2 GWh of Long-Duration Energy Storage Solutions

SMUD and ESS to establish workforce development to support technical training for energy storage careers

Wilsonville, Ore. and Sacramento, Calif. – September 20, 2022 – ESS Inc. ("ESS") (NYSE:GWH), a leading manufacturer of long-duration iron flow batteries for commercial and utility-scale energy storage applications, and the Sacramento Municipal Utility District (SMUD), the nation's sixth-largest, community-owned, not-for-profit electric service provider, today announced an agreement to provide up to 200 megawatts (MW) / 2 gigawatt-hours (GWh) of ESS' environmentally safe and sustainable long duration energy storage solutions.

The agreement calls for ESS to deliver a mix of its <u>Energy Warehouse™</u> and <u>Energy Center™</u> long-duration energy storage (LDES) solutions for integration with the SMUD electric grid beginning in 2023. SMUD will deploy the LDES systems in support of its 2030 Zero Carbon Plan which aims to reduce thermal generation, maximize local solar generation, provide neighborhood resiliency, and increase social justice and equity. LDES is a key component in SMUD's decarbonization plan, without compromising reliability or low electricity rates.

"SMUD is striving for a clean energy future that increases grid resiliency, supports under-resourced communities and maximizes local economic development," said Paul Lau, CEO and General Manager of SMUD. "Long-duration battery technologies move SMUD's 2030 Zero Carbon Plan forward by expanding our dispatchable renewable energy resources and opening doors to innovation, job training and development opportunities in the green energy sectors."

As part of this multi-year agreement, ESS intends to set up facilities for battery system assembly, operations and maintenance support and project delivery in Sacramento, creating local, high paying jobs. In addition, SMUD and ESS plan to establish a Center of Excellence to expand the workforce and knowledge base for LDES technology in partnership with higher education institutions. The Center will provide advanced LDES technical training, creating a statewide skilled talent pool to help build and maintain California's fast-growing long-duration energy storage resources.

"SMUD is a pioneering and progressive public utility that puts its words into meaningful action – in particular its pursuit of a decarbonized grid that will build resiliency, enhance job opportunities, and provide benefits for all customers," said Eric Dresselhuys, CEO of ESS. "Our agreement will be a critical component of SMUD's Zero Carbon Plan. We're pleased to partner with SMUD in realizing their 2030 Plan."

SMUD's ambitious goals are ahead of California's statewide zero-carbon target of 2045, which is the most advanced in the country. The addition of 200MW / 2 GWh of storage, when coupled with renewable energy sources, is equivalent to removing 284,000 metric tons of CO₂ emissions per year and will provide enough energy to power 60,000 homes for 10 hours.

ESS iron flow technology provides cost-effective long-duration energy storage and is ideal for applications that require from 4-12 hours of flexible energy capacity. ESS systems provide resilient, sustainable energy storage well-suited for multiple use cases including utility-scale renewable energy installations, remote solar + storage microgrids, grid load-shifting and peak shaving, and other ancillary grid services. ESS technology is safe, non-toxic and has a 25-year lifespan without capacity fade.

About ESS, Inc.

At ESS (NYSE: GWH), our mission is to accelerate global decarbonization by providing safe, sustainable, long-duration energy storage that powers people, communities and businesses with clean, renewable energy anytime and anywhere it's needed. As more renewable energy is added to the grid, long-duration energy storage is essential to providing the reliability and resiliency we need when the sun is not shining, and the wind is not blowing.

Our technology uses earth-abundant iron, salt and water to deliver environmentally safe solutions capable of providing up to 12 hours of flexible energy capacity for commercial and utility-scale energy storage applications. Established in 2011, ESS Inc. enables project developers, independent power producers, utilities and other large energy users to deploy reliable, sustainable long-duration energy storage solutions. For more information visit www.essinc.com.

About SMUD

As the nation's sixth-largest, community-owned, not-for-profit electric service provider, SMUD has been providing low-cost, reliable electricity to Sacramento County for more than 75 years. SMUD is a recognized industry leader and award winner for its innovative energy efficiency programs, renewable power technologies and for its sustainable solutions for a healthier environment. Today, SMUD's power supply is on average about 50 percent carbon free and SMUD has a goal to reach zero carbon in its electricity production by 2030. For more information on SMUD's Zero Carbon Plan and its customer programs, visit smud.org.

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