



CREATING GOOD JOBS, A CLEAN ENVIRONMENT, AND A FAIR AND THRIVING ECONOMY



September 20, 2023

Governor Gavin Newsom  
State of California  
1021 O Street, Suite 9000  
Sacramento, CA 95814

**Re: AB 1373 (Assms. E. Garcia, Ting and Senator Becker) Clean Energy Procurement REQUEST FOR SIGNATURE**

Dear Governor Newsom,

The undersigned organizations – representing labor groups, environmental advocates, ports community, local elected officials, and clean energy business organizations – respectfully urge you to **sign AB 1373**, legislation sponsored by your Administration that ensures the state has a robust mechanism in place to facilitate procurement of long lead-time clean energy resources like offshore wind and geothermal. Your signature on this historic bill will establish a vital tool to accelerate deployment of important large-scale renewable resources the state needs to achieve its zero-carbon goals, address its grid-reliability challenges, create tens of thousands of California jobs, lift up economically disadvantaged communities, and ensure these projects get built on time and at the lowest cost to electricity ratepayers.

While the East Coast and other markets have a head start in developing fixed-bottom offshore wind, we applaud your leadership for recognizing California has a remarkable opportunity to meet its climate and clean-energy objectives while establishing itself as a global hub for the emerging floating offshore wind industry. Indeed, floating wind has enormous potential as an in-state, zero-carbon resource with high-capacity factors and a power profile that complements California's abundant solar energy supply,

generating power night and day including during the critical “net peak” period after the sun sets.

Establishing a central procurement mechanism, as specified in AB 1373, advances the ambitious offshore wind objectives your Administration established last year, when the California Energy Commission (CEC) adopted planning goals of up to 5 gigawatts (GW) by 2030 and a nation-leading 25 GW by 2045, enough to power up to 25 million homes. This was followed by the successful federal auction that identified five offshore wind leaseholders for the wind energy areas off the coasts of Humboldt and Morro Bay.

To ensure offshore wind becomes a reality in California, we’ll need every tool in our tool box to help jump-start this new industry and the host of benefits it will bring to the state. AB 1373 does just that by creating a state-backed central procurement mechanism that will provide a clear path to market for large-scale clean energies like offshore wind and help ensure clean, reliable power is delivered to ratepayers at the lowest cost.

AB 1373 authorizes the California Department of Water Resources (DWR) to procure these large-scale renewable resources only after receiving approval from the California Public Utilities Commission (CPUC), to supplement and backstop the efforts of load-serving entities (LSEs) to procure these resources in their clean energy plans. DWR, which has deep experience in energy procurement, will then be able to procure with economies of scale and spread the costs and benefits of these resources to all ratepayers, at a more affordable price than what the LSEs may be able to achieve on their own.

AB 1373 mirrors the proposal your Administration proposed earlier this year, and we commend the successful work of your team and Senate and Assembly leadership in reaching agreement on this essential and ground-breaking legislation.

AB 1373 is just one piece of the puzzle to meeting our clean energy goals, but it's a very important piece. Aside from providing a needed clear path to market, it could also become a lynchpin that helps address other important issues for offshore wind, such as permitting, ports, and transmission. We are confident your Administration is ready to take on these issues to ensure California continues to be a leader in clean energy and reaches its full potential to become the global leader in floating offshore wind to meet and overcome its climate, clean-energy, and grid-reliability challenges.

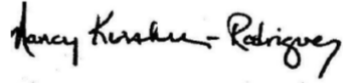
For these reasons, we respectfully request that you **sign AB 1373**.

Sincerely,

cc: Senate pro Tempore Toni Atkins  
Assembly Speaker Robert Rivas  
The Honorable Eduardo Garcia  
The Honorable Phil Ting  
The Honorable Josh Becker



Alex Jackson  
Director, California State Affairs  
American Clean Power Association



Nancy Kirshner Rodriguez  
Senior Director of Policy and Outreach  
Business Network for Offshore Wind



Martha Miller  
Executive Director  
California Association of Port Authorities



Dan Jacobson  
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Environment California



Katelyn Roedner Sutter  
California State Director  
Environmental Defense Fund



Meghan Sahil-Wells  
California Director  
Elected Officials Protecting America




Adam Stern  
Executive Director  
Offshore Wind California



Daniel Barad  
Western States Policy Manager  
Union of Concerned Scientists



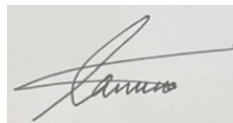
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