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Additional submitted attachment is included below.

August 5, 2024

California Energy Commission Docket Unit, MS-4 715 P Street Sacramento, California 95814-5512

RE: Docket No. 24-IEPR-04 - Wave and Tidal Energy

AltaSea is grateful to the California Energy Commission (and its consultants) for the extraordinary work done implementing SB 605 to-date. The recently released Draft Consultant Report Wave and Tidal Energy: Evaluation of Feasibility, Costs, and Benefits is a thorough, useful, and encouraging milestone on the path to the full SB 605 report to be delivered next year.

The Draft Consultant Report details numerous findings and solutions we enthusiastically support and will not reiterate here. As the CEC finalizes the Draft Consultant Report (and the full SB 605 report), below are a handful of items we hope will be evaluated and potentially included as recommendations or considerations.

Marine Energy Focused Initiatives. This item particularly relates to Section 2.3.1 "Cost Reduction Through Focused Development" of the Draft Consultant Report.

• <u>Targeted Programming</u>: Public programming generally advancing clean energy often skews toward ultimately supporting wind and solar projects as these industries are more advanced, with more resources to deploy in securing grants and policymakers' attention. To ensure intended support reaches wave and tidal energy projects, targeted support with a focus on, and relevant eligibility limited to, wave and tidal energy projects is needed. This is a consideration that relates to more than one aspect of the SB 605 full report, but is particularly relevant to Section 2.3.1 "Cost Reduction Through Focused Development" of the Draft Consultant Report. Across Europe such a focused approach proved successful, leading to a number of EU and national public initiatives dedicated solely to wave and ocean energy which galvanized billions of euros of funding, established research sites, and produced vital reports.¹

Public Funding and Financial Incentives. This item particularly relates to section 2.3.4 "Incentives to Support Investment" of the Draft Consultant Report.

 <u>Electric Program Investment Charge (EPIC) Program</u> - Further pre-development and pre-commercial stage public funding is needed to eventually galvanize sufficient private sector investment. A grant funding opportunity dedicated to wave and tidal energy development through the EPIC program would be a well-timed, effective public investment.

¹ https://www.oceanenergy-europe.eu/wp-content/uploads/2020/05/ETIP-Ocean-SRIA.pdf

 <u>ReMAT and RPS</u> - While ocean wave and tidal energy projects are eligible for the Renewable Portfolio Standard (RPS) and Renewable Market Adjusting Tariff (ReMAT), tailored approaches, particularly with respect to ReMAT, to meet the needs of this nascent industry may be required. Adjusting pricing and generator capacity eligibility requirements for wave and tidal energy projects could ensure robust access and intended efficacy.

Permitting and Coordination with Federal Agencies. This item particularly relates to section 2.3.1 "Cost Reduction Through Focused Development" of the Draft Consultant Report.

- <u>Wave and Tidal Energy Coordinator</u> The Draft Consultant Report highlights the technical and financial burden of existing permitting processes for marine energy projects along the California coast. A State Wave and Tidal Energy Project Coordinator, tasked with serving as an inter-agency liaison and providing guidance to the public, would help alleviate this burden on permitting applicants.
- Federal Agency Coordination Currently federal projects advancing marine energy on the Western US Coast are concentrated in the Pacific Northwest Region (Oregon, Washington, and Alaska). For example, in partnership with universities from this Northwest region, the Department of Energy Water Power Technologies Office (DOE WPTO) established the Pacific Marine Energy Center in 2008.² The PacWave South pre-permitted testing facility (see Draft Consultant Report Section 1.4.3) funded by the DOE is located in Oregon. Pacific Ocean Energy Trust, headquartered in Oregon, directs the DOE WPTO sponsored Testing Expertise and Access Marine Energy Research (TEAMER) program.³ In addition to close federal collaboration during the permitting process as already addressed in the Draft Consultant Report, evaluating what factors have led to such effective federal engagement by our neighbors to the North in the marine energy sector could better enable Californian stakeholders to do the same, or at least further integrate into these "Pacific" federal marine energy initiatives.
 - This consideration is especially timely in light of the recently introduced Marine Energy Technologies Acceleration Act bill, sponsored by Representatives Nanette Barragán (CA-44) and Suzanne Bonamici (OR-01) – legislation that would invest \$1 billion to advance marine energy toward full scale commercialization.⁴

Offshore Wind: Co-location Opportunities and Synergies. This item particularly relates to Section 2.3 "Increasing Cost Competitiveness" and Chapter 3 "Transmission Needs and Transmission Permitting Requirements" of the Draft Consultant Report.

² https://www.energy.gov/eere/water/national-marine-energy-centers

³ https://www.energy.gov/eere/water/us-testing-expertise-and-access-marine-energy-research-programteamer

⁴ https://barragan.house.gov/2024/07/31/barragan-bonamici-introduce-legislation-to-jumpstart-marineenergy-as-a-clean-energy-solution/

- <u>Co-location Planning</u>. As offshore wind is on the pathway to commercial deployment in California, there are opportunities for wave and tidal energy projects to co-locate with offshore wind, which may reduce costs, streamline permitting, and lessen environmental impacts. Evaluating mechanisms for relevant public agencies to consider or promote the co-location of testing, demonstration, and deployment of wave and tidal projects with off-shore wind deployments would build upon the analysis under Section 2.3 of the Draft Consultant Report. For example, the California Independent Service Operator Board Approved 2023-2024 Transmission Plan allots billions of dollars to prepare for offtake from offshore wind.⁵ Wave and tidal projects could stand to benefit from such investments through strategic co-location, lessening the hurdles to meeting the transmission needs addressed in Chapter 3 of the Draft Consultant Report.
- <u>Shared Approaches</u>. Evaluating the transferability of existing or forthcoming California programs, research and recommendations in support of the offshore wind industry, such as the California AB 525 Offshore Wind Energy Strategic Plan,⁶ would **avoid unnecessary duplication of efforts and advance vetted renewable energy adoption approaches**.

Production Targets. This item particularly relates to Section 2.1 "Factors Influencing Update of Marine Energy" of the Draft Consultant Report.

<u>Suggested Targets</u>. A recent policy recommendation from Ocean Energy Europe said it best: "Establishing clear targets for ocean energy will help attract the investors, Original Equipment Manufacturers and the utilities needed to deliver larger projects and scale-up the industry."⁷ Evaluating or recommending the implementation statewide marine energy deployment targets of 100 MW by 2030, 500 MW by 2035, and 2,500 MW by 2040, as suggested by CalWave (a California wave energy firm highlighted in the Draft Consultant Report) in a separate docket submission, would bolster the analysis under Section 2.1 "Factors Influencing Update of Marine Energy" of the Draft Consultant Report.

We are thrilled by the developments under SB 605 thus far and look forward to continued engagement.

Sincerely,

Jade Clemons Director, Blue Sustainable Economy Alliance at AltaSea jclemons@altasea.org

⁵ https://www.caiso.com/documents/iso-board-approved-2023-2024-transmission-plan.pdf

⁶ https://www.energy.ca.gov/data-reports/reports/ab-525-reports-offshore-renewable-energy

⁷ https://www.oceanenergy-europe.eu/wp-content/uploads/2020/10/OEE_2030_Ocean_Energy_Vision.pdf