

# POLITICO

September 1, 2023

## A suspense(ful) day for wind and fire

We've got a deal on how the state will procure offshore wind.  
| Wayne Parry/AP Photo

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**BUYING POWER** — Gov. Gavin Newsom and the Legislature are sending the Department of Water Resources shopping for offshore wind. The governor and legislative leaders announced last night they'd struck a deal to advance [AB 1373](#), which tasks the state with buying “clean, diverse” — and expensive-to-build — carbon-free energy and then selling it to utilities and electricity customers.

The deal revives legislation that had stalled due to disagreements over the scope of the department's buying authority and provisions regulating small-scale electricity sellers.

Offshore wind developers with leases off California's coast are hailing the agreement as an essential step in making California offshore wind a reality. They've said they need more certainty before they invest billions of dollars to erect turbines and develop ports.

“Central procurement makes offshore wind possible,” **Martin Goff**, California project director for the Norwegian developer Equinor, said in an emailed statement. “Gov. Newsom and the Legislature's actions give California's offshore wind projects the opportunity to develop at scale, keep the lights on and achieve the state's climate and reliability goals.”

**Here's the details:** An earlier version of the bill sought to restrict the department's purchasing authority only to offshore wind and geothermal energy. The updated language — which is closer to an early proposal from the Newsom administration — gives the department more flexibility while specifying the energy may not be produced by combustion (unless it's used to help generate geothermal power).

The bill extends the department's purchasing authority to 2035, five years longer than earlier versions, and imposes skilled and trained workforce requirements on developers.

It also includes a tweak to Public Utilities Commission reviews aimed at building new transmission lines faster — a change that American Clean Power-California Director **Alex Jackson** called a “good step in the right direction” that should be followed with additional improvements.

**Other reactions:** So far, everyone seems happy, even ratepayer advocates who might be expected to resist expensive power deals.

A central buyer should help bring more big projects online, said **Matt Baker**, director of the Public Utilities Commission's Public Advocates Office. The costs electricity customers pay will depend on the specific purchase agreements, but pooling buying power can only help, Baker said.

“If we have to buy something that's big and expensive and risky, we'd rather do it through a central procurement mechanism than through a utility or other (electricity provider),” he said.

**Whither CCAs?:** Some of the smaller electricity sellers have had to pay state penalties for failing to meet emissions targets. Those penalties are still in the bill and would be paid into a fund that's used to buy extra electricity. The main association representing small sellers, the California Community Choice Aggregators, was still reviewing the bill on Friday, spokespeople said.