



POLICY & REGULATIONS TIGER TEAM

WILL MCNAMARA

Policy & Regulations Tiger Team Status Update

- Policy & Regulations, both federally and at the state level, remain a key driver for LDES commercialization.
- In fact, policy and regulations are not only a driver but a requirement! If policy frameworks are not developed to enable and support LDES technologies, markets will struggle to develop.
- This Tiger Team recognizes the diversity of US markets and the unique challenges and opportunities that exist for LDES within those markets:
 - ✓ Vertically integrated versus restructured states.
 - ✓ RTO/ISO markets versus regions without established wholesale markets.
 - ✓ Regions with heavy renewables penetration versus regions still committed to fossil fuels.
- Accordingly, this Tiger Team is also leading the “Geographical Readiness Assessments” deliverable that is kicking into high gear this fall.



Challenges & Recommendations

- Pulled from the Lift-off report, this Tiger Team assessed the following challenges:
 - ✓ **#4:** A uniform approach toward developing resource adequacy compensation for LDES technologies does not exist, in either regulated markets or competitive markets.
 - ✓ **#6:** There is presently a lack of resources regarding how to evaluate grid upgrades or expansions that will be necessary to accommodate both new variable renewable generation sites and LDES systems.
 - ✓ **#10:** ISO and RTO markets will need to develop support mechanisms specific to LDES technologies.
 - ✓ **#11:** State-level policymaking specific to LDES has been very limited.



Challenges & **Recommendations**

- This Tiger Team developed 20+ recommendations now included in the published document.
- Examples include:
 - ✓ Determine how Regional State Committees (RSCs) can assume a more significant role in ensuring that both decarbonization goals and resource adequacy standards at the state level are being fully considered in federal rulemaking standards and wholesale market rules.
 - ✓ Develop alternatives to the Effective Load Carrying Capability (ELCC) as a means to developed as a means to evaluating the contributions that LDES can made toward resource adequacy requirements.
 - ✓ Expand LDES procurement targets in states that have adopted energy storage targets. Procurement targets should explicitly specify durations categories/limits and use case.
 - ✓ Require regulated utilities to improve their integrated resource planning (IRP) models to appropriately reflect the need for LDES.

