



**June. 2024** In this Issue...

- ▶ U.S. Bets on Battery-Storage...
- ▶ IIR Project Spending Index ...
- ▶ U.S. Seafood & Aquaculture ...
- ▶ Join Industrial Info for an...



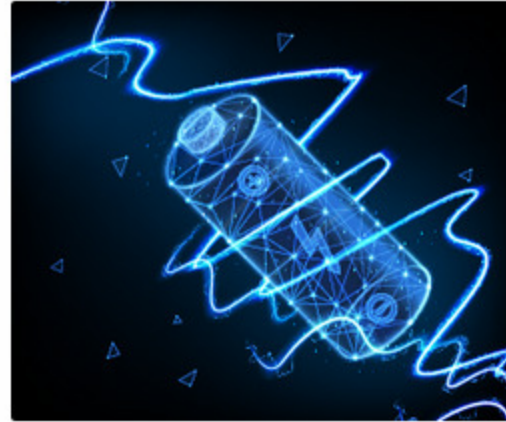
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## U.S. Bets on Battery-Storage Projects as Record Summer Heat Looms

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## U.S. Seafood & Aquaculture Projects Bring \$4.3 Billion in Potential Spending

The U.S. seafood and aquaculture sectors are significant components of the country's food system, contributing to both the economy and the diet of the country.

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## Join Industrial Info for an In-Person North American Spending Outlook

Industrial Info is pleased to be presenting our popular in-person Mid-Year North American Market Outlook event at the Sugar Land Marriott Hotel near IIR's world headquarters on June 12. Check-in and registration start at [...]

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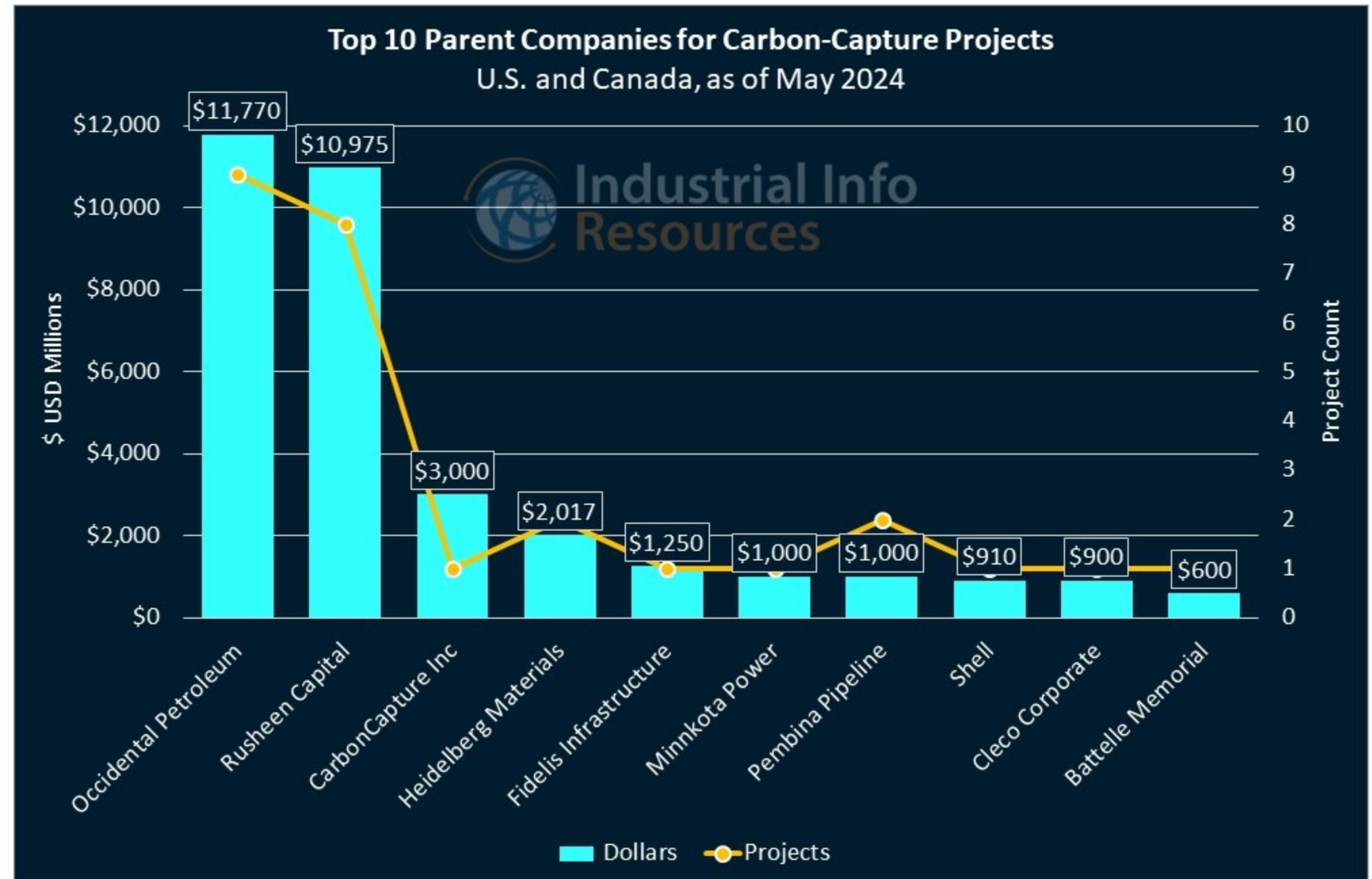
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## U.S. Bets on Battery-Storage Projects as Record Summer Heat Looms

