

Axiom Infrastructure and Canadian Solar's Subsidiaries Recurrent Energy and CSI Energy Storage Announce Operation of World's Largest Single Phase Energy Storage Project

Crimson Storage is now providing flexible generation to the California grid and reliability benefits to California customers

GUELPH, Ontario, October 18, 2022 – Axiom Infrastructure (“Axiom”) and [Canadian Solar Inc.](#)’s (“Canadian Solar”) (NASDAQ: CSIQ) subsidiaries Recurrent Energy and CSI Energy Storage, today announced that [Crimson Storage](#), a 350 MW / 1400 MWh standalone energy storage project, is now in operation and providing flexible capacity to the California grid. A fund managed by Axiom Infrastructure US Inc. owns 80% of the project and Recurrent Energy, the project developer, retains 20% ownership. CSI Energy Storage was the turnkey system integrator of the project, delivering the engineering, procurement and construction (“EPC”) services and will provide long-term operational services for the project.

Crimson Storage is the largest battery storage project in the world to reach operation in a single phase, and it is the second largest energy storage project currently operating. Sited on public lands in Riverside County, California, the project holds two long-term energy storage contracts with California's largest utilities, Southern California Edison (“SCE”) and Pacific Gas and Electric Company (“PG&E”). Both contracts are part of reliability procurements directed by the California Public Utilities Commission (“CPUC”).



- **Southern California Edison:** 200 MW / 800 MWh 14 year and 10-month contract with Southern California Edison under a full tolling agreement, and
- **Pacific Gas and Electric Company:** 150 MW / 600 MWh 15-year contract with Pacific Gas and Electric Company for Resource Adequacy only; Recurrent Energy and Axiom will operate the battery system in the California wholesale power market



Recurrent Energy is a leading developer in the energy storage market. The company has commercialized 2.9 GWh of energy storage projects that are in construction or operation, including [Slate Solar + Storage](#), and has an additional pipeline of 15 GWh of energy storage projects under early to mid-stage development.

Canadian Solar's majority-owned subsidiary, **CSI Energy Storage** (part of CSI Solar), provided the turnkey solutions for Crimson Storage and is now providing the long-term operational services for the project.

California Governor Gavin Newsom said, "The Crimson Energy Storage project epitomizes California leadership – clean energy, innovation, and economic development through good, union jobs. We've been laser focused on quickly bringing projects like this online to achieve our goal of a

100% clean energy grid. Congratulations to the people across the public and private sectors who are responsible for bringing this major project online to the benefit of all Californians.”

Congressman Raul Ruiz, M.D., said, “In California’s 36th District, we are national trailblazers in renewable energy development. With Recurrent Energy’s Crimson Storage project here in Blythe, we will cement our leadership and create even more good-paying clean energy jobs. This project builds on the progress we’re making locally to build our clean energy future, and I will continue working to strengthen our local economy, ensure good-paying union jobs, and achieve our nation’s energy independence to help our communities thrive.”

Crimson Storage will enable California customers to obtain more carbon-free energy and will ensure grid reliability during times of peak demand. On average, Crimson Storage will store and dispatch enough electricity to power more than 47,000 homes each year and will displace as much as 275,000 tons of carbon dioxide emissions and 47 tons of nitrogen oxides emissions annually, compared to generation by natural gas fired turbines. The carbon dioxide emissions reductions as a result of the projects are the equivalent of taking more than 53,000 cars off the road.

California Energy Commission Chair David Hochschild said, “Energy storage is an essential building block that supports our transition away from fossil fuels and the Crimson project represents a major milestone in the development of this essential clean energy resource.”

JC Sandberg, Interim CEO, American Clean Power, added, “Californians recognize how important it is to accelerate deployment of clean energy—and build new storage facilities that allow communities to bring these resources online when they’re most needed. California’s clean energy industry is demonstrating its ability every day to achieve these goals at scale, and there’s no doubt the state’s electric system will be stronger, cleaner, and more reliable as a result of this project.”

Crimson Storage is sited in the California desert on public lands about 13 miles west of Blythe, in Riverside County, California. In May 2021, the Bureau of Land Management (BLM) granted final approval of the project, making it the first standalone energy storage project to receive approval to site on BLM lands under the Biden-Harris Administration.

BLM California State Director Karen E. Mouritsen, said, “Crimson Storage is the first standalone energy storage project to be approved on BLM lands under the Biden-Harris Administration. The project represents another major step forward in the Biden-Harris administration’s goal of a carbon pollution-free power sector by 2035. We look forward to supporting additional projects like Crimson Storage that ensure responsible energy development on BLM lands.”

During construction, Crimson Storage employed approximately 140 union workers, including the International Brotherhood of Electrical Workers, International Union of Operating Engineers, Laborer’s International Union of North America, and the International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers Union. The project is expected to add \$30 million in property tax revenue to the local community throughout its operation.

