

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

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SENATE BILL 510

Short Title: Promotion of Energy Storage Investments. (Public)

Sponsors: Senators B. Jackson, Burgin, and Sawyer (Primary Sponsors).

Referred to: Rules and Operations of the Senate

April 3, 2019

1 A BILL TO BE ENTITLED
2 AN ACT TO PROMOTE THE INSTALLATION AND UTILIZATION OF ENERGY
3 STORAGE EQUIPMENT.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 62-3 is amended by adding a new subdivision to read:

6 "(7b) Energy storage equipment. – A set of technologies capable of storing electric
7 energy and releasing that energy as electric power at a later time. Electric
8 energy storage technologies may store energy as potential, kinetic, chemical,
9 or thermal energy that can be released as electric power, including, but not
10 limited to, various types of batteries, flywheels, electrochemical capacitors,
11 compressed air storage, and thermal storage devices."

12 **SECTION 2.** Article 7 of Chapter 62 of the General Statutes is amended by adding
13 a new section to read:

14 **"§ 62-159.3. Energy Storage Equipment.**

15 The addition of energy storage equipment to a renewable energy generating facility shall not
16 constitute a material modification to the facility under the North Carolina Interconnection
17 Procedures provided that (i) the energy storage equipment is connected to the DC side of the
18 facility, (ii) the facility's AC rating is not modified, and (iii) the total output of the facility does
19 not exceed the facility's maximum export capacity during the time period studied in the facility's
20 System Impact Study or during on-peak hours. The provisions of this section apply to renewable
21 generating facilities that are operational, under construction, or have interconnection applications
22 pending with a public utility, as that term is defined in G.S. 62-3."

23 **SECTION 3.(a)** Within 60 days after the effective date of this act, the North Carolina
24 Utilities Commission shall initiate a proceeding to (i) modify the North Carolina Interconnection
25 Procedures to expedite the interconnection of energy storage equipment to the grid and the
26 addition of energy storage equipment to renewable energy generating facilities, and (ii) determine
27 whether new or modified public utility tariffs are needed to appropriately compensate operators
28 of energy storage equipment, including small power producers, for the full range of services
29 provided by energy storage equipment. In conducting the proceeding, the Commission shall:

- 30 (1) Consider the findings and recommendations of the energy storage study
31 authorized by S.L. 2017-192.
- 32 (2) Consider the most effective means to (i) minimize the time, uncertainty, and
33 cost of interconnecting energy storage equipment to the grid or adding energy
34 storage equipment to renewable generating facilities that are operational,
35 under construction, or have interconnection applications pending with a public
36 utility, as that term is defined in G.S. 62-3, and (ii) allow utilization of



- 1 customer-owned equipment that meets national standards to satisfy
2 interconnection requirements.
- 3 (3) Review existing and proposed restrictions by public utilities on the design,
4 construction, inspection, and operation of energy storage equipment to
5 determine whether the restrictions are required to maintain grid reliability and
6 whether less restrictive mitigation options are available.
- 7 (4) If in the public interest, adopt new or modified tariffs for small power
8 producers that add energy storage equipment to operating renewable energy
9 facilities.
- 10 (5) Consider any other topic or issue the Commission determines to be relevant
11 to the proceeding.

12 **SECTION 3.(b)** The Commission shall provide interested parties an opportunity to
13 intervene, conduct discovery, and present testimony in the proceeding authorized by this section.

14 **SECTION 3.(c)** The Commission may employ, through contract or otherwise,
15 third-party consultants and experts in carrying out the Commission's duties under this section.
16 The provisions of Article 3 and Article 3C of Chapter 143 of the General Statutes do not apply
17 to the selection and hiring of a third-party consultant or expert authorized by this subsection.

18 **SECTION 4.** G.S. 105-275(45) reads as rewritten:

19 "(45) Eighty percent (80%) of the appraised value of a solar energy electric ~~system-~~
20 system or energy storage equipment. For purposes of this subdivision, the term
21 "solar energy electric system" means all equipment used directly and
22 exclusively for the conversion of solar energy to ~~electricity.~~electricity and any
23 energy storage equipment connected to the solar energy electric system. For
24 purposes of this subdivision, the term "energy storage equipment" has the
25 same meaning as in G.S. 62-3."

26 **SECTION 5.** This act is effective when it becomes law.