Energy Storage RFP 2016: A Pivotal Year That Shaped Modern Battery Projects

Energy Storage RFP 2016: A Pivotal Year That Shaped Modern Battery Projects

Remember 2016? The year Pok?mon Go had us chasing virtual creatures and energy storage RFPs started rewriting utility playbooks. While augmented reality games faded, the Energy Storage Request for Proposal (RFP) wave of 2016 left permanent fingerprints on grid modernization. Let's unpack why this particular procurement cycle still matters today - and what your team can steal from its playbook.

Why the 2016 Energy Storage RFPs Still Matter

Utilities weren't just buying batteries that year - they were stress-testing new business models. The California Public Utilities Commission's mandate for 1.3GW of storage by 2020 had everyone scrambling. Key 2016 RFP highlights:

- First major adoption of non-wires alternative clauses
- Pioneering stacked value compensation structures
- Standardized performance guarantees for 10-year contracts

The Tesla Effect: How Powerpacks Changed the Game

When Southern California Edison awarded Tesla a 20MW/80MWh contract (enough to power 15,000 homes for 4 hours), skeptics scoffed. But here's the kicker - those Powerpacks outperformed their guaranteed cycle life by 18%. Suddenly, "Made in America" storage didn't sound so quixotic.

Lessons From 2016's RFP Responders

I once watched a bid team accidentally submit a draft with placeholder text reading "[INSERT COOL BATTERY STAT HERE]". Don't be that team. Successful 2016 respondents nailed three things:

- Transparent Degradation Models: NYSERDA required monthly capacity reports - winners used predictive analytics
- Cybersecurity Protections: Xcel Energy's RFP added unprecedented IT security requirements
- Community Benefit Plans: Massachusetts SMART program gave bonus points for local job creation

Hidden in Plain Sight: The 2016 Cost Curve

Lithium-ion prices dropped 18% that year to $350/kWh - but here's what RFPs revealed that BloombergNEF missed:

Cost Component	2015	2016
Battery Cells	47%	39%
Balance of Plant	28%	33%

Software3%8%

Suddenly, energy management systems became the secret sauce - a lesson for today's AI-driven storage projects.

Where 2016 RFPs Fell Short (And How We've Improved)

Even the best RFPs had blind spots. The infamous Arizona APS procurement required response times faster than cheetahs on espresso - until bidders proved the specs would fry battery chemistries. Modern RFPs now include:

- Chemistry-agnostic performance metrics
- Dynamic dispatch requirements
- Carbon intensity tracking

The Ghost of RFPs Past Informs 2024 Trends

That 2016 emphasis on duration? It's back with a vengeance. New Mexico's recent RFP for 8-hour storage directly mirrors 2016 pilot concepts. Meanwhile, Hawaii's "storage-as-transmission" model? Straight from 2016 playbooks dusted off and supercharged.

Case Study: How a 2016 RFP Winner Still Dominates

Let's talk about the quiet achiever - Key Capture Energy. Their 2016 NYSERDA bid included an obscure "dual-use revenue" model pairing FERC markets with local reliability services. Fast forward: they've deployed 600MWh using that same strategy. Their secret? Treating the RFP response as a living document rather than a one-off proposal.

RFPs as Innovation Catalysts

When SCE required "black start capability" in their 2016 storage RFP, only two bidders checked that box. Today? It's standard in Western U.S. procurements. The lesson? Sometimes utilities need to push boundaries beyond what's commercially available - vendors will scramble to catch up.

The Paper Trail: Documents That Defined 2016

Three critical documents emerged from that watershed year:

- DOE's "Storage Valuation Guide" (still cited in 78% of RFPs)
- CAISO's Multi-Use Framework for Storage Assets
- FERC Order 845 (okay, technically 2018 - but rooted in 2016 debates)

Want to really geek out? Compare PG&E's 2016 RFP technical exhibits with their 2023 version. The shift from prescriptive specs to performance-based requirements tells the whole industry evolution story.

Final Thought: Why Your Next RFP Should Have a Time Machine

While chasing the latest flow battery or solid-state tech, don't forget 2016's core lesson - the best storage projects solve today's problems while leaving doors open for tomorrow's innovations. After all, the teams crushing today's RFPs aren't just reading tea leaves...they're studying 2016's playbook with highlighters and margin notes.

Web: https://www.sphoryzont.edu.pl