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S.P. 640

In Senate, December 22, 2017

Resolve, Establishing the Commission To Study the Economic, Environmental and Energy Benefits of Energy Storage to the Maine Electricity Industry

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 19, 2017. Referred to the Committee on Energy, Utilities and Technology pursuant to Joint Rule 308.2 and ordered printed.

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HEATHER J.R. PRIEST Secretary of the Senate

Presented by President THIBODEAU of Waldo.

Cosponsored by Speaker GIDEON of Freeport and

Senators: DION of Cumberland, HILL of York, MAKER of Washington, WOODSOME of York, Representatives: BERRY of Bowdoinham, GILLWAY of Searsport, PIERCE of Dresden, SANBORN of Portland.

1 **Emergency preamble. Whereas,** acts and resolves of the Legislature do not 2 become effective until 90 days after adjournment unless enacted as emergencies; and

3 Whereas, this resolve establishes the Commission To Study the Economic, 4 Environmental and Energy Benefits of Energy Storage to the Maine Electricity Industry 5 to examine the electricity industry in the State and the potential and benefits of energy 6 storage; and

7 Whereas, the study must be initiated before the 90-day period expires in order that 8 the study may be completed and a report submitted in time for submission to the next 9 legislative session; and

10 Whereas, in the judgment of the Legislature, these facts create an emergency within 11 the meaning of the Constitution of Maine and require the following legislation as 12 immediately necessary for the preservation of the public peace, health and safety; now, 13 therefore, be it

14 **Sec. 1. Commission established. Resolved:** That the Commission To Study 15 the Economic, Environmental and Energy Benefits of Energy Storage to the Maine 16 Electricity Industry, referred to in this resolve as "the commission," is established; and be 17 it further

18 Sec. 2. Membership. Resolved: That, notwithstanding Joint Rule 353, the
 19 commission consists of 13 members appointed as follows:

Two members of the Senate appointed by the President of the Senate, including a
 member from each of the 2 parties holding the largest number of seats in the Legislature;

2. Three members of the House of Representatives appointed by the Speaker of the
House of Representatives, including a member from each of the 2 parties holding the
largest number of seats in the Legislature;

- 25 3. Four members appointed by the President of the Senate as follows:
- A. A representative of the energy storage industry;
- 27 B. A representative of the hydroelectric energy storage industry;
- 28 C. A representative of an electric utility in the State; and
- D. A representative of academia with suitable expertise in the electricity industry;
 and
- 31 4. Four members appointed by the Speaker of the House of Representatives as32 follows:
- 33 A. A representative of a conservation organization;
- B. A representative of a business that uses a significant amount of electricity in the
 State;
- 36 C. A representative of a large-scale battery energy storage system owner; and

1 D. A representative of a small-scale battery energy storage system owner; and be it 2 further

3 Sec. 3. Commission chairs. Resolved: That the first-named Senate member is 4 the Senate chair and the first-named House of Representatives member is the House chair 5 of the commission; and be it further

6 Sec. 4. Appointments; convening of commission. Resolved: That all appointments must be made no later than 30 days following the effective date of this 7 resolve. The appointing authorities shall notify the Executive Director of the Legislative 8 Council once all appointments have been completed. After appointment of all members, 9 10 the chairs shall call and convene the first meeting of the commission. If 30 days or more after the effective date of this resolve a majority of but not all appointments have been 11 made, the chairs may request authority and the Legislative Council may grant authority 12 for the commission to meet and conduct its business; and be it further 13

14 Sec. 5. Duties. Resolved: That the commission shall:

 Review and evaluate the economic, environmental and energy benefits of energy storage to the State's electricity industry, as well as public policy and economic proposals to create and maintain a sustainable future for energy storage in the State;

Consider the challenges of the broad electricity market in the State, including
 challenges with transmission and stranded renewable energy generation in northern
 portions of the State, and analyze whether energy storage is part of a transmission
 solution;

Consider whether the environmental, economic, resiliency and energy benefits of
 energy storage support updating the State's energy policy to strengthen and increase the
 role that energy storage plays throughout the State;

25 4. Consider the costs and benefits of energy storage system procurement targets, including benefits of cost savings to ratepayers from the provision of services, including 26 energy price arbitrage, capacity, ancillary services and transmission and distribution asset 27 28 deferral or substitution; direct cost savings to customers that deploy energy storage 29 systems; an improved ability to integrate renewable resources; improved reliability and 30 power quality; the effect on retail electric rates over the life of a given energy storage system compared to the effect on retail electric rates using alternatives to energy storage 31 systems over the life of the alternatives; reduced greenhouse gas emissions; and any other 32 33 costs and benefits reasonably related to the application of energy storage system technology, compared to the effect of leaving current policies in place; and 34

35 5. Examine any other issues to further the purposes of the study.

In carrying out the duties under this section, the commission shall seek public input
 and shall consult and collaborate with stakeholders and experts in the fields of economic
 development, natural resources and energy policy; and be it further

1 Sec. 6. Meetings. Resolved: That the commission shall hold at least 4 meetings; 2 and be it further

Sec. 7. Staff assistance. Resolved: That the Legislative Council shall provide necessary staffing services to the commission. The commission may invite the Department of Economic and Community Development, the Public Utilities Commission, the Office of the Public Advocate, the Governor's Energy Office and the Efficiency Maine Trust and other appropriate agencies of State Government to provide additional staff support or assistance to the commission; and be it further

9 Sec. 8. Report. **Resolved:** That, no later than November 7, 2018, the 10 commission shall submit a report that includes its findings and recommendations, including suggested legislation, including, but not limited to, legislation adopting 11 procurement targets for the State for energy storage systems behind customer meters and 12 energy storage systems connected to transmission or distribution facilities if proven 13 beneficial for ratepayers in the cost-benefit analysis under section 5, for presentation to 14 the joint standing committee of the Legislature having jurisdiction over energy, utilities 15 and technology matters. 16

Emergency clause. In view of the emergency cited in the preamble, this
 legislation takes effect when approved.

- 19 SUMMARY
- This resolve establishes the Commission To Study the Economic, Environmental and
 Energy Benefits of Energy Storage to the Maine Electricity Industry.