

2022 Regular Session

HOUSE BILL NO. 807

BY REPRESENTATIVE MAGEE

ENERGY: Provides relative to energy storage

1 AN ACT

2 To enact Chapter 47 of Title 51 of the Louisiana Revised Statutes of 1950, to be comprised  
3 of R.S. 51:2771 through 2779, relative to incentives for energy storage; to provide  
4 for a grant program; to provide for funding; to provide for calculations; to provide  
5 for eligibility of systems; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. Chapter 47 of Title 51 of the Louisiana Revised Statutes of 1950,  
8 comprised of R.S. 51:2771 through 2779, is hereby enacted to read as follows:

9 CHAPTER 47. DISASTER RESILIENCY BATTERY INCENTIVE PROGRAM

10 §2771. Creation; terms; funding

11 A. There is hereby created the Disaster Resiliency Battery Incentive  
12 Program, hereinafter "program", to be administered by a third-party administrator  
13 contracted by the Department of Economic Development.

14 B. The program shall award grants, with advanced approval, for a period of  
15 three years each. In order to be eligible, all applicants shall receive approval for the  
16 grant in advance of purchases. Upon termination of the three-year grant term, an  
17 option to renew or sunset shall be provided.

18 C. The program shall be funded through the Department of Economic  
19 Development, and the total funding provided to the program shall not exceed eight

1 million dollars. Additionally, five hundred thousand dollars of the total funding shall  
2 be dedicated to LMI Residential.

3 D. A fund shall be established to facilitate the program. The fund shall  
4 terminate on December 31, 2024, with an option to renew upon decision by the  
5 legislature. Any funds appropriated to the program shall remain in the fund until  
6 allocated or until the fund terminates.

7 §2772. Energy storage grant certificates; calculation

8 A. A grant program is calculated as the lowest amount of the following:

9 (1) Thirty percent of the total installed costs of the energy storage system as  
10 calculated in accordance with R.S. 51:2773.

11 (2) Five thousand dollars for an energy storage system installed on a  
12 residential property.

13 (3) Fifty thousand dollars for an energy storage system installed on a  
14 nonprofit, K-12 educational institution, or community center.

15 (4) One hundred thousand dollars for an energy storage system installed on  
16 a commercial property which is not provided for in Paragraph (2) or (3) of this  
17 Subsection.

18 B. The aggregate amount of grant funds awarded pursuant to the calculation  
19 provided in Paragraph (A)(4) of this Section shall not exceed five hundred thousand  
20 dollars.

21 §2773. Total installed costs

22 A. The state shall calculate the total installed costs of the energy storage  
23 installation by taking the sum of the following items from contracts and invoicing  
24 documents:

25 (1) Cost of the energy storage system.

26 (2) Cost of the electrical work and equipment.

27 (3) Cost of the installation and labor.

28 (4) Cost of all required permits including building, electrical, and occupancy  
29 use permits.

1           B. The state shall then take the sum calculated pursuant to Subsection A of  
2           this Section and subtract from that total any discounts offered by the installation  
3           contractor from the total installed costs before calculating the energy storage grant  
4           certificate.

5           C. An applicant shall provide a clear invoice which provides the cost of each  
6           component of the system.

7           §2774. Applicants

8           A. The following persons may apply for a grant through the program,  
9           provided that the person has purchased an energy storage system:

10           (1) The owner of a nonprofit, K-12 educational institution, or community  
11           center who purchases and installs an energy storage system on the commercial or  
12           government property.

13           (2) The owner of a residential property who purchases and installs an energy  
14           storage system on the residential property.

15           (3) An individual or a corporation that owns or pays for the installation of  
16           an energy storage system that supplies electrical energy intended for use on the  
17           residential, or nonprofit, government or on which the energy storage system is  
18           installed.

19           (4) The owner of a commercial property who purchases and installs an  
20           energy storage system on the commercial property and who does not otherwise  
21           qualify as an applicant pursuant to Paragraphs (1) through (3) of this Subsection.

