



Walter Wright, Jr.
wwright@mwlaw.com
(501) 688.8839

The Value of Resilience for Distributed Energy Resources - An Overview of Current Analytical Practices: National Association of Regulatory Utility Commissioners Report

05/03/2019

The National Association of Regulatory Utility Commissioners (“NARUC”) issued an April 2019 report titled:

The Value of Resilience for Distributed Energy Resources: An Overview of Current Analytical Practices (“Report”)

The *Report* was prepared by Converge Strategies, LLC.

NARUC states that the *Report* was written as an input to a broader project by the organization under the Solar Energy Innovation Network (“SEIN”). The SEIN project is stated to have focused on the value of resilience and its use in state policymaking. The overall goal of the NARUC SEIN project is stated to be to provide state regulators with guidance for considering resilience when evaluating investments in distributed energy resources.

By way of introduction, NARUC introduces the importance of the topic by referencing:

Recent extreme weather events, natural disasters, and cyber incursions have brought the vulnerability of the electric system into sharp focus. These events have demonstrated that planning for long-duration power interruptions caused by high-impact, low-probability events will require new approaches to power system resilience above and beyond previous hardening efforts. At the same time, the rapid growth and declining costs of distributed energy resources (DERs) such as microgrids, solar photovoltaics, and batteries have introduced new technology options for energy resilience. Consequently, state policymakers across the country have established electricity resilience policies and programs, with several states focusing specifically on resilient DERs as part of clean energy programs and grid modernization efforts.

The questions addressed in the *Report* include:

1. Have regulators identified and utilized a value of resilience in regulatory decisions related to resilient DERs?
2. Is the value of resilience being used to analyze resilient DERs in venues other than regulatory proceedings?
3. What are the different methods to value energy resilience?

4. What are the pros and cons of different methods used to value resilience?
5. Can regulators adopt or improve value of resilience methods to support their decisions?

A copy of the *Report* can be found [here](#).