

Subject Energy storage

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Overview

House File 1651, as amended by the H1651DE1 amendment, contains several provisions designed to promote the deployment of energy storage systems by both utilities and customers. The bill also makes construction projects funded from the renewable development account subject to the provisions of the state's prevailing wage and hours statutes.

Summary

Section	Description
1	[116C.779] Funding for renewable development. Subd. 1. Renewable development account. Requires a construction project funded from the account to be subject to prevailing wage and hours of labor statutes.
2	[216B.1611] Interconnection of on-site distributed generation. Subd. 5. Energy storage; capacity; treatment. Directs the Public Utilities Commission to issue an order clarifying that, for interconnection purposes, the capacity of a distributed energy facility operating in conjunction with an energy storage system is the capacity of the distributed generation facility alone, under specified conditions.
3	[216B.1615] Feeder replacement; storage requirement. Requires a utility replacing a feeder line with one of greater capacity to deploy an energy storage system at the applicable substation.
4	[216B.1616] Energy storage; peak shaving tariff. Requires the commission to issue an order requiring public utilities providing electric service to file a tariff describing compensation to be paid to owners of on-site energy storage systems that dispatch net energy input to the utility during peak demand periods.

Section	Description
5	<p>[216B.2422] Resource planning; renewable energy.</p> <p>Subd. 7a. Energy storage systems; installation. Requires the commission to include in an order issued in a public utility’s integrated resource plan proceeding a requirement to install one or more energy storage systems if it finds that such action is prudent and reasonable.</p>
6	<p>[216B.2427] Energy storage system; application.</p> <p>Subd. 1. Definitions. Defines “energy storage system.”</p> <p>Subd. 2. Application requirement. Requires a public utility to file an application with the commission within one year of a commission order in the utility’s integrated resource plan proceeding to install one or more energy storage systems in fulfillment of the requirement in section 216B.2422, subdivision 7a.</p> <p>Subd. 3. Application contents. Lists the contents of an application, including a description of the proposed energy storage systems, how they will be integrated into the utility’s distribution system, and estimated costs and benefits of the installation.</p> <p>Subd. 4. Commission review. Authorizes the commission to approve, deny, or modify an application filed under this section, and to approve proposals determined to be in the public interest that reasonably balance costs and benefits.</p> <p>Subd. 5. Cost recovery. Authorizes a public utility to recover the costs of deploying an energy storage system approved by the commission under this section.</p> <p>Subd. 6. Commission authority; orders. Authorizes the commission to issue orders necessary to implement this section.</p>
7	<p>[216C.377] Energy storage incentive program.</p> <p>Requires the public utility subject to section 116C.779 to award grants to customers who install an on-site energy storage system, provided the capacity of the storage system is 50 kWh or less and the customer has, or has filed an application with the utility to interconnect, a solar energy generating system on-site.</p>
8	<p>Photovoltaic demand credit rider.</p> <p>Requires public utilities that have not yet done so to file a rider with the commission by October 1, 2022, that reimburses demand metered customers with solar photovoltaic systems greater than 40 kilowatts in capacity for demand charge overbilling.</p>

Section	Description
9	Appropriation. Appropriates funds from the renewable development account to pay for energy storage system grants under section 216C.377.



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