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## California Western Grid Comments on July 22, 2021 Jt Agency Workhop

Additional submitted attachment is included below.

July 1, 2022



California Energy Commission Attention: Docket Office 715 "P" Street Sacramento, CA 95814

## COMMENTS OF CALIFORNIA WESTERN GRID DEVELOPMENT, LLC ON DOCKET 17-MISC-01: LEAD COMMISSIONER WORKSHOP ON ASSEMBLY BILL 525: OFFSHORE WIND MAXIMUM FEASIBLE CAPACITY AND MEGAWATT PLANNING GOALS FOR 2030 AND 2045

California Western Grid Development, LLC (CWG) is an Independent Transmission Developer that is developing the proposed Pacific Transmission Expansion Project ("PTE Project" or "PTEP"). The PTE Project is a 2,000 MW controllable HVDC subsea transmission cable that the California Independent System Operator ("CAISO") has found will allow any new or existing supply of renewable power available to the Diablo Canyon 500 kV switchyard to be delivered to the West Los Angeles Basin and Big Creek Ventura areas. PTEP will reduce local capacity requirements (and related charges) and allow for new clean energy from around the state to be delivered into Los Angeles.

As a transmission developer with a sincere interest in investing in California's transition to a decarbonized future, we appreciate the opportunity to offer some brief comments following the Commission's public workshop outlining proposed recommended targets or goals for California's budding offshore wind (OSW) industry.

CWG submits that the CEC and other agencies are at a critical juncture relative to fostering the OSW industry in this state. As you are no doubt aware, the OSW industry is globally competitive, with supply chain issues similar to those befalling others in the energy resource sector. Given the combination of these supply chain issues, the promise of thousands of well-paying California jobs, and the urgent need to further diversify the state's clean energy resource portfolio, it makes good sense to steer the OSW industry toward the larger range of "feasible" OSW targets.

<sup>&</sup>lt;sup>11</sup> CWG recognized some debate at the workshop over the definition of "feasibility." While final investments will need further environmental and societal review, in CWG's view, the definition matters less than the need for a new California-based energy resource which is economically sound and helps the grid operators maintain reliability while also affordably meeting the State's clean energy goals.

CWG notes that the overwhelming data presented not only by the industry, but highly credible nonprofit and educational institutions, suggests the state can *at minimum* support a long-term goal between 25 and 50 MW, with an interim goal of 8-10. UC Berkeley's Goldman School study suggests 15-20 GW may be feasible by 2035 and upwards of 50 GW by 2050.<sup>2</sup> As Goldman presented at the workshop, these higher *planning* targets are "critical to ensure a sufficient and diverse clean power supply." Clearly, these targets represent *planning* goals and are not in cement. But it is critical for the state to consider the importance of market signals to attract continuous development and investment in offshore wind projects over the coming 20-plus years, as well as the unique and timely opportunity to leverage federal funding, as you consider your ability to attract development capital.

Lastly, CWG submits that adding a resource like OSW, and its inherent energy diversity, will enable the state to take best advantage of all the other required transmission investments, both intrastate and regional.

In sum, the state will be well served to advance aggressive planning targets—at least 8-10 GW for the near/intermediate term and 25-50 GW for the long term. This will boost the industry, create well-paying jobs and provide CAISO and other grid operators with badly needed tools to maintain a reliable and affordable grid.

Thank you again for the opportunity to express our views.

Respectfully,

Martin Walicki mwalicki@tred-llc.com On behalf of California Western Grid Development, LLC 2112 East Ganson Street Jackson, MI 49202 (240) 277-8968

<sup>&</sup>lt;sup>22</sup> The study acknowledges that more assessment is needed to identify required infrastructure and environmental safeguards.