

1 **ENERGY STORAGE INNOVATION, RESEARCH, AND**
2 **GRANT PROGRAM ACT**

3 2019 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Lincoln Fillmore**

6 House Sponsor: _____

8 **LONG TITLE**

9 **General Description:**

10 This bill creates the Energy Storage Innovation, Research, and Grant Program.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ creates the Energy Storage Innovation, Research, and Grant Program to provide
14 grants to accomplish the goals of the program;
15 ▶ defines terms;
16 ▶ requires the Office of Energy Development to administer the program and issue
17 grants according to the terms of the program; and
18 ▶ grants rulemaking authority to the Office of Energy Development.

19 **Money Appropriated in this Bill:**

20 This bill appropriates in fiscal year 2020:

- 21 ▶ to the Governor's Office of Energy Development - Office of Energy Development -
22 as a one-time appropriation:
23 • from the General Fund, One-time, \$5,000,000.

24 **Other Special Clauses:**

25 None

26 **Utah Code Sections Affected:**

27 ENACTS:



- 28 [63M-4-801](#), Utah Code Annotated 1953
- 29 [63M-4-802](#), Utah Code Annotated 1953
- 30 [63M-4-803](#), Utah Code Annotated 1953
- 31 [63M-4-804](#), Utah Code Annotated 1953



33 *Be it enacted by the Legislature of the state of Utah:*

34 Section 1. Section **63M-4-801** is enacted to read:

35 **Part 8. Energy Storage Innovation, Research, and Grant Program Act**

36 **63M-4-801. Title.**

37 This part is known as the "Energy Storage Innovation, Research, and Grant Program
38 Act."

39 Section 2. Section **63M-4-802** is enacted to read:

40 **63M-4-802. Definitions.**

41 As used in this part:

42 (1) "Agreement" means a contract entered into between the office and the grantee
43 stating the terms and conditions for use of funds approved by the Office of Energy
44 Development.

45 (2) "Energy storage" means being able to store energy that is generated by mechanical,
46 chemical, or thermal means at one time for use at a later time.

47 (3) "Grantee" means a person, company, research organization, or other qualifying
48 entity that has been approved to receive state funding provided under this part.

49 (4) "Office" means Office of Energy Development created in Section [63M-4-401](#).

50 Section 3. Section **63M-4-803** is enacted to read:

51 **63M-4-803. Office duties.**

52 (1) The office shall establish a grant program that:

53 (a) is designed to:

54 (i) advance the development and deployment of energy storage in the state;

55 (ii) facilitate the transition of energy storage into the marketplace;

56 (iii) improve emergency preparedness and resiliency; or

57 (iv) enhance job creation in Utah's energy sector; and

58 (b) offers one or more grants to a person, company, research organization, or other

59 qualifying entity that:

60 (i) submits a grant proposal to the office; and

61 (ii) meets the qualifying criteria described in this section.

62 (2) The office shall award grants for nonresidential projects based on the following

63 considerations:

64 (a) the technical merit of the energy storage proposal and any commercialization plan;

65 (b) the level of matching funds from private and federal sources; and

66 (c) the potential for job creation and economic development in the state.

67 (3) To support the rapid deployment and commercialization of energy storage

68 technologies throughout the state, the office shall award grants for residential energy storage

69 projects:

70 (a) on a first-come, first-served basis; and

71 (b) proposed by residential grantees, including individual residents, to cover the costs

72 of purchasing and installing energy storage equipment at their home that uses any feasible

73 technology.

74 (4) The office shall award grants of at least 60% of the amount appropriated for

75 residential deployment of energy storage.

76 (5) No grant may exceed the smaller of 20% of the amount required for any proposal or

77 \$7,500 for a residential proposal or \$50,000 for a nonresidential proposal.

78 (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

79 office may make rules to implement the grant program.

80 Section 4. Section **63M-4-804** is enacted to read:

81 **63M-4-804. Grant administration.**

82 (1) The office shall administer the grants issued under this part.

83 (2) (a) The office shall enter into an agreement with a grantee for disbursement of

84 funds, including the terms, conditions, and responsibilities that the grantee will be subject to in

85 receiving and spending the grant funds.

86 (b) Subject to the agreement, the office may require a grantee to return funds if:

87 (i) the grantee fails to comply with any terms, conditions, and responsibilities of the

88 agreement; or

89 (ii) the grantee substantially changes the plans to develop and deploy the energy

90 storage proposal approved for funding by the office.

91 (3) The office shall review the activities and progress of grant recipients on a regular
92 basis and grantees shall provide an annual report on achievement of goals and timelines
93 included in the application and agreement.

94 (4) The office may impose an application fee to offset the costs of administering the
95 grants awarded under this part.

96 (5) The office shall provide an annual report to the Public Utilities, Energy, and
97 Technology Interim Committee on the grants awarded from the Energy Storage Innovation and
98 Research Program under this part.

99 **Section 5. Appropriation.**

100 The following sums of money are appropriated for the fiscal year beginning July 1,
101 2019, and ending June 30, 2020. These are additions to amounts previously appropriated for
102 fiscal year 2020. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures
103 Act, the Legislature appropriates the following sums of money from the funds or accounts
104 indicated for the use and support of the government of the state of Utah.

105 ITEM 1

106 To the Governor's Office of Energy Development - Office of Energy Development
107 From General Fund, One-time \$5,000,000

108 Schedule of Programs:
109 Energy Storage Innovation, Research, and Grant Program
110 \$5,000,000

111 The Legislature intends that the use of these funds is limited to the awarding of grants
112 under the Energy Storage Innovation, Research, and Grant Program.