Commission to Study the Economic, Environmental and Energy Benefits of Energy Storage to the Maine Electricity Industry - Considerations for Suggested Legislation (December 2, 2019)

Resolve 2019, c.83 requires the commission to submit a report to EUT that includes *findings and recommendations including any suggested legislation*. It further specifies that suggested legislation must include adopting procurement targets for energy storage *if* determined beneficial for ratepayers.

Question: For which, if any, recommendations does the Commission want the report be supplemented with actual draft legislation?

1. Establish Targets for Energy Storage Development

a. *Amend the statutes* to establish a State goal of reaching 100 megawatts (MW) of energy storage capacity available in the State by the end of 2025.

2. Encourage Energy Storage in Renewable Energy Procurement

a. *Amend the statutes* to provide an adder for energy storage in procurements of new renewable generation resources under 35-A MRSA section 3210-G and of DG resources under 35-A MRSA, chapter 34-C in the contract price, subject to certain conditions; direct PUC to determine the specific value (or formula) along with eligibility criteria for this "adder" through a rulemaking or other appropriate PUC proceeding.

3. Advance Energy Storage as an Energy Efficiency Resource

- a. *Amend the statutes* governing EMT to ensure that EMT's authority explicitly and affirmatively includes energy storage, by adding direct references to energy storage in relevant sections of statute, including definitions;
- b. Direct EMT to develop opportunities through its programs and initiatives to use energy storage to reduce peak electricity demand.

4. Clarify Utility Ownership of Energy Storage

a. Direct PUC to open a docket to examine issues related to the ownership and operation of energy storage by transmission and distribution utilities.

5. Address Rate Design and Energy Storage

- a. Direct PUC to open a docket to investigate opportunities to modernize electricity rate design through time-of-use, or other time-differentiated rates, that send appropriate price signals and incentives to consumers to reduce demand during peak periods.
- b. Direct PUC to develop and implement a pilot program to test and evaluate time-of-use rates in conjunction with energy storage
- c. Direct PUC to develop and implement a schedule for regular review and update of electricity rate designs and ensure that the review include consideration of time differentiated rates.

6. Advocate for Energy Storage in the Regional Energy Markets

a. Direct PUC, Governor's Energy Office (GEO) and other state agencies as appropriate to seek opportunities to advocate for consideration of energy storage opportunities by ISO-New England in regional market planning and design.

7. Conduct In-depth Analysis of Energy Storage Costs, Benefits and Opportunities

- a. Direct GEO to conduct a comprehensive analysis to evaluate and quantify the costs, benefits and opportunities for energy storage in the State and develop specific recommendations for future policy and program development; provide necessary resources to carry out this work.
- b. *Amend the statutes* governing GEO State Energy Plan to require the plan, and biennial updates to the plan, specifically address energy storage development. (2 MRSA §9 sub§3)