HLS 17RS-1192 ENGROSSED

2017 Regular Session

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HOUSE RESOLUTION NO. 133

BY REPRESENTATIVE ABRAMSON (BY REQUEST)

ENERGY: Requests the Louisiana Public Service Commission to study the CLEP battery pilot and the feasibility of implementation

A RESOLUTION

2 To request the Louisiana Public Service Commission to study the Customer Lowered 3 Electricity Price (hereinafter "CLEP") battery pilot and the feasibility of its 4 implementation in the state of Louisiana. 5 WHEREAS, CLEP was designed to answer the following question: "How can we 6 best engage the market place, avoiding all subsidies and taxes, to rapidly and best incentivize 7 investments for both an electric utility and end-use consumer to minimize costs and 8 maximize profits for all?"; and 9 WHEREAS, invented by a consulting firm in New Orleans, Louisiana, CLEP was 10 designed to improve the reliability, quality, and resilience of electricity within our homes, 11 businesses, and industries in the face of frequent power outages, and much less frequently, 12 catastrophic storms; and 13 WHEREAS, CLEP is a market-based electricity pricing plan connected to the free 14 market for deliverance of wholesale electricity to consumers; and 15 WHEREAS, via utility-provided smart meters, CLEP consumers effectively buy and 16 sell electricity at real-time, wholesale prices and are paid to avoid demand at the same 17 annual rate charged to commercial customers; and 18 WHEREAS, of the five basic ways a consumer may apply CLEP, utility-financed, whole-home batteries provide the most profitable advantage for both consumers and 19 respective electric utilities; and 20

1	WHEREAS, a whole-home battery can store, within four hours, all of the electricity
2	to be used throughout an entire day; and
3	WHEREAS, through use of CLEP, a whole-home battery has a projected payback
4	period of ten thousand dollars, and the payback period is beneficially coincidental to the
5	battery's general ten year warranty period; and
6	WHEREAS, CLEP provides a way to fully finance whole-home batteries while
7	shifting costs away from non-CLEP consumers; further, because all CLEP income is
8	generated from current or future utility cost savings, and the utility retains five percent,
9	CLEP lowers prices for all consumers, not just those who choose CLEP; and
10	WHEREAS, additionally, CLEP allows a utility to earn a sixty-three percent return
11	on investment in ten years as a reward for financing a CLEP battery pilot, all without
12	burdening non-participants; and
13	WHEREAS, with the potential to save lives and a savings of more than half the cost
14	of electricity, CLEP may generate profits and stimulate desirable growth and market
15	transformation; and
16	WHEREAS, CLEP may double cash flows for energy efficiency and renewable
17	energy investments by harvesting inexpensive ways to produce electricity, or through
18	incentives to avoid the use of electricity; and
19	WHEREAS, a CLEP consumer pays normal utility bills and receives a cash flow for
20	the following:
21	(1) Buying electricity during off-peak hours when wholesale prices are low, or for
22	selling electricity back to the grid when prices are high.
23	(2) A "negative demand charge" reward for low demand during peak hours; and
24	WHEREAS, when an electric utility provides the battery for the consumer's use, the
25	potential for standardization and scalability are drastically improved; and
26	WHEREAS, there are no subsidies or carbon taxes, and with large-scale
27	implementation, CLEP can greatly encourage an orderly transition toward renewable energy
28	and energy efficiency simply by engaging the private, self-interest of every consumer; and
29	WHEREAS, importantly, CLEP is applicable and valuable to all consumer classes,
30	as well as community solar projects; and

1 WHEREAS, CLEP has been supported by the Sierra Club and a broad group of 2 national energy design professionals, including consultants who design rate structures, as 3 well as past and current leaders in the field of residential energy design. 4 THEREFORE, BE IT RESOLVED that the House of Representatives of the 5 Legislature of Louisiana does hereby urge and request the Louisiana Public Service 6 Commission to study the CLEP battery pilot and the feasibility of its implementation in the 7 state of Louisiana, and to report the findings of the commission to the legislature not later 8 than forty-five days prior to the convening of the 2018 Regular Session of the Legislature 9 of Louisiana. 10 BE IT FURTHER RESOLVED that the Louisiana Public Service Commission shall 11 specifically solicit input, recommendations, and advice from Building Science Innovators, 12 LLC. 13 BE IT FURTHER RESOLVED that the Louisiana Public Service Commission is 14 authorized to exercise its discretion as to the use of or engagement in certain research, 15 consultations, studies, or any other pertinent information deemed essential by the 16 commission in its assessment of the feasibility of implementing a CLEP battery pilot in this 17 state. 18 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the 19 Louisiana Public Service Commission.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HR 133 Engrossed

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Abramson

Requests the La. Public Service Commission to study the CLEP battery pilot and the feasibility of its implementation in the state of La., and to report its findings at least 45 days prior to the 2018 R.S.