

HOUSE No. 1746

The Commonwealth of Massachusetts

PRESENTED BY:

Patricia A. Haddad

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 to advance energy storage.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: | DATE ADDED: |
|---------------------------|-----------------------------------|------------------|
| <i>Patricia A. Haddad</i> | <i>5th Bristol</i> | <i>1/11/2017</i> |
| <i>Josh S. Cutler</i> | <i>6th Plymouth</i> | |
| <i>Marc R. Pacheco</i> | <i>First Plymouth and Bristol</i> | |
| <i>Carlos González</i> | <i>10th Hampden</i> | |

HOUSE No. 1746

By Mrs. Haddad of Somerset, a petition (accompanied by bill, House, No. 1746) of Patricia A. Haddad and others for legislation to require the Department of Energy Resources to establish certain statewide energy storage deployment targets. Telecommunications, Utilities and Energy.

The Commonwealth of Massachusetts

In the One Hundred and Ninetieth General Court
(2017-2018)

An Act to advance energy storage.

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

1 (i) WHEREAS, energy storage is a rapidly maturing technology that can provide
2 energy, environmental, and cost-reduction benefits to the Commonwealth;

3 (ii) WHEREAS, the need for energy storage will increase with the adoption of
4 intermittent renewable energy resources;

5 (iii) WHEREAS, capturing the benefits of energy storage depends on long-term
6 market certainty;

7 (iv) WHEREAS, demonstrated leadership from the Department of Energy Resources
8 in setting energy storage targets for 2020 must be supplemented with additional policies beyond
9 2020;

10 Therefore:

11 (a) On or before December 31, 2018, the department of energy resources shall set a
12 statewide deployment target of 1,766 MW of cost effective energy storage to be achieved by
13 January 1, 2025.

14 (b) On or before December 31, 2020, the department of energy resources shall set a
15 subsequent statewide energy storage deployment target to be achieved by January 1, 2030.

16 (c) Energy storage targets established in sections (a) and (b) shall include minimum
17 and maximum limits on the quantity of energy storage that can be owned by load serving
18 entities.

19 (d) As part of the determinations in sections (a) and (b), the department may consider
20 a variety of policies to encourage the cost-effective deployment of energy storage systems,
21 including the refinement of existing procurement methods to properly value energy storage
22 systems, the use of alternative compliance payments to develop pilot programs, the use of energy
23 storage to replace baseload generation and the use of energy efficiency funds under section 19 of
24 chapter 25 of the General Laws if the department determines that customer-owned energy
25 storage provides sustainable peak load reductions on either the electric or gas distribution
26 systems and is otherwise consistent with section 11G of chapter 25A of the General Laws.

27 (e) The department shall reevaluate the procurement targets not less than once every
28 3 years.

29 (f) Not later than January 1, 2025, each load serving entity shall submit a report to
30 the department of energy resources demonstrating that it has complied with the energy storage
31 system procurement targets and policies adopted by the department pursuant to section (a).

32 (g) Not later than January 1, 2030, each load serving entity shall submit a report to
33 the department of energy resources demonstrating that it has complied with the energy storage
34 system procurement targets and policies adopted by the department pursuant to section (b).

35 (h) The department may establish alternative compliance payments for load serving
36 entities for failure to procure energy storage in sufficient quantities to meet the targets
37 established in sections (a) and (b).