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Regulatory Insights from the Southeastern Energy Storage Workshop

OE Energy Storage Peer Review
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Southeastern Energy Storage Seminar and Workshop

On July 17-18, 2019, DOE, Sandia, PNNL and Southern Research convened a seminar for staff from state regulatory commissions in the Southeastern and Mid-Atlantic regions, held at Southern Research facilities in Birmingham, AL.



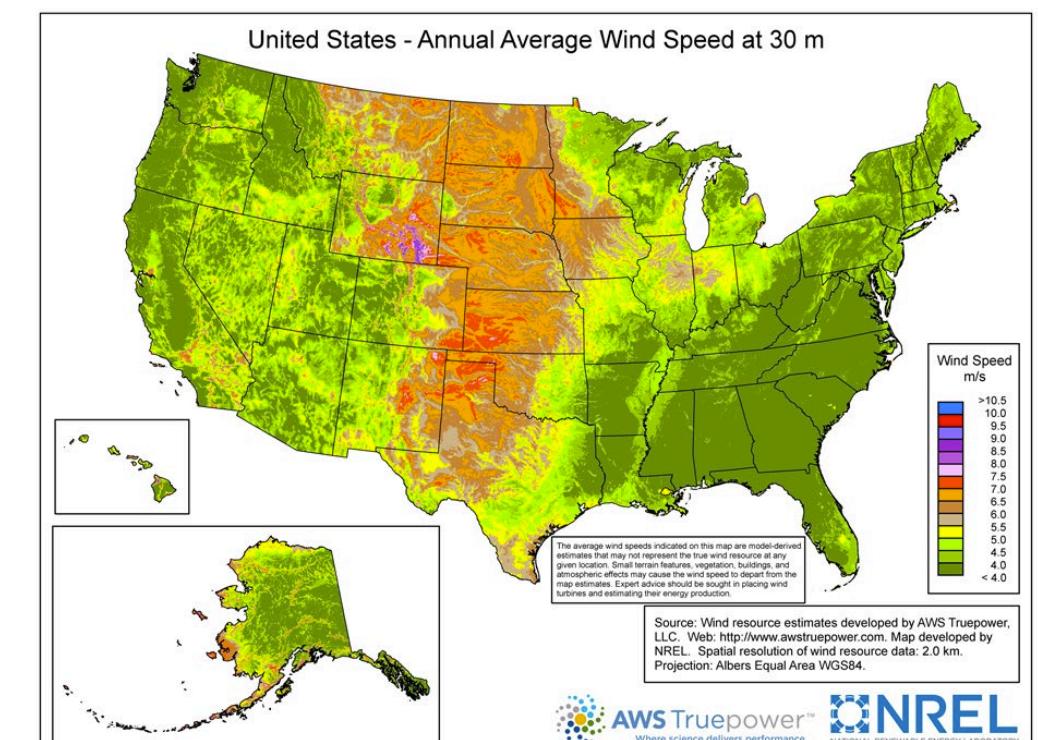
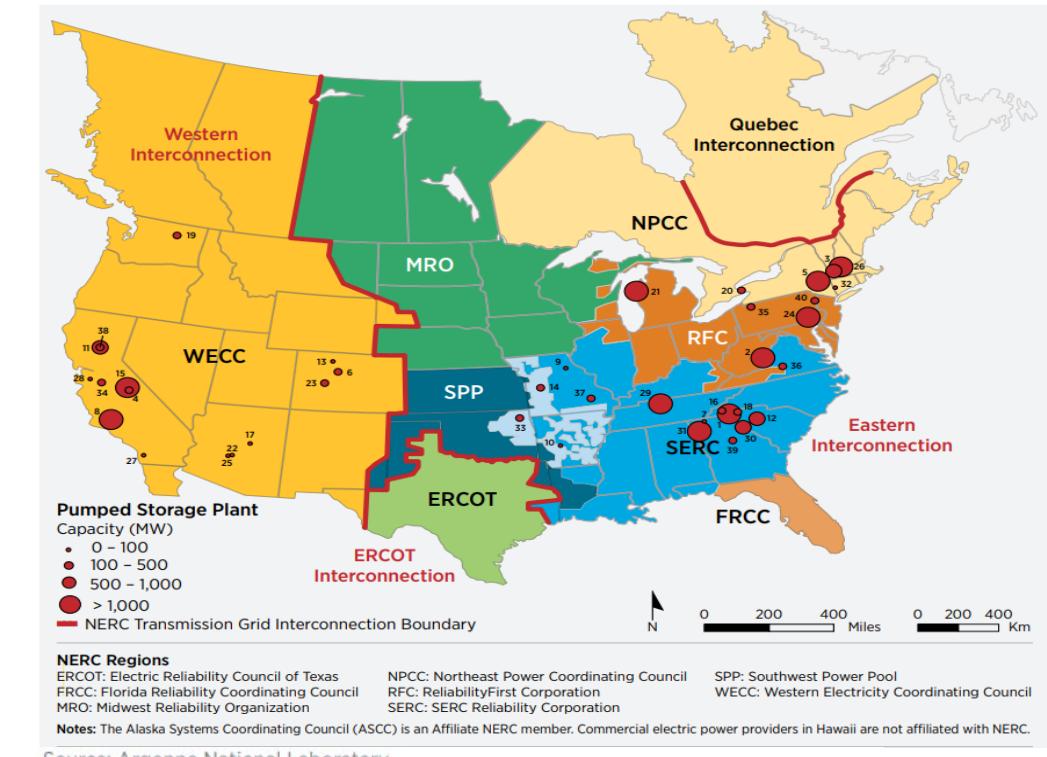
- To facilitate discussion about the challenges that staff face in current regulatory proceedings involving energy storage;
- To open channels for future interaction and technical or policy assistance;
- To provide training to establish a baseline understanding of current energy storage technology and economics; and
- To solicit feedback from program participants about how future research and training can be designed to meet state needs.