The U.S. is bracing for another summer of brutal heat. The temperature outlook for summer (June-August) favors above-normal warmth for almost all the Lower 48 states, according to the National Oceanic and Atmospheric Administration, which also said this April was Earth's warmest on record. In recent years, many states have turned to battery energy-storage systems (BESS) to support power grids when nearly every air conditioner is chugging at top speed. Industrial Info is tracking about \$4.3 billion worth of BESS projects across the U.S. that have a medium or high likelihood (70% or more) of starting construction in the third quarter of 2024; they will join \$23 billion worth of U.S.-based BESS projects nearing or under construction.



Texas authorities cited BESS units as a major reason why the lights stayed on in the Lone Star State during last summer's heatwave and during peak demand in the winter. The Lone Star State is expected to add 6.4 gigawatts (GW) of new, grid-based battery capacity in Texas this year, according to the U.S. Energy Information Administration, which will bring its total capacity to about 10 GW.

California, long known for its extreme weather and occasional blackouts, follows Texas with 5.3 GW of BESS additions expected in 2024. But California still leads the U.S. in operational BESS capacity: The state already surpassed 10 GW of installed battery-storage capacity last month, an increase of 1,250% from 770 MW in 2019. For more information, see May 6, 2024, article - [California Reaches 10,000 MW of Battery-Storage Capacity](#).

At the beginning of the year, [Spearmint Energy](#) (Miami, Florida) finished construction and started operations at its **\$200 million Revolution BESS facility in McCamey, Texas**, which holds 150 megawatts (MW) via liquid-cooled storage units provided by [Sungrow](#) (Hefei, China). In April, Spearmint started construction on a project twice as big: the **\$400 million Red Egret BESS facility in Texas City, Texas**, which is expected to hold 300 MW via bidirectional inverters and other equipment from Sungrow. The Revolution facility sits near the heart of the Permian Basin, while the Red Egret facility is adjacent to the ever-busy Houston Ship Channel.

Spearmint's efforts have spurred support from the financial sector, which has been upping its investments in BESS and other energy-storage projects as summer heatwaves have worsened. In October, [Greenprint Capital Management](#) provided Spearmint with a \$92 million tax equity investment for Revolution, one of the first uses of the Investment Tax Credit structure for a standalone BESS following the passing of the Inflation Reduction Act of 2022, according to [Power Engineering](#). The same month, Spearmint announced the close of a \$200 million credit facility with [Aiga Capital Partners](#) (Jersey City, New Jersey) for Spearmint's broader, 1.2-gigawatt (GW) portfolio of BESS assets in the area serviced by the Electric Reliability Council of Texas (ERCOT).

Subscribers to Industrial Info's Global Market Intelligence (GMI) Power Project Database can read detailed reports on the [Revolution](#) and [Red Egret](#) projects.

