



COMMONWEALTH OF VIRGINIA  
VIRGINIA DEPARTMENT OF ENERGY

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## Virginia Energy Awards \$3 Million to Rappahannock Electric Cooperative for Battery Energy Storage Systems

*Major Investment Strengthens Grid Reliability, Affordability, and Resilience*

**RICHMOND, VA** – The [Virginia Clean Energy Innovation Bank](#) (VCEIB), powered by Virginia Energy, has announced it will fund \$3 million to the Rappahannock Electric Cooperative (REC) to support the deployment of a battery energy storage system (BESS) in the cooperative's service territory.

The 4-megawatt, 4-hour system will be installed at a substation in Caroline County, addressing growing electricity demand by REC's 182,000 member-owners while supporting Virginia's All-American, All-of-the-Above Energy Plan.

"This investment is a clear demonstration of the VCEIB's drive to help Virginia's utilities lead the charge in adopting cutting-edge energy technologies," said **Glenn Davis, Director of the Virginia Department of Energy**. "REC's battery storage project is a powerful example of how targeted state investments can empower cooperatives to deliver affordable, reliable power today, while marking Virginia's rise as a national leader in energy innovation."

The BESS system is expected to generate almost \$9 million in net cost savings for REC members.

"Virginia is facing incredible energy challenges ahead. Our All-of-the-Above approach has focused not just on generation, but emerging technologies and battery storage," said **Julianne Szyper, Deputy Director of the Virginia Department of Energy**. "We are thankful for our state, private, and local partners who are working with us to ensure a reliable and affordable grid."

The project is expected to support approximately 45 jobs during implementation and may lead to permanent full-time employment opportunities.

“Battery energy storage is a critical tool in modernizing today’s electric grid,” said **Peter Muhoro, Chief Strategy, Technology and Innovation Officer at Rappahannock Electric Cooperative**. “By capturing energy during low-demand periods and deploying it when it is needed most, these systems enhance reliability, reduce costs and add essential flexibility to the grid. This project demonstrates our commitment to forward-looking, practical solutions that create long-term value for the communities we serve.”

The BESS system is scheduled to be operational by 2028.

Rappahannock Electric Cooperative (REC) is a member-owned, not-for-profit utility serving more than 184,000 connections across portions of 22 counties in Virginia. REC is committed to providing safe, reliable, affordable, and sustainable energy solutions while supporting regional economic development. For more information, visit [www.myrec.coop](http://www.myrec.coop).

### About the Virginia Clean Energy Innovation Bank

Through support for innovative initiatives like these, the VCEIB accelerates the deployment of clean power generation and energy infrastructure across the Commonwealth with loans and other financing options. By mobilizing public and private capital to address critical financing gaps in these sectors, the VCEIB supports the goals outlined in Virginia’s All-American, All-of-the-Above Energy Plan. Information about additional funding opportunities through the VCEIB is [available online](#).

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