

Assembly Bill No. 33

Passed the Assembly August 31, 2016

Chief Clerk of the Assembly

Passed the Senate August 23, 2016

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2016, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

AB 33, Quirk. Electrical corporations: energy storage systems: long duration bulk energy storage resources.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations, as defined. Existing law requires the commission to open a proceeding to determine appropriate targets, if any, for each load-serving entity, as defined, to procure viable and cost-effective energy storage systems to be achieved by December 31, 2020.

This bill would require the commission to evaluate and analyze the potential for all types of long duration bulk energy storage resources to help integrate renewable generation into the electrical grid, as specified.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) According to the California Independent System Operator (ISO), the state is experiencing unprecedented changes in the generation, delivery, and consumption of electricity. Along with these changes come challenges for operating the state's electrical grid and resources in the most efficient manner, particularly in terms of timing of generation in relation to the demand for electricity.

(b) As part of the long-term procurement planning process at the Public Utilities Commission, the ISO has identified a need for fast-ramping and flexible resources to balance the electrical grid and mitigate the effects of over-generation from renewable energy resources.

(c) The ISO has identified energy storage, with its unique ability to both utilize excess electricity generated by renewable energy resources and to quickly inject that electricity back onto the electrical grid to meet ramping and peak demand needs, as a part

of the new strategy for efficiently operating the electrical grid in a manner that best protects the environment.

(d) Long duration bulk energy storage and pumped hydroelectric storage, in particular, when constructed in a sufficiently large scale, possesses the characteristics to meet our electrical grid's need for rapid ramping capability and the capacity to utilize over-generation from renewable energy resources.

SEC. 2. The commission, in coordination with the Energy Commission, shall, as part of a new or existing proceeding, evaluate and analyze the potential for all types of long duration bulk energy storage resources to help integrate renewable generation into the electrical grid. As part of the evaluation, the commission shall assess the potential costs and benefits of all types of long duration bulk energy storage resources, including impacts to the transmission and distribution systems of location-specific long duration bulk energy storage resources.

Approved _____, 2016

Governor