



STATE OF CONNECTICUT

PUBLIC UTILITIES REGULATORY AUTHORITY

Marissa P. Gillett, Chairman
John W. Betkoski III, Vice Chairman
Michael A. Caron, Commissioner

Energy and Technology Committee

Public Hearing, March 5, 2020

Testimony submitted and presented by:
PURA Position:

Marissa P. Gillett, Chairman
Support

Raised H.B. 5351 – An Act Concerning Certain Programs and to Incentivize and Implement Electric Energy Storage Resources

Thank you for the opportunity to present testimony regarding **An Act Concerning Certain Programs and to Incentivize and Implement Electric Energy Storage Resources, H.B. 5351**. The Public Utilities Regulatory Authority (PURA) welcomes the opportunity to offer the following **supportive testimony**.

Storage Target

PURA supports the proposed storage target of 1,000 MW by 2030. Unquestionably, storage will become increasingly important, as the state moves toward a 100 percent zero carbon electric grid by 2040. The proposed legislation rightly positions storage as an avenue to minimize electric distribution costs, maintain electric grid reliability, and further decarbonize the state's electric grid by firming intermittent renewable energy sources.

Importance of Energy Storage

There are a wide variety of energy storage technologies and applications of those technologies, each providing different benefits to the grid and to the bulk power system. The unique characteristic of all storage technologies and technology applications is that each can provide multiple value streams. For example, a customer-sited solar PV plus battery storage system can provide customer resilience during an outage while also providing peak shaving benefits to all ratepayers when the grid is operational. Some of the myriad benefits storage can provide to the grid include:

- Customer resilience
- Supporting more cost-effective integration of DERs
- Firming intermittent renewable energy resources
- Local and community resilience
- Peak shaving
- Providing ancillary services
- Avoiding or deferring distribution system upgrades

Currently, Connecticut does not have a specific program to incentivize energy storage. Additionally, current retail electric rates and rate design are, for the most part, insufficient to incent deployment of energystorage. Programs in other states have shown that, if strategically designed, electric storage can provide positive net present value benefits to all ratepayers.

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This bill would require PURA to develop such program(s) that provide “net present value to all ratepayers” in a manner that maximizes the cost-effectiveness of such program(s), leverages the multiple value streams of storage, and ensures a long-term future for the storage industry in Connecticut. PURA stands ready to implement Section 1 of this bill through its Equitable Modern Grid proceedings, which will allow any new storage program(s) to be evaluated comprehensively in the context of Connecticut’s grid of the future. Developing storage program(s) through PURA’s Equitable Modern Grid proceedings will also provide stakeholders with the time, level of engagement, transparency, and accountability such new programs deserve.

Thank you for the opportunity to present testimony on this proposal. If you should require any additional information, please contact Taren O’Connor at 860-827-2689 or taren.oconnor@ct.gov.

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