

NEC Energy Solutions To Build And Operate 50 MW Of Grid Energy Storage Facilities In UK For VLC Energy

Facilities will provide Enhanced Frequency Response to the UK electricity grid

Feb 28, 2017 – Westborough, MA, USA and Tokyo, Japan – NEC Energy Solutions, Inc. (NEC ES), a subsidiary of NEC Corporation (NEC; TSE: 6701), announced today that it has signed a contract to build and operate a total of 50MW of energy storage projects with VLC Energy, a new joint venture company created by Low Carbon, a renewable energy investment company, and VPI Immingham, the owner of one of the largest combined heat and power plants in Europe and part of the Vitol Group.

The projects, which include a 40 MW facility in Glassenbury, UK and a 10 MW installation in Cleator, UK will be the largest portfolio of battery sites connected to the UK grid once operational later this year. The Cleator and Glassenbury sites secured two contracts with National Grid in August 2016 for battery energy storage systems to provide Enhanced Frequency Response (EFR) to the UK system operator.

NEC ES will provide turnkey EPC and O&M services which includes its GSS[®] grid storage solution, installation and commissioning, and ten years of operations and maintenance services for each project. The facilities will be operated by NEC ES under the new EFR guidelines, will provide seasonal Triad avoidance services and will also participate in other markets. Project execution is already underway and the systems are expected to be installed and operational in November 2017.

Justin Thesiger, Operations Director, at Low Carbon, said, “We’re delighted to work with NEC Energy Solutions to develop the UK’s largest portfolio of energy storage plants for National Grid. These battery sites will pave the way for more renewable energy sources, such as solar power and wind energy, to be connected to the UK’s overall power mix by helping to balance energy supply and demand more effectively. This in turn should help to challenge the causes of climate change and meet growing demand for renewable energy.”

About NEC Energy Solutions

NEC Energy Solutions designs, manufactures, and integrates smart energy storage solutions for the electric grid and applications with critical power needs. Its megawatt-scale energy storage and control systems provide greater stability to the grid while maximizing renewable generation, while in telecom, datacenter, and other industrial applications, its high performance lithium-ion battery systems provide better value than traditional lead-acid batteries in tough, critical power applications. Learn more at www.neces.com.

About Low Carbon

Low Carbon is a privately owned investment company committed to the development and operation of renewable energy power production. Low Carbon invests into both renewable energy developers and projects across a range of renewable energy technologies including solar, wind, anaerobic digestion, combined heat and power, concentrated solar power and energy storage. Low Carbon has a strong management team with a proven track record in the development, construction, financing and management of renewable energy assets. For UK solar alone, Low Carbon has funded more than 320MW. Low Carbon remains involved in the projects for the long term with a dedicated asset management team that manages assets on balance sheet and for third parties (unlisted and listed). www.lowcarbon.com

About VPI Immingham

VPI Immingham is a combined heat and power (CHP) plant near Immingham, on the South Bank of the river Humber. It is one of the largest CHP plants in Europe, capable of generating 1,240 MW – about 2.5% of UK peak electricity demand and up to 930 tonnes of steam per hour, which is used by nearby oil refineries to turn crude oil into products such as gasoline.

It is part of the Vitol Group, an energy and commodities company. Vitol's primary business is the trading and distribution of energy products globally – it trades over six million barrels per day of crude oil and products and, at any time, has 200 ships transporting its cargoes.

Vitol's clients include national oil companies, multinationals, leading industrial and chemical companies and the world's largest airlines. Founded in Rotterdam in 1966, today Vitol serves clients from some 40 offices worldwide and is invested in energy assets globally including; circa 15.5mm³ of storage across six continents, 390kbpd of refining capacity and

Shell-branded downstream businesses in 16 African countries, as well as Australia. Revenues in 2015 were \$168 billion. www.vitol.com

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