



## **The State/Federal Energy Storage Technology Advancement Partnership Project Briefing Document**

**June 2011**

The Energy Storage Technology Advancement Partnership (ESTAP) is a new federal-state funding and information sharing project that aims to accelerate the deployment of energy storage technologies in the U.S. The value proposition for participating states is to work closely with the U.S. Department of Energy (DOE) on near-term joint funding and technology deployment, to join a network of leading states supporting energy storage technology, and to achieve faster progress in energy storage commercialization and economic development.

### ***Background***

Energy storage has the potential to provide significant support to the integration of renewable energy in the U.S. However, public funding and support are critical to accelerate progress and achieve cost reductions and widespread deployment for these technologies, including batteries, flywheels, thermal storage, aboveground compressed air, micro-pumped hydro, and others.

DOE and Sandia National Laboratories (SNL) are interested in accelerating the pace of deployment of energy storage technologies through a cooperative partnership with interested states. Clean Energy States Alliance (CESA) has been asked to establish and facilitate this state-federal energy storage technology advancement partnership project. The initiative is funded by SNL and implemented in cooperation with the DOE Office of Electricity Delivery and Energy Reliability (OE).

The project's overall purpose is to create a new federal and state partnership focused on energy storage technologies with joint funding and coordination to accelerate energy storage technology commercialization and deployment. The model builds on CESA's early success with the state-federal marine energy technology advancement partnership project (METAP).

### ***Project Objective***

The project's objective is to accelerate the pace of deployment of energy storage technologies in the United States through a partnership between states and DOE.

### ***Project Activities***

#### **1. State Energy Storage Network**

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The Project Team will establish an energy storage working group to allow for efficient information sharing and coordination among states, universities, DOE/SNL, and the international community on energy storage activities. The working group serves as the primary forum for informing and guiding the project's activities and is open to any state agency or stakeholder that is interested in energy storage-related issues.

## 2. Information Sharing Webinars and Meetings

The Project Team will organize a series of interactive webinars on important energy storage topics, such as technology and industry status, applications, environmental effects, siting and regulatory best practices, and test facilities, designed to advance understanding and collective action to address the major challenges facing energy storage deployment. The Team will also organize an in-person afternoon meeting focused on ESTAP, to be held in conjunction with a 2011 Clean Energy States Alliance members' meeting.

## 3. State Survey

The Project Team will survey state agencies and research institutions on their energy storage activities and goals. The results of this survey will help to inform the focus of DOE's near-term and future energy storage partnership and funding activities.

## 4. Pursue Joint Project Funding and Solicitation for Project Deployment

On behalf of DOE, the Project Team is reaching out directly to state agencies to explore their interest in providing a cost share in association with new DOE funding for energy storage projects. DOE expects to secure state matching funding commitments in the federal Fiscal Year 2011/2012 timeframe to offer substantial funding (amount not determined at this time and dependent on availability of funds) for several state-based energy storage project installations. DOE is interested in identifying state agency partners to provide some level of state cost-share commitment to join in this unique effort. A state cost-share commitment could leverage significant federal funding for energy storage project and related industry development in your state in the near term, or position your state for future energy storage-related federal cost share contributions in future fiscal years. The DOE/state funding partnership likely will include state/federal coordination in administering, managing, and reporting results of selected projects.

The Project Team will work with DOE and with interested states to evaluate and propose a coordinated federal/state funding process and cost sharing arrangement to support several energy storage deployment projects in the 2011/2012 timeframe. We hope to finalize a comprehensive cooperative agreement between DOE and interested states in mid- to late-2011 that addresses specific commitments and issues related to

coordinated or joint funding of specific energy storage projects and all major related issues to this cooperative arrangement.

### ***How to Participate***

Interested state and other public agencies that are willing to consider committing some funding to and participating in the DOE-State partnership to support energy projects are invited to join the State Energy Storage Network. Members of this network will help develop recommendations for implementing the funding partnership and a structure for advancing cooperation and information sharing.

- ***Funding level and timeframe.*** State Energy Storage Network members are asked to use their best efforts to identify and seek state-based funding to contribute to the DOE funding opportunity to advance energy storage technology deployment. Because of state-specific procurement policies, restrictions, and requirements, there may be several different approaches used and tailored to participating states to accommodate broad participation in the cooperative arrangement with DOE. There is no required funding amount to participate. However, states are strongly encouraged to consider providing at least a funding level of \$1 million to leverage matching DOE energy storage cost-share support in the 2011-2012 timeframe. States will retain full discretion to apply state-specific criteria to any projects where state funding is awarded as a cost share.
- ***Timeline.*** During the spring and summer of 2011, the Project Team will be meeting individually with interested states to discuss and agree on the details of the co-funding arrangement, including clarifying state interests, priorities, and questions. Then, interested states will meet as a group in late 2011 to review and attempt to finalize a project selection process and cost-sharing arrangements with DOE.

Interested states are invited to participate by contacting CESA's project director, Anne Margolis ([anne@cleanegroup.org](mailto:anne@cleanegroup.org)).

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