22           B. Any person who receives grant funds pursuant to Paragraph (A)(4) of this  
23           Section shall not apply for nor be awarded any additional grant funds pursuant to that  
24           Paragraph.

25           C. For purposes of this Section, "residential property" means property,  
26           including a single-family home and an individual unit of a multifamily property or  
27           mixed-use facility, that has the purpose of serving as a primary residence.

1        §2775. Eligible system technology

2            A. An energy storage grant may be claimed for qualifying systems that store  
3        the following types of energy:

4            (1) Electrical energy.

5            (2) Chemical energy including electrochemical energy.

6            B. A battery storage system shall be "behind the meter" and thus able to  
7        provide power for resiliency purposes and to be used onsite without passing through  
8        a utility meter.

9        §2776. Ineligible system technology

10           An energy storage grant may not be claimed for the following types of energy  
11        storage systems:

12           (1) Mobile energy storage systems, including electric vehicles and  
13        recreational camping equipment.

14           (2) An electric hot water heater.

15           (3) Any energy storage device not capable of being integrated into a demand  
16        response program.

17        §2777. System use

18           All energy storage systems must store energy for the following purposes:

19           (1) For use as electrical energy at a later date.

20           (2) In a process that offsets electricity use at peak times.

21        §2778. Definitions

22           As used in this Chapter, the following words have the following meanings:

23           (1) "Community center" means a facility owned and operated by a local  
24        government or municipality provided that the primary purpose of the facility is for  
25        recreation, social welfare, community improvement, or public assembly.

26           (2) "K-12" means any public, charter, or private elementary or secondary  
27        education facility.

28           (3) "Lower and middle income" means an income three hundred percent  
29        above the federal poverty guidelines.

1           §2779. Termination of Chapter  
 2                   The provisions of this Chapter shall terminate and be considered null and  
 3           void on December 31, 2024.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 807 Engrossed

2022 Regular Session

Magee

**Abstract:** Creates a grant program to address disaster resiliency.

Proposed law creates the disaster resiliency battery incentive program (program).

Proposed law provides that the program is to be administered by a third-party contracted by the Dept. of Economic Development (department).

The program as provided for in proposed law is to award grants, for a period of three years, at which point an option to renew is provided.

Proposed law requires applicants to receive approval prior to purchase.

Proposed law provides that the program is to be funded through the department.

No more than \$8,000,000 is to be allocated to the program pursuant to proposed law.

Proposed law creates a fund to administer the program. The fund terminates on Dec. 31, 2024.

Proposed law provides the method to calculate the appropriate grant amounts by choosing the lowest amount of four possible calculations.

Proposed law provides the method to calculate the total installed cost by taking the sum of all of the following:

- (1) Cost of the energy storage system.
- (2) Cost of electrical work and equipment.
- (3) Cost of installation and labor.
- (4) Permitting costs.

Proposed law requires an applicant to provide proof, through invoice, of the costs provided in proposed law.

Proposed law provides standards for determining eligibility and provides four possible categories of eligible persons.

A system that stores the following types of energy are considered an eligible system pursuant to proposed law:

- (1) Electrical energy.

- (2) Chemical energy.

In order for a system to be eligible pursuant to proposed law, it shall be "behind the meter".

Proposed law does not allow a grant to be provided for the following types of storage systems:

- (1) Mobile energy storage systems.
- (2) An electric hot water heater.
- (3) A system not capable of being integrated into a demand response program.

Proposed law provides the following approved purposes for use of grant funds:

- (1) For use as electrical energy at a later date.
- (2) In a process that offsets electricity use at peak times.

Proposed law defines "community center", "K-12", and "lower and middle income".

Proposed law terminates on Dec. 31, 2024.

(Adds R.S. 51:2771-2779)

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Remove references to "grid stability".
2. Remove references to "community solar system".
3. Add an additional category, relative to commercial property, to the list of possible grant program calculations.
4. Add an additional category, relative to commercial property, to the list of eligible grant recipients.
5. Remove certain types of energy storage systems from eligibility.
6. Provide that an energy storage device that cannot be integrated into a demand response program is not an eligible system as provided in proposed law.
7. Make technical changes.