

**DOCKETED**

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*Comment Received From: Nicholas Blair  
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**Association of California Water Agenciesâ€™™ Comments on SB 100  
Draft Results**

*Additional submitted attachment is included below.*



Bringing  
Water  
Together

September 15, 2020

Comment letter submitted via electronic commenting system

The Honorable David Hochschild, Chair  
California Energy Commission  
1516 Ninth Street  
Sacramento, CA 95814

The Honorable Mary Nichols, Chair  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

The Honorable Liane Randolph, Commissioner  
California Public Utilities Commission  
505 Van Ness Ave,  
San Francisco, CA 94102

Re: Association of California Water Agencies' Comments on SB 100 Draft Results

Dear Interagency Principals of the SB 100 Report,

The Association of California Water Agencies (ACWA) appreciates the opportunity to provide public comments to the California Energy Commission (CEC), California Air Resources Board (CARB), and California Public Utilities Commission (CPUC) [Joint Agencies] for the Draft Results of the SB 100 Joint Agency Report. ACWA represents more than 460 public water agencies that collectively deliver approximately 90 percent of the water in California for domestic, agricultural, and industrial uses.

Public water agencies' primary mission is to provide a reliable water supply. Notwithstanding, our member agencies are positioned to help the State meet its energy policies and support a reliable electric grid. For decades, local water agencies have been actively contributing to the State's clean energy supply. ACWA members have implemented a wide range of renewable and zero-carbon energy projects, including large and small hydropower, biogas, microturbines, geothermal, wind, energy storage, and photovoltaic solar. In addition, ACWA members have participated in a combination of energy efficiency, demand-side management, and peak-use reduction programs. These projects and programs have helped make water more affordable for their customers, while contributing to the State's greenhouse gas emissions reduction goals.

In response to the Draft Results for the 2021 Joint Agency Report, ACWA submits the following comments:

1. ACWA Supports the Inclusion of Large Hydropower amongst SB 100 Eligible Zero-Carbon Resources

ACWA applauds the inclusion of existing large hydropower amongst the eligible zero-carbon resources modeled within the Joint Agencies' framework to achieve California's goal of 100 percent of total retail sales of electricity from renewable energy and zero-carbon resources by December 31, 2045. As stated in past comments, and during the September 2, 2020 SB 100 Draft Results Workshop, ACWA believes that large hydropower is a valuable resource for meeting the state's power needs and improving grid reliability; and the State should continue to consider this power source when recommending approaches for achieving SB 100 goals. SB 100 implementation should promote cost-effective energy supplies, grid reliability, and utility rate designs that are reasonable, predictable, and competitive. SB 100 implementation should also provide a coordinated, predictable regulatory approach from the Joint Agencies.

Hydropower will be an essential resource to meeting the state's power needs, including: baseload, peak load, ramping and resource adequacy. Ensuring an adequate and reliable power supply will continue to be a challenge as demand is expected to increase due to electrification of the grid, and increased reliance on intermittent resources (such as solar and wind). The State must ensure sufficient dispatchable and baseload capacity, and have the necessary transmission infrastructure to accommodate new generation and the clean energy future. Hydropower resources, both small and large, can be coupled with other renewable resources, such as wind and solar, to maintain system reliability during normal and stressed system conditions. Hydroelectric storage, including pumped storage, can also be used to ensure reliability. Currently, many public water agencies in California generate hydroelectric power with the water they deliver to farms, communities and the environment. An all the above approach will be necessary to ensure resource adequacy moving forward.

Public water agencies are a key State partner for helping meet energy policies and in supporting a reliable electric grid. Public water agencies quickly responded to energy shortages by increasing their generation of hydropower resources to help meet the State's demand during the recent state of emergency with rolling blackouts in August 2020, and can be ready for future blackouts as well. Public water agencies have the ability to quickly increase hydropower generation when additional power is needed. During the September 2 workshop, leadership from the Joint Agencies expressed the need for ensuring reliability, promoting load flexibility and resource diversity, and planning for the future. The recent heatwave reminds us that blackouts are still a concern when experiencing record temperatures because of climate change. The demand for energy increases with rising temperatures. When solar generation drops off after sundown, with generation ending during this time, a diverse portfolio of clean energy resources, including large and small hydropower, is essential for ensuring grid reliability.

2. ACWA Looks Forward to Continued Work with the Interagency Principals, Staff, and Other Stakeholders

As previously mentioned, ACWA stands ready to work with the Interagency Principals, staff, and diverse stakeholders on this high priority effort. Public water agencies can be key partners as agencies have played, and will continue to play, a significant role in decarbonizing California's economy in a safe, reliable and equitable manner.

SB 100 implementation should enable and encourage local water agencies to stay the course. Local water agencies are moving the needle with investments to develop energy storage projects, including battery storage, pumped storage and bulk storage, for on-site or grid-level electric reliability that are cost-effective and economically viable for water agency customers. SB 100 implementation should not result in the stranding of clean energy assets that public dollars are funding.

ACWA appreciates the diligent work by staff across the CEC, CARB and CPUC. We thank you for the opportunity to comment and look forward to working with you and your staff. Please do not hesitate to contact me at [nickb@acwa.com](mailto:nickb@acwa.com) or (916) 441-4545 if you have any questions regarding ACWA's input.

Sincerely,



Nicholas Blair  
Regulatory Advocate

cc: Ms. Marybel Batjer, President, California Public Utilities Commission  
Mr. Drew Bohan, Executive Director, California Energy Commission  
Mr. Richard Corey, Executive Director, California Air Resources Board  
Mr. Dave Eggerton, Executive Director, Association of California Water Agencies  
Ms. Cindy Tuck, Deputy Executive Director for Government Relations, Association of California Water Agencies