Thierry Vandal, President of Axiom, said, “Axiom is thrilled for the Crimson project to begin operations and support California’s continuing renewable energy transition. The project is the second largest operating battery storage facility in the world and is providing reliability and flexible generation

to the California electric grid. Projects such as Crimson are critical in facilitating the energy transition and we are pleased to have partnered with Recurrent and Canadian Solar on this landmark project.”

Dr. Shawn Qu, Chairman and CEO of Canadian Solar, said, “Crimson Storage is now the largest single phase energy storage project to reach commercial operation in the world and the second largest operating standalone energy storage projects in the world. Recurrent Energy began developing Crimson Storage and our larger energy storage pipeline in 2015 when no large-scale storage projects yet existed. Last year, we started bringing these projects to fruition also thanks to our CSI Energy Storage team. Today we celebrate how far we have come in delivering the much-needed flexible generation that will support the U.S. and California’s transformative climate goals. We thank the California Public Utilities Commission, the U.S. Department of the Interior and our partners at Axiom Infrastructure for their critical contributions to this project.”

About Canadian Solar Inc.

Canadian Solar was founded in 2001 in Canada and is one of the world’s largest solar technology and renewable energy companies. It is a leading manufacturer of solar photovoltaic modules, provider of solar energy and battery storage solutions, and developer of utility-scale solar power and battery storage projects with a geographically diversified pipeline in various stages of development. Over the past 21 years, Canadian Solar has successfully delivered around 76 GW of premium-quality, solar photovoltaic modules to customers across the world. Likewise, since entering the project development business in 2010, Canadian Solar has developed, built and connected over 6.8 GWp in over 20 countries across the world. Currently, the Company has around 311 MWp of solar projects in operation, 5.3 GWp of projects under construction or in backlog (late-stage), and an additional 21 GWp of projects in pipeline (mid- to early-stage). Canadian Solar is one of the most bankable companies in the solar and renewable energy industry, having been publicly listed on the NASDAQ since 2006. For additional information about the Company, follow Canadian Solar on [LinkedIn](#) or visit www.canadiansolar.com.

About Axiom Infrastructure

Axiom Infrastructure (comprised of Axiom Infrastructure Inc. and its affiliated entities) is an independent portfolio management firm dedicated to generating long-term investment returns through investing in core infrastructure assets. Axiom Infrastructure had over C\$9 billion in assets under management as of June 30, 2022, as well as C\$1.7 billion in co-investments. The firm benefits from the capabilities of a group of specialists with decades of experience acquiring, developing, financing, operating and managing infrastructure assets. Focus is placed on assets that are supported by robust market demand and under long-term contract with creditworthy counterparties. Since 2010, the firm has invested in a diversified portfolio of over 250 North American infrastructure assets. For further information, including information about other infrastructure assets the firm has invested in, please visit www.axiuminfra.com. This release is for informational purposes only and does not constitute an offer or solicitation to buy securities of any entity.

Safe Harbor/Forward-Looking Statements

Certain statements in this press release are forward-looking statements that involve a number of risks and uncertainties that could cause actual results to differ materially. These statements are made under the “Safe Harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by such terms as “believes,”

“expects,” “anticipates,” “intends,” “estimates,” the negative of these terms, or other comparable terminology. Factors that could cause actual results to differ include general business, regulatory and economic conditions and the state of the solar and battery storage market and industry; geopolitical tensions and conflicts, including impasses, sanctions and export controls; volatility, uncertainty, delays and disruptions related to the COVID-19 pandemic; supply chain disruptions; governmental support for the deployment of solar power; future available supplies of high-purity silicon; demand for end-use products by consumers and inventory levels of such products in the supply chain; changes in demand from significant customers; changes in demand from major markets, such as Japan, the U.S., China, Brazil and India; changes in effective tax rates; changes in customer order patterns; changes in product mix; changes in corporate responsibility, especially environmental, social and governance (“ESG”) requirements; capacity utilization; level of competition; pricing pressure and declines in or failure to timely adjust average selling prices; delays in new product introduction; delays in utility-scale project approval process; delays in utility-scale project construction; delays in the completion of project sales; continued success in technological innovations and delivery of products with the features that customers demand; shortage in supply of materials or capacity requirements; availability of financing; exchange and inflation rate fluctuations; uncertainties related to the CSI Solar carve-out listing; litigation and other risks as described in the Company’s filings with the Securities and Exchange Commission, including its annual report on Form 20-F filed on April 28, 2022. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, level of activity, performance, or achievements. Investors should not place undue reliance on these forward-looking statements. All information provided in this press release is as of today’s date, unless otherwise stated, and Canadian Solar undertakes no duty to update such information, except as required under applicable law.

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