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Southeastern Context

- Unique aspects to storage opportunity in Southeastern US regulatory landscape:
 - **Vertically integrated utilities can capture many values.** Dominated by vertically integrated utilities, with some participation in MISO and PJM represented, though they may have service-specific procurements.
 - **Few explicit state policies (MD, VA).** Storage proposals originate from utilities and third-parties, and may not have significant rigor for selection or volume.
 - **Role in transitional resource mix.** Thermal plant decommissioning underway, and renewable energy growth limited by lack of a wind resource and transmission.



Key State Themes

- Blurred traditional resource planning and procurement process
- Unclear role of storage in state energy policies
- Corporate demand is a significant driver
- Important emerging applications, such as transmission and resilience, will require regulatory innovation

State Commissions Represented

Alabama Public Service Commission

Arkansas Public Service Commission

Florida Public Service Commission

Georgia Public Service Commission

Kentucky Public Service Commission

Maryland Public Service Commission

New Jersey Board of Public Utilities

North Carolina Utilities Commission

Virginia State Corporation Commission

Workshop Benefits and Takeaways

Commissions and Staff

- Shared experiences between commissions, beyond individual dockets
- Independent and reliable information on storage technologies, costs, deployments, and commercialization
- Practical approaches and best practices employed nationally

Regulatory Program

- Learn priority issues and technical challenges for regulators without policy guidance
- Discover inflection point in storage investments without policy requirements, new economic drivers (e.g. Manatee)
- Design research to support next generation of technical issues for regulators related to deployment (taxation, allocation, ratebase, safety, operations).

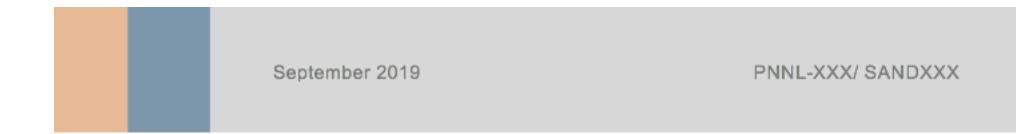
Recommendations and Deliverables

- Recommendations:

- Program activities should be constantly realigned with emerging needs;
- Face-to-face events have important pedagogical value;
- Research gaps related to the operational characteristics, applications, and economic value of solar-storage resources and other hybrid-storage developments.

- Forthcoming workshop summary

- Twitchell, JB, HD Passell, RS O'Neil. "Southeastern Energy Storage Seminar and Workshop: Report on Proceedings and Lessons Learned." Anticipated publication September 2019.
- Includes a memo providing an overview of all storage-relevant state activities (*State-by-State Storage Activities Overview*).



Southeastern Energy Storage Seminar and Workshop

Report on Proceedings and Lessons Learned

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Thank you

