## Microgrids: Resilient Electricity for a Changing Climate

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2018 = Highest total use on record, up 3.6% from 2017 Percentages in margin = 10 year comparisons (rounded)

## Taking Climate Action

- Use less energy
  - Building and industrial energy efficiency
  - Smart cities
- Use cleaner electricity
  - But don't pick technology winners
- Convert majority of transportation to electricity
- Generate more energy at the grid edge
  - Resilience
  - Reduce line losses, transmission expansion costs

### Microgrids

- A microgrid is a local electric system or combined electric and thermal system:
  - that includes retail load and the ability to provide energy and energy management services needed to meet a significant proportion of the included load on a non-emergency basis
  - that is capable of operating either in parallel or in isolation from the electrical grid
  - that, when operating in parallel, is capable of providing energy, capacity or related services to the grid

**Microgrid Resources Coalition** 

# Microgrid Value

- Resilience
  - All resilience is local
- Saving money
  - Internal efficiencies and arbitrage
  - Buildings serve as thermal storage
  - Time of day pricing and fuel arbitrage
- Reduced carbon footprint
- External sales
- Incorporation of renewables

## What Can PA Communities Do?

- PA Utility definition
  - Person who owns or operates facilities for generating, transmitting, or distributing electricity
    - Problem for separated facilities
    - Virtual net metering 2 mile limit
  - OK if not serving the public perhaps 10 customers
  - Serving building or facility occupants
- Paths forward
  - Being an "Electric Generation Supplier"
  - Forming one or more co-ops?

## What Can NJ Communities Do?

- NJ Utility definition
  - Person who owns, operates, manages or controls electricity distribution equipment for public use
    - Problem for separated facilities
  - Excludes
    - 10 customers within ten miles virtual metering
    - On-site renewables (or contiguous, OK to cross roads)
    - Cogeneration
- Paths forward
  - Being an "Electric Power Supplier"

#### PA Guaranteed Energy Savings Act

- Includes all microgrid components
  - Energy efficiency
  - Renewable energy
  - Smart controls
  - Alternative energy suppliers
- That create savings or <u>revenues</u>
- Provides flexible procurement mechanism
  - 20 year contracts
- Not subject to Local Government Unit Debt Act
  - Subject to appropriations

#### Questions?

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'The economy is a subset of the ecology."