Following last summer's heatwave, Michael Webber, an engineering professor at the University of Texas at Austin, told [Yale Climate Connections](#) that BESS units allowed the state's electricity grid to handle the extraordinary demand: "They really fill in the gap when there's a mismatch in supply from traditional power plants and demand from air conditioning. ... At one point, we even had [about] two and a half gigawatts worth of battery output to prop up the grid. That's like two nuclear power plants worth of batteries."

Texas isn't alone. Other states along the Gulf Coast already have experienced "extreme heat" conditions, which federal authorities define as periods of at least two to three days when temperatures stay above 90 degrees Fahrenheit. That includes Florida, where Miami's heat index recently hit 112 degrees—a full month before summer officially begins.

[Emera Incorporated](#) (Halifax, Nova Scotia) is at work on a **\$53 million BESS unit in Polk County, Florida**, roughly 50 miles east of Tampa, while [Origis Energy USA Incorporated](#) (Miami) expects to begin construction later this year on an **\$18 million BESS unit at the Sand Bluff Solar Plant in Gainesville**, about 50 miles southwest of Jacksonville; the units can hold up to 50 and 12 MW, respectively. Later this year, Origis expects to finish construction on a pair of BESS units that will store up to 400 MW for Lowndes County, Mississippi. Subscribers can read detailed reports on the [Polk County](#) and [Gainesville](#) projects, and learn more about the Mississippi projects from Industrial Info's May 22, 2024, article - [Origis Energy Aims to Boost Mississippi's Renewable Generation](#).

Traditional U.S. hotspots outside the Gulf also are seeing BESS project activity. [EDP Renewables North America](#) (Houston, Texas), a unit of Energias de Portugal S.A. (Lisbon, Portugal), expects to begin construction this summer on the 200-MW, **\$400 million Brittlebush Solar Park in Coolidge, Arizona**, which will include a 200-MW BESS, while [Capital Dynamics Limited](#) (New York, New York) could begin construction on the 200-MW, **\$300 million Eland 2 BESS unit in Cantil, California**, which would be built alongside the 200-MW, **\$280 million Eland 2 Solar Project**. Subscribers can read detailed reports on the [Brittlebush](#), [Eland 2 BESS](#) and [Eland 2 Solar](#) projects.

Subscribers to Industrial Info's GMI Project and Plant databases can [click here](#) for a full list of detailed reports for projects mentioned in this article, and [click here](#) for a full list of related plant profiles.

Subscribers can [click here](#) for a full list of reports for BESS projects across the U.S. that have a medium or high likelihood of starting construction in the third quarter of 2024.



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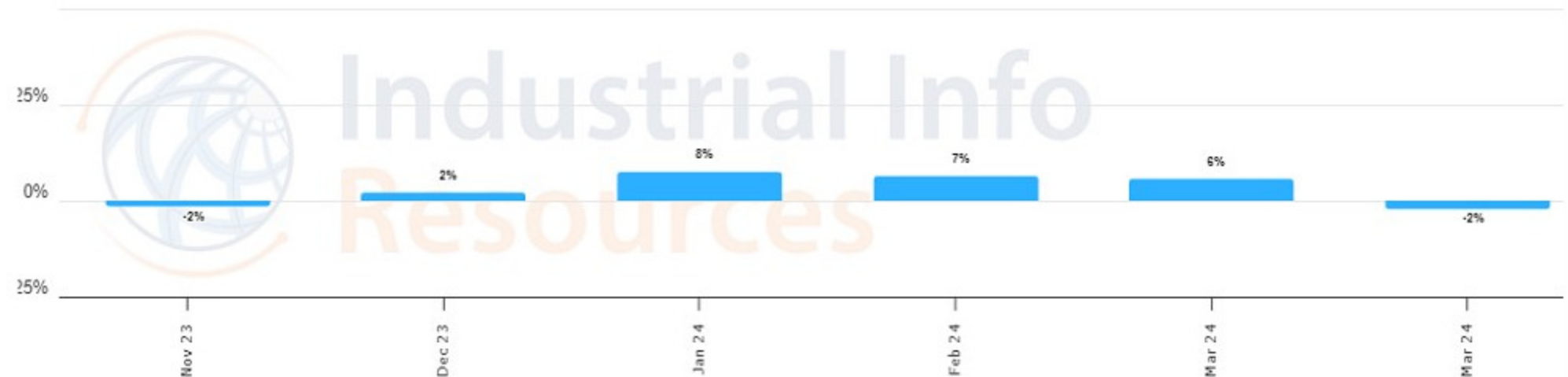
## IIR Project Spending Index Falls into Negative Territory

