

To: CAREBS Members

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2H 2011 (Six Month) Progress Report

In the second half of this year, CAREBS made excellent progress on most of its 2011 goals and objectives (see CAREBS Strategic Objectives for 2011 document). We can summarize the “state of play” by stating that gridlock continued to characterize the federal policy landscape, the economic landscape evolved more favorably for bulk storage than distributed storage, and that the important developments are taking place at state (California, Texas) and regional (FERC) levels.

Our specific achievements over the last six months are the following:

- Getting the per-project cap in the proposed Federal Energy Storage Investment Tax Credit legislation raised from \$30-million to \$40-million. This is a significant “win” for bulk storage because our projects tend to be far more capital intensive.
- Formally responded with written comments to FERC’s Notice of Inquiry, Third Party Provision of Ancillary Services
- Met face to face with energy storage leaders in California – Assemblywoman Nancy Skinner’s office, the California Energy Commission (CEC), Sacramento Municipal Utility District (SMUD), and Pacific Gas & Electric (PG&E) – to lay the foundation for our formal comments into the policy making apparatus.
- Provided material input into the California policy making process, including extensive review and comment of the CEC Public Interest Energy Research (PIER) document 2020 Strategic Analysis of Energy Storage in California and submitted official written comments for the 2011 Integrated Energy Policy Report
- Developed and submitted a methodology for the treatment of renewable energy credits through the public comment process for revisions to the California Renewable Portfolio Standard Eligibility Guidebook
- Secured verbal commitments for membership from two developers of pumped storage projects
- Advocated for bulk storage upon request by the Colorado Rural Electric Association at their technology conference in November.
- Supported a high level EUCI Conference, Hydropower’s Evolving Role in Western Grid Reliability, at the request of CAREBS member HDR Engineering, with keynote panel participation.
- Collaborated with the National Hydropower Association (NHA) to enlarge our advocacy for bulk energy storage in Washington

- Issued a press release, “Bulk Storage Strengthens the Grid, Creates High Quality Jobs”
- Released a public version of CAREBS’ 1H Progress Report as a press announcement to promote positive developments in bulk storage
- Distributed a press release, “Frequency Regulation Rule Adds to Policy Framework for Bulk Storage,” together with NHA
- Initiated a dialogue with the ISO/RTO Council by responding to their White Paper on Variable Energy Resources
- Responded to requests from various entities publishing market research reports and white papers on energy storage.
- Updated our members as necessary twice a month on legislative developments
- Built our database to over 500 prospects, friends, and storage community