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Additional submitted attachment is included below.



California Energy Commission 715 P Street Sacramento California 95814

Re: Docket No. 24-IEPR-01

Dear Commissioners,

The Clean Energy Buyers Association (CEBA) appreciates this opportunity to submit comments on the IEPR Commissioner Workshop on Regional Electricity Markets and Coordination.

CEBA is a business trade association that activates energy buyers and partners to advance low-cost, reliable, carbon emissions-free electricity systems. CEBA's more than 400 members represent over \$20 trillion in market capital and include institutional energy customers of every type and size – corporate and industrial companies, universities, and cities, as well as project developers and service providers. CEBA's membership includes one-fifth of the Fortune 500 companies. CEBA's corporate and industrial members include companies across a variety of sectors including information technology, data centers, auto manufacturing, clean energy manufacturing, heavy industry, food and beverage manufacturers, financial institutions, restaurants, hotels, retail chains, and more.

CEBA has 32 energy customer members headquartered in California with many more members with offices, data centers, distribution centers, manufacturing plants, research and development sites, hotels, and retail operations in the state. Since 2014, 13 CEBA members have announced over 28 in-state clean energy projects, representing over 3.7 GW of clean capacity and 98% of all corporate voluntary procurement in California through Q3 2024. For many large energy customers, certainty that California is ready and willing to lead on market expansion by supporting the implementation of the West-Wide Governance Pathways Initiative ("Pathways Initiative") would underpin their confidence in California's clean, reliable electricity supply.

The West has an expansive and interdependent energy system connecting all kinds of resources from one state to another. However, there are many inefficiencies in the

Clean Energy Buyers Association 1425 K St. NW, Suite 1110, Washington, DC 20005 Phone: 885.458.CEBA <u>info@cebuyers.org</u> cebuyers.org system and not enough resources to meet growing demand and clean energy goals in a cost-effective way. While California has the California Independent System Operator (CAISO), it's market operations only connect California and a small portion of Nevada.

Participation in a regional electricity system will enable more efficient use of generation and transmission resources across a much broader footprint. Utilities and stakeholders across the West are actively working on an alternative regional electricity market offering that would exclude California, making it much more expensive to access clean energy in the region for all customers. In addition, it increases reliability risks by putting California lower on the list of recipients of excess energy during extreme weather events and limited energy scenarios.

To address existing inefficiencies and ensure California is part of a wider footprint that maximizes customer benefits, a group of stakeholders from eleven western states launched an effort to expand regional coordination in a way that will enable CA to meet its clean energy goals and benefit California ratepayers. Unlike past market expansion efforts, the mission of the Pathways Initiative is to develop and form a new and independent entity with an independent governance structure that is capable of overseeing west-wide wholesale electricity markets. California is represented on the Pathways Initiative Launch Committee with California-based investor-owned utilities, public power, utility regulators, residential and small commercial customers, large commercial and industrial customers, non-utility load serving entities, independent energy producers, public interest organizations and perhaps most notably, labor. The governance structure proposed by the Pathways Initiative allows the CAISO to maintain autonomy over its current functions including transmission planning, reliability coordination, and energy market operations. The only function that would be shifted to a regional organization comprised of independent representatives is the governance of energy market rules.

Enhancing interstate cooperation and electricity sharing through a west-wide market would advance California's energy goals while also providing significant cost-savings and reliability benefits to California electricity customers and states across the West. CEBA supports California's efforts to foster regional electricity markets through multistate collaboration that would allow the implementation of the governance proposal put forth by the Pathways Initiative.

Sincerely,

Priya Barua Senior Director, Market and Policy Innovation Clean Energy Buyers Association