Industrial Info's latest [North American Industrial Project Spending Index](#) recorded a drop in year-over-year project spending, with large reductions seen in the Industrial Manufacturing and Pharmaceutical & Biotech industries, among others.

The active project value for April was \$850.34 billion, down 2.02% from a year earlier. The Project Spending Index is a monthly indicator that compares active spending rates with the same month in the previous year to get a measure of growth or contraction in the industrial market. The index provides spending details by industry and market region.

### North America Industrial Spending - April 2024

Active Project Value is \$850.34 Billion **-2.02%** Compared to April 2023



For April, just four of the 12 industries tracked by Industrial Info registered spending increases. Since January, overall spending generally has trended down.

The Industrial Manufacturing Industry registered a year-over-year spending drop of \$48.42 billion, or 17.58%. According to the Institute for Supply Management, manufacturing activity in the U.S. contracted in April. For related information, see May 3, 2024, article - [ISM: U.S. Manufacturing Activity Falls Back into Contraction Territory](#). According to the U.S. Federal Reserve's April Beige Book on economic activity, manufacturing activity declined slightly from February, as only three of its 12 districts reported growth in the industry. Industrial Manufacturing continues to see strength in various sectors, such as fulfillment centers. For more information, see May 17, 2024, article - [From Click to Doorstep: U.S. Sees Investment Surge in Fulfillment Centers](#).

The Pharmaceutical & Biotech Industry, meanwhile, registered a spending drop of \$12.98 billion, or 25.68%. The medical devices and equipment sector remains robust. For more information, see April 2, 2024, article - [Medical Devices & Equipment Sector Brings Billions in Spending to the U.S.](#)

Industries that registered year-over-year spending increases included Power (up 23.44%), Oil & Gas Terminals (up 3.8%), Chemical Processing (up 154.95%) and Pulp, Paper & Wood (up 29.96%).



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## U.S. Seafood & Aquaculture Projects Bring \$4.3 Billion in Potential Spending

The U.S. seafood and aquaculture sectors are significant components of the country's food system, contributing to both the economy and the diet of the country. The U.S. seafood industry includes commercial fishing, seafood processing and distribution. Aquaculture, or fish farming, is the practice of raising fish or shellfish in controlled environments. This sector is growing rapidly in the U.S. as it becomes a vital supplement to wild-caught seafood, availability of which seems to lessen each year. In addition, multiple companies process and distribute both wild and farm-raised fish and shellfish products, sometimes creating prepared, value-added products such as breaded or precooked seafood. Industrial Info is tracking \$4.3 billion in active projects at fish and seafood plants across the U.S.

The U.S. aquaculture segment represents more than \$2.5 billion in potential spending, but many of these projects are facing increasing scrutiny and permitting challenges from local governments and communities. Most of these projects are set to kick off at a future date, with one of the highest-probability projects expected to start very soon in Virginia. Construction on [Pure Salmon Limited's](#) (Abu Dhabi) salmon aquaculture facility in Tazewell County was delayed last year after the discovery of clay in the ground that would not support the weight of the aquaculture tanks. However, Industrial Info's most recent update of the project shows an expected start date this summer.

Pure Salmon said it placed low-mobility grout and wick drains in the soil for settling and surcharge, which is placing weight over a building area to simulate the future weight of the facility and rapidly settle the soil. Surcharge wait times are between four months and a year, depending on soil depth and compaction, according to Pure Salmon. The work that is planned to start in June will focus on earth work and soil remediation, followed by foundation and piping. Pure Salmon now is aiming for a 2028 completion date for the project, which will produce between 10,000 and 20,000 tons per year of salmon. Subscribers to Industrial Info's Global Market Intelligence (GMI) Food & Beverage Project Database can learn more by viewing the [project report](#).

