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STATEMENT ON FERC'S ENERGY STORAGE AND DISTRIBUTED ENERGY RULE

Today, the Federal Energy Regulatory Commission (FERC) finalized a rule requiring Independent System Operators and Regional Transmission Organizations to more fully incorporate energy storage resources into wholesale electricity markets. FERC declined, however, to move forward now with its proposal to require incorporation of aggregated distributed energy resources into wholesale markets, and will further consider those issues at an April technical conference.

Burcin Unel, energy policy director at the Institute for Policy Integrity at New York University School of Law, has released the following statement:

"Today, FERC has taken a significant step towards integrating energy storage into the electricity grid. It's eliminating barriers to energy storage and allowing multiple revenue streams based on all of the energy, capacity, and ancillary service benefits it can provide, giving the right price signals for efficient expansion of energy storage."

Avi Zevin, attorney at the Institute for Policy Integrity at New York University School of Law, has released the following statement:

"FERC has once again shown that it is putting rationality above politics while it manages complex changes in electric markets. The storage rule gives RTOs time to implement this important policy. And by gathering more information before acting on distributed energy resources, FERC can harmonize its policy with state efforts to compensate resources for distribution and environmental benefits."

Madison Condon, legal fellow at the Institute for Policy Integrity at New York University School of Law, has released the following statement:

"FERC's action provides much needed certainty for the market. By ensuring that energy storage can receive compensation for the variety of benefits it provides to the grid, today's ruling will encourage states to continue pursuing their individual storage incentive policies."

Unel, Zevin, and Condon are available for interviews on these FERC rules or related issues. Our director, Richard Revesz, also recently published an op-ed in the Wall Street Journal on <u>why better energy storage could ramp up</u> <u>fossil-fuel use</u>.

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<u>The Institute for Policy Integrity</u> at New York University School of Law is a non-partisan think tank dedicated to improving the quality of government decisionmaking. The institute produces original scholarly research in the fields of economics, law, and regulatory policy; and advocates for reform before courts, legislatures, and executive agencies.