BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Rulemaking to implement the provisions of Senate Bill 204 (2017)	**Docket No. 17-07014**

REPLY COMMENTS OF THE ENERGY STORAGE ASSOCIATION

Pursuant to Procedural Order No. 5 issued by the Public Utilities Commission of Nevada ("Commission") on August 22, 2019, in Docket No. 17-07014 Investigation and Rulemaking to Implement Senate Bill ("SB") 204 (2017), the U.S. Energy Storage Association ("ESA") respectfully submits for the Commission's consideration these reply comments in response to initial comments filed by parties on October 10, 2019. In these brief comments, ESA highlights areas of agreement among the parties who submitted comments on October 10 and supports Staff's recommendation for additional language.

I. ABOUT THE U.S. ENERGY STORAGE ASSOCIATION

ESA is the national trade association dedicated to energy storage, working toward a more resilient, efficient, sustainable and affordable electricity grid – as is uniquely enabled by energy storage. With more than 190 members, ESA represents a diverse group of companies, including independent power producers, electric utilities, energy service companies, financiers, insurers, law firms, installers, manufacturers, component suppliers, and integrators involved in deploying energy storage systems around the globe. Further, our members work with all types of energy storage technologies and chemistries, including lithium-ion, advanced lead-acid, flow batteries, zinc-air, compressed air, and pumped hydro among others.

II. RESPONSE TO OPENING COMMENTS FILED ON OCTOBER 10

A. Majority of parties support 1,000 MW energy storage target by 2030

ESA is pleased to see that the majority of parties[1] proposed a 1,000 MW target of cost-effective energy storage by 2030. This consensus reflects significant work and collaboration among parties in the informal discussions leading up to the submission of the draft regulations, and a recognition that the findings of the Brattle Group quantitative analysis[2] is the appropriate foundation upon which to develop this target. In their comments, Able Grid Energy Solutions suggested that it is likely that an additional 800 megawatts of energy storage would provide a net benefit to Nevada given the State's recent enactment of a 50% Renewable Portfolio Standard and the fact that the Brattle Group study analyzed the benefits of standalone energy storage rather than hybrid resources.[3] ESA agrees that a 1,000 MW target is likely conservative in terms of the benefits energy storage deployment can provide, but given that the Brattle Group study provides us a solid foundation with the only quantitative modeling analysis, we support the use of the report's findings for the target.

B. ESA supports Staff's proposed language clarifying that the 100 MW procured in the 2018 IRP counts towards the target.

ESA agrees with Regulatory Operations Staff's ("Staff") that in the informal drafting process of these draft regulations, stakeholders understood the 1,000 MW energy storage target

[1] In opening comments, Regulatory Operations Staff, Bureau of Consumer Protection, Western Resource Advocates, and Tesla support a target of 1,000 MW of cost-effective energy storage by 2030, with generally evenly spaced biennial targets leading up to 2030. Able Grid Energy Solutions supports a higher target of 1,800 MW by 2030.

[2] The Brattle Group, *Economic Potential for Energy Storage in Nevada*, prepared for the Public Utilities Commission of Nevada, October 1, 2018, available at: https://brattlefiles.blob.core.windows.net/files/14618_economic_potential_for_storage_in_nevada_-_final.pdf.

[3] Opening comments of Able Grid Energy Solutions, October 10, 2019, page 3.

recommended by the Brattle Group study as being inclusive of the 100 MW of energy storage procured by NV Energy and approved by the Commission. As stated above, ESA supports the notion that the energy storage target should mirror the findings of the Brattle Group analysis. Therefore, if it is determined that the Brattle Group study assumed that the 100 MW of energy storage would count towards the 1,000 MW energy storage target (meaning that without it the modeling would have determined that 900 MW of energy storage is cost effective in Nevada), then ESA supports the edits put forward by Staff to Section 7 (c)[4] as appropriate. ESA agrees with Staff that it is necessary to memorialize the treatment of previously approved energy storage resources in the regulations.

III. CONCLUSION

ESA appreciates the opportunity to provide these reply comments in support of the draft regulations under consideration at the Commission. We encourage the Commission to consider and accept ESA's proposed modifications[5] in order to ensure that the regulations are aligned with the legislature's intent and ensure that there is sufficient regulatory guidance to provide Nevadans benefit from the most cost-effective resources.

Respectfully submitted this 24th day of October, 2019.

Nitzan Goldberger
State Policy Director
Energy Storage Association
901 New York Avenue NW, Suite 510
Washington, DC 20001
Email: n.goldberger@energystorage.org
Tel: 202-318-5340

[4] Opening comments of the Regulatory Operations Staff, October 10, 2019, pg. 5.
[5] Opening comments of the Energy Storage Association, October 10, 2019, (available at: https://energystorage.org/esa-filing/esa-calls-for-1-gw-storage-target-by-2030-in-nevada/)