MAINE STATE LEGISLATURE

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128th MAINE LEGISLATURE

SECOND REGULAR SESSION-2018

Legislative Document

No. 1741

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.

HEATHER J.R. PRIEST Secretary of the Senate

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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 2	Emergency preamble. Whereas, acts and resolves of the Legislature do no become effective until 90 days after adjournment unless enacted as emergencies; and
3 4 5 6	Whereas, this resolve establishes the Commission To Study the Economic Environmental and Energy Benefits of Energy Storage to the Maine Electricity Industry to examine the electricity industry in the State and the potential and benefits of energy storage; and
7 8 9	Whereas, the study must be initiated before the 90-day period expires in order that the study may be completed and a report submitted in time for submission to the nex legislative session; and
10 11 12 13	Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now therefore, be it
14 15 16 17	Sec. 1. Commission established. Resolved: That the Commission To Study the Economic, Environmental and Energy Benefits of Energy Storage to the Maine Electricity Industry, referred to in this resolve as "the commission," is established; and be it further
18 19	Sec. 2. Membership. Resolved: That, notwithstanding Joint Rule 353, the commission consists of 13 members appointed as follows:
20 21	1. 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;
22 23 24	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:
26	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
29 30	D. A representative of academia with suitable expertise in the electricity industry and
31 32	4. Four members appointed by the Speaker of the House of Representatives as follows:
33	A. A representative of a conservation organization;
34	B. A representative of a business that uses a significant amount of electricity in the

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C. A representative of a large-scale battery energy storage system owner; and

- D. A representative of a small-scale battery energy storage system owner; and be it further
 - **Sec. 3. Commission chairs. Resolved:** That the first-named Senate member is the Senate chair and the first-named House of Representatives member is the House chair of the commission; and be it further
 - **Sec. 4. Appointments; convening of commission. Resolved:** That all appointments must be made no later than 30 days following the effective date of this resolve. The appointing authorities shall notify the Executive Director of the Legislative Council once all appointments have been completed. After appointment of all members, 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 made, the chairs may request authority and the Legislative Council may grant authority for the commission to meet and conduct its business; and be it further

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

- 1. 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;
- 2. 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;
- 3. 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;
- 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 energy price arbitrage, capacity, ancillary services and transmission and distribution asset deferral or substitution; direct cost savings to customers that deploy energy storage systems; an improved ability to integrate renewable resources; improved reliability and 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 systems over the life of the alternatives; reduced greenhouse gas emissions; and any other costs and benefits reasonably related to the application of energy storage system technology, compared to the effect of leaving current policies in place; and
 - 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 2	Sec. 6. Meetings. Resolved: That the commission shall hold at least 4 meetings; and be it further
3	Sec. 7. Staff assistance. Resolved: That the Legislative Council shall provide
4	necessary staffing services to the commission. The commission may invite the
5	Department of Economic and Community Development, the Public Utilities Commission,
6	the Office of the Public Advocate, the Governor's Energy Office and the Efficiency
7	Maine Trust and other appropriate agencies of State Government to provide additional
8	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,
11	including suggested legislation, including, but not limited to, legislation adopting
12	procurement targets for the State for energy storage systems behind customer meters and
13	energy storage systems connected to transmission or distribution facilities if proven
14	beneficial for ratepayers in the cost-benefit analysis under section 5, for presentation to
15	the joint standing committee of the Legislature having jurisdiction over energy, utilities
16	and technology matters.
17	Emergency clause. In view of the emergency cited in the preamble, this
18	legislation takes effect when approved.

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20 21 This resolve establishes the Commission To Study the Economic, Environmental and Energy Benefits of Energy Storage to the Maine Electricity Industry.