State Energy Storage Legislation: Energy Storage Association Publishes Mid-Year Review

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The Energy Storage Association ("ESA") posted a mid-year review of 2021 state legislation related to "energy storage."

The article is authored by Julian Boggs, State Policy Director, ESA.

Renewable energy technologies such as solar and wind have variable outputs. The variability is, of course, due to changing environmental conditions. As a result, storage technologies are utilized to level out the electricity supply and assist in supplying generation to meet demands.

"Storage" in this context is described as the use of a technology that captures electricity or as another form of energy and then releases it for use when it is needed. By way of example, battery energy storage systems are rechargeable systems that store energy from a solar system. The battery energy storage system provides surplus energy produced by the solar panels and/or emergency backup power when needed.

As the United States electric grid expands its use of wind, solar, and other renewable energy technologies, storage capacity will become more important.

The ESA article identifies what it describes as "13 significant energy storage bills" in the first half of 2021. The legislation is sorted into three categories:

- Tax Reform
- Targets
- Incentives

The 13 storage bills and the states which passed such legislation include the following:

- Colorado – Behind-the-meter storage eligible for clean energy incentives
- Oregon - $10M for solar+storage rebate program
- Texas – Authorize 100 MW of utility storage procurement
- Virginia – Permitting reform
- Connecticut – 1 GW Target
- Maine – 400 MW Target
- Colorado – Assess energy storage in the same manner as renewables
- Nevada – Tax abatement for front-of-the-meter storage hybrids
- South Carolina – Residential storage sales tax exemption
- Indiana – Sales tax exemption

- Virginia – Property tax exemption/revenue share
- Virginia – Local benefits agreements
- Arizona – Tax exemption

The article also describes two bills from Texas and Virginia that are stated to fall outside of the three categories. The Texas legislation permits distribution utilities to procure up to 100 MW of energy storage as a resilience measure. This is stated to be due to the grid failure in the state in February.

The Virginia legislation references a “permit-by-rule” process for approving renewable energy projects over the last decade.

A link to the article can be found here.