City of Biggs

Agenda Item Staff Report
For the Regular City Council Meeting:
August 13, 2013

TO: Honorable Mayor and Members of the City Council

FROM: City Administrator

SUBJECT: Energy Storage Systems

Background:

On September 29, 2010, the Governor signed AB 2514. This legislation is designed to encourage electric utilities to implement appropriate levels of energy storage that may be cost-effectively implemented.

Accordingly, pursuant to Public Utilities Code Section 2835(b), each publicly owned electric utility is directed to initiate a process to determine appropriate targets, if any, for the utility to procure viable and cost-effective energy storage systems. If it is determined that viable and cost effective energy storage systems can be deployed by December 31, 2016 and a second target by December 31, 2021, the publicly owned utility shall adopt the procurement targets by October 1, 2014.

Energy storage system are defined in the legislation to mean "commercially available technology that is capable of absorbing energy, storing it for a period of time, and thereafter dispatching the energy." Further, to be viable, the energy storage system must "be cost effective and either reduce emissions of greenhouse gases, reduce demand for peak electrical generation, defer or substitute for an investment in generation, transmission, or distribution assets, or improve the reliable operation of the electrical transmission grid.

Conversations with other NCPA Utility Directors, and a review of "Electricity Energy Storage Technology Option – A White Paper on applications, costs and benefits" written by the Electrical Power Research Institute (EPRI), do not point to reasonably clear examples of commercially available, viable and cost-effective energy storage systems suitable for the City of Biggs at this time.

Staff plans to continue to look for suitable local energy storage systems in accordance with AB 2514.

Recommendation:

a) The City Council of Biggs finds that commercially available energy storage systems are not currently viable and cost effective for the city at this time, and the City is not adopting procurement targets at this time.
b) Council directs staff to continue to evaluate energy storage systems and look for viable and cost effective systems.
c) Council directs staff to formally reevaluate energy storage systems not less than every three years as required by AB 2514.

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Mark Sorensen, City Administrator