

April 19, 2024

The Honorable Steven Bradford Chair, Senate Committee on Energy, Utilities and Communications 1021 O Street, Room 3350 Sacramento, CA 95814

RE: Senate Bill 1508 (Stern) – OPPOSE

Dear Chair Bradford,

The California Wind Energy Association (CalWEA) respectfully opposes Senate Bill (SB) 1508. CalWEA is a 24-year-old trade association. Our members are focused on operating and developing wind energy resources within and directly interconnected to California and off the coast of California, as well as capturing related economic and workforce development benefits for California.

SB 1508 would require the California Public Utilities Commission (CPUC) to adopt energy storage procurement targets for each load-serving entity. However, the amount of storage that is needed to ensure system reliability changes dramatically depending on the diversity of generation resources in the portfolio, and therefore should <u>follow</u> from the generation mix, which may change with circumstances, rather than being fixed. For example, CalWEA used the CPUC's model to evaluate portfolios with different levels of wind energy, both onshore and offshore. The results showed that a high-wind scenario – one in which utility-scale wind and solar resources are more equally balanced – requires <u>32 GW less capacity</u> compared to the no-wind scenario. More than half of that avoided capacity is storage of various types.

And yet, while there happens to be greater resource diversity in the CPUC's latest Preferred System Plan based on cost considerations, the CPUC has yet to address the indirect values of resource diversity in its planning efforts despite Legislative direction to do so.¹ CalWEA is hopeful that the Joint Agencies' SB 100 2025 report will address the issue to some extent. Those resource-diversity values include reduced land-use impacts and supply chain risks, and increased reliability benefits and ability to meet SB 100 goals.

¹ See, e.g., P.U. Code sections 454.51 (a) and 701.1. (a) (1).

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For these reasons, CalWEA respectfully requests your "NO" vote on SB 1508.

Sincerely,

Warry Rad

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cc: The Honorable Henry Stern Honorable Members and Staff, Senate Energy, Utilities & Communications Committee