The first phase of a yellowtail aquaculture facility also is expected to kick off this year in Jonesport, Maine. [Kingfish Zeeland](#) (Kats, Netherlands) will construct an 86,700-square-foot, state-of-the-art recirculating aquaculture system that is expected to produce between 6,000 and 8,000 tons of yellowtail fish per year. Initial construction is expected to begin this summer, and toward the end of this year, Kingfish plans to launch construction on one of the plant's most important components: the wastewater treatment system. The dissolved air flotation system will be able to handle more than 28 million gallons of water per day. Both components of the project are expected to begin operations in 2025. Kingfish is keeping open the possibility of further expansion. Subscribers can learn more by viewing the reports on the [aquaculture facility](#) and [wastewater system](#).

Outside of hatcheries and farming, several projects are on the books for the seafood-processing sector. [Rich Products Corporation's](#) seafood brands include SeaPak and Morey's Fine Fish & Seafood. The company is underway with the expansion of its frozen products factory in Brownsville, Texas, more than doubling the size of the facility with a 159,000-square-foot building addition that will include substantial freezer space. The project first turned earth last year and is expected to be completed this summer. New production lines are expected to be completed at the plant next year. Subscribers can learn more by viewing by the project reports on the [building expansion](#) and [line addition](#) projects.

Another well-known frozen seafood provider, [Gorton's Incorporated](#) (Gloucester, Massachusetts), which produces a wide range of fish, shrimp and crab products, is constructing a grassroot production plant in Lebanon, Indiana, to expand its production capabilities beyond its main Massachusetts plant. Construction is expected to begin soon and will entail building a 110,000-square-foot facility to process, cook and package the company's seafood products. Construction is expected to be completed by the end of next year. Subscribers can learn more by viewing the [project report](#).

[Southwind Foods](#) (Carson, California) sells a wide range of fresh and frozen seafood products under various brands and is constructing a grassroot production facility in Salt Lake City, Utah. The 40,000-square-foot plant will house packaging and processing machinery to provide the company's products, which range from tuna steaks to wild and farmed shellfish to breaded calamari rings. Work on the plant kicked off last summer and is expected to be completed this fall. Subscribers can learn more by viewing the [project report](#).

Subscribers to Industrial Info's GMI Food & Beverage Database can [click here](#) to view reports for all of the projects discussed in this article and [click here](#) for the related plant profiles.



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## Join Industrial Info for an In-Person North American Spending Outlook

Industrial Info is pleased to be presenting our popular in-person Mid-Year North American Market Outlook event at the Sugar Land Marriott Hotel near IIR's world headquarters on June 12. Check-in and registration start at 3 p.m., and the presentations begin at 4 p.m.

As we approach the mid-year mark of 2024, challenges like geopolitical tensions and the upcoming election may affect economic stability and the execution of certain projects. Legislation such as the Infrastructure Investment and Jobs Act and the Inflation Reduction Act of 2022 are providing incentives for electric vehicle adoption and renewable energy development, as well as for clean hydrogen production, distribution and storage. Simultaneously, the CHIPS and Science Act is driving the expansion of the semiconductor manufacturing industry that will stabilize the U.S. supply chain.

The manufacturing sector stands out as a critical industry impacting the overall industrial construction market, doubling in size over the last two years and focusing on sectors like automotive, electric vehicle parts production, semiconductors, data centers and distribution facilities. In this mid-year outlook presentation, join IIR's group of industry experts as they discuss the progress made this year and how trends are playing out for the next 12 to 24 months.

Presentation subjects will include:

- A global market outlook
- Petroleum Refining and Alternative Fuels
- Midstream gas processing and LNG markets
- Chemical Processing
- Electric Power
- North America spending forecast

Earlier in the afternoon, IIR will present interactive training workshops to facilitate a better understanding of our products. After the outlook presentations, a networking event with complimentary food and beverages will be held, allowing you to mingle with your peers and ask further questions of our industry experts.

We hope that you are able to join us in Sugar Land on June 12! Spaces go quickly, so reserve your place early. To learn more and RSVP, [click here](#).