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## NEW REPORT HIGHLIGHTS HOW ENERGY STORAGE COULD INCREASE GREENHOUSE GAS EMISSIONS

Policy changes will be needed to ensure that increased use of energy storage boosts clean energy sources rather than fossil-fuel generation

Policymakers often assume that energy storage is the missing link to creating a cleaner energy system, as storage could help renewables overcome intermittency problems. But energy storage could actually increase greenhouse gas emissions by allowing some inexpensive fossil-fuel plants to operate more and displace generation from cleaner sources.

A <u>new report</u>, released today by the Institute for Policy Integrity at New York University School of Law, explores specific situations in which energy storage systems can lead to increased emissions, and offers policy reforms to ensure that energy storage can provide the maximum benefit possible to the electric grid.

New federal and state policies that integrate storage technologies into the electric grid need to consider the full range of benefits provided by storage, including reduced air pollution, to correct for the poor economic incentives set by current policies. The Institute for Policy Integrity report recommends that policymakers:

- focus on accurately pricing externalities caused by greenhouse gases;
- eliminate entry barriers for energy storage systems; and
- eliminate barriers that energy storage systems face to receiving multiple value streams for the various services they provide.

The report outlines steps to realize each of these three goals and provides an overview of state and federal actions currently under way.

The report, "<u>Managing the Future of Energy Storage</u>" was authored by Madison Condon, Richard Revesz, and Burcin Unel, Ph.D, of the Institute for Policy Integrity at New York University School of Law. The report builds on <u>an academic article</u> by Revesz and Unel.

The authors are available for interviews to discuss the report and energy storage policy.

The report is available at:

http://policyintegrity.org/files/publications/Managing the Future of Energy Storage.pdf

<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.