

SENATE No. 2168

The Commonwealth of Massachusetts

PRESENTED BY:

Marc R. Pacheco

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to energy storage procurement for 2030 and 2035.

PETITION OF:

NAME:

Marc R. Pacheco

DISTRICT/ADDRESS:

Third Bristol and Plymouth

SENATE No. 2168

By Mr. Pacheco, a petition (accompanied by bill, Senate, No. 2168) of Marc R. Pacheco for legislation relative to energy storage procurement for 2030 and 2035. Telecommunications, Utilities and Energy.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act relative to energy storage procurement for 2030 and 2035.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 25A of the General Laws is hereby amended by adding the
2 following section:-Section 19. (a) The department shall establish an energy storage system target
3 for the deployment of energy storage systems by distribution company customers, distribution
4 companies and municipal lighting plants to achieve a statewide energy storage deployment target
5 of 2,000 megawatts by January 1, 2030 and a subsequent statewide energy storage deployment
6 target to be achieved by January 1, 2035.

7 The department shall set annual statewide deployment targets to be achieved in each
8 distribution company’s and municipal lighting plant’s service territory in order to reach the
9 energy storage system targets required under this section.

10 (b) To achieve the annual targets established in subsection (a), the department may
11 consider a variety of deployment mechanisms and may require policies to encourage the cost-
12 effective deployment of energy storage systems including, but not limited to: (i) distribution

13 company or municipal lighting plant programs to encourage private deployment of energy
14 storage systems by their customers; (ii) procurement of cost-effective energy storage systems to
15 be owned and operated by a distribution company; provided, however, that any such
16 procurement shall finance the deployment of energy storage systems for the purpose of: (1) a
17 nonwires alternative to investment in distribution; (2) deferring investment in distribution
18 infrastructure that would otherwise be needed to address actual or forecasted overloads on
19 distribution circuits or at substations; or (3) improving the capability of the distribution system to
20 recover from adverse events that otherwise could result in long-term outages in critical areas of
21 the distribution system; (iii) the use of alternative compliance payments collected pursuant to
22 subsection (e) to fund a grant program for private development; and (iv) the use of energy
23 storage to replace fossil generation and the use of energy efficiency funds under section 19 of
24 chapter 25 if the department determines that customer-owned energy storage provides
25 sustainable peak load reductions on either the electric or gas distribution systems and is
26 otherwise consistent with section 11G of this chapter.

27 (c) A distribution company shall not own or operate energy storage systems equal to
28 more than 20 per cent of the annual target established by the department for the distribution
29 company's service territory established in subsection (a) for the purpose of achieving the annual
30 targets; provided, however, that the department shall ensure that no distribution company shall
31 prevent or interfere with a customer or developer's ability to enter into agreements to own or
32 operate behind the meter energy storage systems.

33 (d) Each distribution company and municipal lighting plant shall annually make a map
34 available that identifies areas of critical need for energy storage systems within their service
35 territory. Each distribution company and municipal light plant shall identify on the map areas of

36 actual or forecasted overloads on distribution circuits or at substations. The map shall aggregate
37 system detail as necessary for distribution system security.

38 (e) The department shall promulgate regulations to: (i) establish a carve-out of the
39 alternative energy portfolio standard obligation under section 11F1/2 for energy storage systems
40 as defined in section 1 of chapter 164; and (ii) allow each distribution company and municipal
41 lighting plant to discharge its obligations under this section by either procuring attributes from
42 energy storage systems that qualify under the carve-out established pursuant to this section or by
43 making an alternative compliance payment in an amount to be established by the department.
44 The regulations shall require distribution companies and municipal lighting plants to annually
45 submit to the department a report that shows it is in compliance with this section.

46 (f) Annually, not later than December 1, the department shall make available on its
47 website a report on the energy storage system target program.

48 (g) The department shall promulgate regulations to implement this section.