

July 6, 2023

To the Warwick Valley Central School District, Members of the Board of Education, Superintendent Dr. Leach, and to parents and community members,

We thank you for the opportunity to address the recent event at the battery storage site. First and foremost, Convergent and Powin deeply regret the impact and disruption this event caused to the community.

Our companies have been working diligently to understand what caused this situation and to address it promptly and responsibly. Our teams have been on-site working closely with local authorities, emergency services, and relevant stakeholders to mitigate the impact on your community. We hope our absence does not create the impression that we are not sincerely interested in transparency and open communication, and we are committed to attend an in-person meeting in August when the investigation into these events is advanced and we can provide a more substantive update. In the meantime, we remain committed to working collaboratively with the School District and its engineers, continuing to welcome their active participation in the process as it has been since the start.

We want to thank the members of the school district staff and the community who participated in responding to this event. We particularly appreciate the leadership of Superintendent Dr. Leach, Assistant Superintendent for Business, Mr. Holmes, Director of Facilities Management, Mr. Harrington, as well as Chief Contaxis and the Warwick Fire District, Chief Rader and the Warwick Police Department, and Orange County and Warwick emergency response services, for their incredible management, responsiveness, and competence to ensure everyone's safety.

We appreciate that you have a lot of questions about this event, and we are doing our best to gather and process information to provide you with those answers. Right now, we need more time to advance that work so we can responsibly answer your questions. Here is the information we are currently able to share with you:

- The battery storage systems onsite at the school and at a second location in the Warwick community are designed to enhance Orange & Rockland's utility infrastructure, improve the power grid's reliability and prevent the community from experiencing blackouts.
- The batteries store energy from the grid when there is a surplus and discharge it back onto the grid when it is needed most. The system is a resource for Orange & Rockland to help the community reliably meet the increasing demand for electricity in this area. Systems like this one are used safely in communities nationwide.
- This system has the potential to increase reliability for approximately 7,500 Orange & Rockland customers in this region. These battery storage systems not only support the reliability of electricity, they can also reduce electricity costs for residents of this community, as they provide an alternative to larger-scale system upgrades.
- This site was not a warehouse for batteries, which is how it was described in some of the news reports made last week.
- Convergent leases the site from the Warwick Valley Central School District providing additional income for the School District.
- Convergent purchased the impacted battery storage systems from their manufacturer, Powin.

- On the evening of June 26<sup>th</sup> we observed smoke at the Church Street location. On June 27<sup>th</sup>, there was a fire the location behind the Bus Garage on County Road 1A.
- The safest way, and industry best practice, to respond to a fire involving a lithium-ion battery storage system is to monitor it rather than perform active intervention, such as using water or chemicals.
- This event involved Powin's newest model of battery storage systems, which are referred to as the Centipede.
- The event coincided with a series of weather events, including heavy rains, lightning, and high winds. Powin is in the early stages of determining the root cause of the incident and will be actively engaging with both Convergent, the School District and the broader community as the review progresses.
- The location and design of Convergent's projects provide sufficient space between the battery storage units and adjacent areas, to ensure that this type of event does not threaten the adjacent areas. Because of these practices, the fire did not spread beyond the impacted units located within the fence line at any point.
- During this incident at the School District location, the Orange County HAZMAT Response team's independent measurements of the air quality associated with the incident were considered, by HAZMAT, to be safe and at normal levels.
- Both project locations are disconnected from power and are expected to remain so until they can be safely activated. In the meantime, they will be closely monitored.
- We will continue to work closely with local agencies, and the Warwick Valley Central School District and its engineers, to provide updated information and answers to some of the questions you may have.

We want you to know that we are committed to finding out what happened so that we can answer the questions that you have. For more than a decade, Convergent has had a track record of safe operations. Convergent has never experienced an event like this before, and our company's goal is to continue to serve as a valued part of this community.

Powin has been manufacturing and installing utility-scale energy storage systems for nearly a decade without any reported thermal events of this magnitude.

Thank you for your patience as we look into what happened here so we can determine a safe and community-centric way forward. Respectfully,

The Convergent Executive Committee and Powin