

SB 2739

LATE TESTIMONY

**COMMITTEE ON TRANSPORTATION AND ENERGY**

**Senator Lorraine R. Inouye, Chair**  
**Senator Mike Gabbard, Vice Chair**

DATE: Wednesday, February 17, 2016 TIME: 2:45 p.m.  
PLACE: Conference Room 225

Re: In Support of SB 2739 Relating To Grid-Connected Energy Storage Systems

Aloha Chair Inouye, Vice-Chair Gabbard, and Members of the Committee:

MegaWatt Storage Farms Inc. supports SB 2739 (relating to grid-connected energy storage systems).

MegaWatt Storage Farms, Inc. ("MegaWatt") is a consulting and policy firm focusing on storage for high renewable, low carbon grids.

In 2009, MegaWatt studied California's needs for storage to support California's then 33% renewables and GHG targets. MegaWatt recommended storage legislation to overcome barriers to storage adoption that were placing achievement of California's RPS at risk. As result California's AB 2514 was passed by the California legislature and implemented by the California Public Utilities Commission (CPUC), setting storage procurement targets for utilities

Unfortunately, because of compromises with utilities and others, AB 2514 was not explicit on the need for long-duration, commercially proven storage that is required for California to achieve its renewables targets, now at 50%.

Making constructive use of mid-day overgeneration is a critical factor in Hawaii being able to meet its RPS targets, now targeting 100% RPS. It is obvious that long-duration storage (at least six hours) is a terrific way to shift overgeneration of Hawaii day-time solar to meet evening, morning and night time loads.

Long duration storage eliminates many of the needs for short duration storage such as ramping, and long duration storage can provide the remaining short duration functions. Deploying short duration storage first does not eliminate the need for long duration storage, it just increases ratepayer costs. For this reason, it is important that the legislature provide the policy direction regarding preference of long duration storage.

As it has done with its 100% renewables legislation, we urge enactment of this bill which is a necessary and cost-effective step to enable 100% renewables.

Edward Cazalet and David MacMillan  
MegaWatt Storage Farms, Inc.