

Offshore Wind California Comments on the CAISO Draft 2023-2024 Transmission Plan

April 23, 2024

The California Independent System Operator's ("CAISO") draft 2023-2024 Transmission Plan ("Draft Plan") "identifies the next installment of critical infrastructure development that will be needed to bring historic amounts of new clean energy onto the grid, including the first projects to deliver offshore wind from California's North Coast."¹ Offshore Wind California ("OWC") appreciates CAISO's diligent efforts to advance California's ambitious climate and energy goals, and fully supports adoption of the Draft Plan.

To achieve net-zero emissions,² reduce direct greenhouse gas emissions by 85%,³ accommodate rapid electrification of California's building and transportation sectors,⁴ and ensure the reliability of the grid, California's energy resource mix must evolve significantly.⁵ Offshore wind will be a critical resource for achieving California's climate goals while meeting its clean-energy needs.⁶

The California Energy Commission ("CEC") has set California offshore wind planning goals of up to 5 GW by 2030 and 25 GW by 2045.⁷ To meet these goals, California cannot afford to delay investing in transmission development to support offshore wind projects.⁸ Earlier this year, the CEC published its draft AB 525 Offshore Wind Strategic Plan, emphasizing that "[1]arge investments in transmission upgrades and new transmission infrastructure will be needed to accommodate offshore wind development to meet the state's planning goals and deliver offshore wind power to local communities and the larger grid to serve major load centers."⁹ As noted in a report by the Brattle Group, "[s]tarting to plan *today* for the transmission infrastructure development pathway that can integrate this [significant] amount of offshore wind generation, and do so cost-effectively over time, will achieve significant economic, environmental, and social benefits."¹⁰

CAISO's 2023-24 Draft Plan meets this call to action. The "policy-driven" projects identified in the Draft Plan are critical first steps for the future of offshore wind, including three major transmission lines that would deliver clean electricity generated by floating offshore wind turbines off the coast of Humboldt County. As noted by Neil Millar, CAISO's vice president for Infrastructure and Operations Planning: "These projects off California's North Coast area represent the first wave of development for offshore wind to meet the state's portfolio needs while also being flexible enough to expand in the future to meet any increased requirements."¹¹

California is positioned to play a critical role in enabling the scalable deployment of offshore wind technology and unlocking its broad climate, clean-energy, and grid-reliability benefits. The Draft Plan in an important milestone that demonstrates California is capable of responsibly deploying offshore wind at scale. Investing in the future of offshore wind presents significant opportunities as well as challenges. The Draft Plan's proposed \$4.586 billion investment will deliver big benefits for residents, workers and ratepayers, and play a critical role in helping California meet its climate, clean-energy, and grid-reliability goals.

Accordingly, OWC commends CAISO for preparing this plan as an essential next step to meet the transmission needs of California's course and commitment to offshore wind in the State's growing clean-power portfolio. We urge the Board of Governors to adopt the Draft Plan.

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Adam Stern Executive Director Offshore Wind California

https://download.newsroom.edison.com/create memory file/?f id=6508e6633d63325f2e763f1b&content verified=True. ⁵ CEC, 2021 SB 100 Joint Agency Report, Achieving 100 Percent Clean Electricity in California: An Initial Assessment (Sept. 3, 2021) at 9, available at: https://www.energy.ca.gov/publications/2021/2021-sb-100-joint-agency-report-achieving-100-percent-clean-electricity.

https://leginfo.legislature.ca.gov/faces/billAnalysisClient.xhtml?bill_id=202120220AB525. Governor Newsom has called for at least 20 GW of offshore wind by 2045. Newsom, Gavin, *Letter from Governor Newsom to CARB Chair Liane Randolph* (Jul. 22, 2022), *available at:* https://www.gov.ca.gov/wp-content/uploads/2022/07/07.22.2022-Governors-Letter-to-

⁷ CEC AB 525 Report, *supra* n. vi.

⁸ Countdown to 2045, *supra* n. iv, at 9.

https://www.energy.ca.gov/data-reports/reports/ab-525-reports-offshore-renewable-energy.

¹¹ CAISO, Offshore Wind Big Part of ISO's 2023-2024 Transmission Plan (Apr. 2, 2024), available at https://www.caiso.com/about/Pages/Blog/Posts/Offshore-wind-big-part-of-ISOs-2023-2024-Transmission-Plan.aspx.

¹ Anne Gonzales, CAISO Spokesperson, *quoted in* A. Burnett, *CAISO Transmission Plan Emphasizes Offshore Wind*, *Reliability*, RTO Insider (Apr. 1, 2024), *available at:* <u>https://www.rtoinsider.com/75258-caiso-releases-draft-transmission-plan/#/</u>.

² Senate Bill ("SB") 100 (De León, 2018).

³ Assembly Bill ("AB") 1279 (Muratsuchi, 2022).

⁴ See e.g. Gavin Newsom, Executive Order N-79-20 (Sept. 2020), available at <u>https://www.gov.ca.gov/wp-content/uploads/2020/09/9.23.20-EO-N-79-20-Climate.pdf</u>; Advanced Clean Cars II, CARB (Nov. 2022), available at: <u>https://ww2.arb.ca.gov/our-work/programs/advanced-clean-cars-program/advanced-clean-cars-ii</u>; Advanced Clean Fleets, CARB (Apr. 2023), available at: <u>https://ww2.arb.ca.gov/our-work/programs/advanced-clean-cars-ii</u>; Advanced Clean Fleets, CARB (Apr. 2023), available at: <u>https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets</u>. Furthermore, Edison International projects that, by 2045, electricity demand will <u>rise by 82%</u> from today, primarily due to electrification. *Countdown to 2045 Realizing California's Pathway to Net Zero*, Edison International at 4 (Sept. 2023) ("Countdown to 2045"), available at:

⁶ The Legislature has identified offshore wind as a critical resource for achieving California's emission reductions goals and ensuring energy reliability. *See* 09/09/21- Assembly Floor Analysis at 2 (AB 525) (Chiu, 2021), *available at*:

CARB.pdf. The CEC has adopted AB 525 planning goals of up to 5 GW by 2030 and 25 GW by 2045. CEC, *Offshore Wind Energy Development off the California Coast* (Aug. 2022) ("CEC AB 525 Report"), *available at*:

https://www.energy.ca.gov/filebrowser/download/4361. The CARB adopted a goal of 20 GW of offshore wind by 2045 in its 2022 Scoping Plan. CARB, 2022 Scoping Plan for Achieving Carbon Neutrality (Dec. 2022) ("2022 Scoping Plan") at 75 & 201, available at: https://ww2.arb.ca.gov/sites/default/files/2023-04/2022-sp.pdf.

⁹ CEC, Draft AB 525 Offshore Wind Strategic Plan, Vol. 1 at 26 (Jan. 19, 2024), available at:

¹⁰ See Johannes Pfeifenberger et al., *The Benefit and Urgency of Planned Offshore Transmission: Reducing the Costs of and Barriers to Achieving U.S. Clean Energy Goals*, Brattle Group (Jan. 24, 2023) at 4, <u>https://www.brattle.com/wp-content/uploads/2023/01/Brattle-OSW-Transmission-Report_Jan-24-2023.pdf</u>.