

GREEN SHEET REDIGEST

HB 807

2022 Regular Session

Magee

ENERGY: Provides relative to energy storage

DIGEST

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 reimbursement of funds to individuals who install eligible systems and satisfy other requirements provided in proposed law.

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 the Disaster Resiliency Battery Incentive Fund. The fund terminates on Dec. 31, 2024.

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

Proposed law provides an exception to the calculation method for a commercial or nonprofit properties where an energy storage system with at least 300 kilowatt-hours of storage is installed, if the property is utilized for a resiliency and response center after a disaster.

The exception in proposed law requires the administrator to disregard any lesser amounts available to the applicant in calculation the reimbursement amount.

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 reimbursement to be awarded 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 reimbursement 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 educational institutions", and "lower and middle income".

Proposed law requires the department to adopt rules as necessary to implement the program.

Proposed law terminates on Dec. 31, 2024.

Proposed law provides for an effective date on July 1, 2022. Proposed law further provides that the provisions relating to the application for reimbursement through the program shall not become enforceable until the date of adoption of the administrative rules promulgated by the Dept. of Economic Development.

(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.

The House Floor Amendments to the engrossed bill:

1. Modify the program to award reimbursements instead of grants.
2. Add a requirement that an energy storage system have at least 300 kilowatt-hours of storage to qualify for the maximum amount of reimbursement.
3. Add a requirement that in order to receive the maximum amount of reimbursement, the property where the energy storage system was installed shall be utilized for a resiliency and response center after a disaster.

4. Add nonprofit property to the provisions of proposed law relative to commercial property.
5. Make technical changes.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the reengrossed bill

1. Makes technical changes.
2. Creates the Disaster Resiliency Battery Incentive Fund.
3. Requires the Dept. of Economic Development to adopt rules as are necessary to implement proposed law.
4. Adds to the definition of "community center" government or municipality provided that the primary purpose of the facility is that it is to be a designated emergency shelter through the local office of emergency preparedness.
5. Provides that proposed law is to become effective when rules are adopted by the Dept. of Economic Development.