

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Continue  
Electric Integrated Resource Planning and  
Related Procurement Processes.

Rulemaking 20-05-003

**REPLY COMMENTS OF OFFSHORE WIND CALIFORNIA ON  
ADMINISTRATIVE LAW JUDGE'S PROPOSED DECISION ORDERING  
SUPPLEMENTAL MID-TERM RELIABILITY PROCUREMENT (2026-2027)  
AND TRANSMITTING ELECTRIC RESOURCE PORTFOLIOS TO  
CALIFORNIA INDEPENDENT SYSTEM OPERATOR FOR 2023-2024  
TRANSMISSION PLANNING PROCESS**

Adam Stern  
Executive Director  
Offshore Wind California  
P.O. Box 955  
Menlo Park, CA 94026  
Tel: (510) 681-4483  
Email: [adam.stern@offshorewindca.org](mailto:adam.stern@offshorewindca.org)

Dated: February 7, 2023

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Continue  
Electric Integrated Resource Planning and  
Related Procurement Processes.

Rulemaking 20-05-003

**REPLY COMMENTS OF OFFSHORE WIND CALIFORNIA ON  
ADMINISTRATIVE LAW JUDGE’S PROPOSED DECISION ORDERING  
SUPPLEMENTAL MID-TERM RELIABILITY PROCUREMENT (2026-2027)  
AND TRANSMITTING ELECTRIC RESOURCE PORTFOLIOS TO  
CALIFORNIA INDEPENDENT SYSTEM OPERATOR FOR 2023-2024  
TRANSMISSION PLANNING PROCESS**

**I. INTRODUCTION**

In accordance with the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”) and the January 13, 2023 Administrative Law Judge’s *Proposed Decision Ordering Supplemental Mid-Term Reliability Procurement (2026-2027) and Transmitting Electric Resource Portfolios to California Independent System Operator for 2023-2024 Transmission Planning Process* (“Proposed Decision”), Offshore Wind California (“OWC”) respectfully submits the following reply comments to the comments of the Solar Energy Industries Association (“SEIA”), the California Energy Storage Alliance (“CESA”), and the Protect Our Communities Foundation (“PCF”) regarding the Proposed Decision’s offshore wind sensitivity portfolios.

**II. BACKGROUND**

Assembly Bill 525 directs the California Energy Commission (“CEC”) to “evaluate and quantify the maximum feasible capacity of offshore wind to achieve reliability, ratepayer, employment, and decarbonization benefits” and to “establish megawatt offshore wind planning

goals for 2030 and 2045.”<sup>1</sup> In August 2022, the CEC established a preliminary planning goal of 25 gigawatts (“GW”) of offshore wind for 2045.<sup>2</sup>

### **III. ALL CAISO SENSITIVITY CASES SHOULD CONSIDER THE AB 525 PLANNING GOAL OF 25 GW FOR OFFSHORE WIND**

SEIA supports the Proposed Decision’s inclusion of the Sensitivity Portfolio 1, stating it “is the prudent call given the role which offshore wind is likely to play in achieving the state’s renewable goals.”<sup>3</sup> However, in arguing that the Commission should request that the CAISO evaluate a second sensitivity portfolio, SEIA recommends that the CAISO can “further differentiat[e] the low wind case from the base case by eliminating both offshore and out-of-state wind, rather than just reducing them by approximately 50% ... to [identify] ‘least regrets’ upgrades under a variety of future resource mixes....”<sup>4</sup>

As SEIA contends, including offshore wind in the sensitivity portfolio(s) is appropriate. However, to adhere to a risk minimization approach, it is essential for CAISO’s sensitivity cases to reflect both the AB 525 planning goal of 25 GW of offshore wind and the reality that the U.S. Bureau of Ocean Energy Management has already awarded five offshore California leases that can generate in excess of 7 GW of offshore wind.<sup>5</sup> The current base case portfolio does not fully account for the additional 7-8 GW of offshore wind and the sensitivity portfolios fail to account for

---

<sup>1</sup> See Chapter 231, Statutes of 2021 (AB 525, Chiu).

<sup>2</sup> See CEC, Offshore Wind Energy Development off the California Coast (Aug. 2022) at 5, <https://www.energy.ca.gov/filebrowser/download/4361>

<sup>3</sup> SEIA Opening Comments at 4.

<sup>4</sup> *Id.* at 5.

<sup>5</sup> See National Renewable Energy Laboratory, *Update on NREL’s 2020 Offshore Wind Resource Assessment for the California Pacific Outer Continental Shelf* (Nov. 2022),

<https://www.boem.gov/sites/default/files/documents/regions/pacific-ocs-region/environmental-analysis/BOEM-2022-072.pdf> (estimating capacity in the Humboldt and Morro Bay lease areas to be 7.6 GW); Adrijana Buljan, *California Lease Sale Winners Are: RWE, Equinor, CIP, Ocean Winds, and Invenegy* (Dec. 7, 2022) <https://www.offshorewind.biz/2022/12/07/california-lease-sale-winners-are-rwe-equinor-cip-ocean-winds-and-invenegy-floating-wind-farm-capacities-higher-than-initially-estimated/> (estimating the potential capacities from the leases to total 8.1 GW).

the 25 MW planning goal. The Commission should reject SEIA’s suggestion that offshore wind can be eliminated through Sensitivity Portfolio 2.

#### **IV. THE 13.4 GW IN SENSITIVITY PORTFOLIO 1 IS CONSERVATIVE**

CESA argues that “[t]he Commission’s determination to have CAISO evaluate the Offshore Wind Sensitivity (‘OSW’) is not aligned with risk-minimization, cost-effectiveness, or federal policy.”<sup>6</sup> CESA expresses concern with Sensitivity Portfolio 1 “because of the uncertainties of developing regional transmission and technical complexities and cost uncertainties of offshore wind.”<sup>7</sup> Instead, CESA supports the Sensitivity Portfolio 2, arguing that it would “help identify ‘least-regrets’ projects that are necessary across a variety of future scenarios.”<sup>8</sup>

Contrary to CESA’s contentions, the inclusion of offshore wind in the sensitivity portfolios is appropriate and aligned with a risk-minimization approach. There is a clear state mandate to pursue offshore wind. Notably, the 13.4 GW goal in the Sensitivity Portfolio 1 is *conservative*, given that the CEC has established an AB 525 planning goal of 25 GW of offshore wind by 2045. Furthermore, any “least regrets” approach would, at a minimum, incorporate resources like the more than 7 GW of offshore wind associated with the five leases that have already been awarded. Ideally, the Commission would utilize a risk minimization approach that includes in a sensitivity portfolio the full statutorily-mandated planning goal of 25 GW.

#### **V. THE PROPOSED DECISION APPROPRIATELY RECOGNIZES THE BENEFITS OF OFFSHORE WIND**

PCF suggests that the Proposed Decision “should be revised to eliminate offshore wind from the base case and the sensitivity resource” and claims that “offshore wind power will be

---

<sup>6</sup> CESA Opening Comments at 7.

<sup>7</sup> *Id.* at 7-8.

<sup>8</sup> *Id.* at 8.

prohibitively expensive relative to warehouse rooftop solar.”<sup>9</sup> PCF’s view is shortsighted and fails to consider the myriad of system benefits of long lead-time resources like offshore wind, such as meeting the state’s greenhouse gas emission reduction targets, complying with the state’s renewables portfolio standard, and ensuring system and local reliability.<sup>10</sup> In addition, PCF fails to consider the unique load profile of offshore wind that complements daytime solar production. The Commission should reject PCF’s recommendation.

## VI. CONCLUSION

The Commission should include offshore wind Sensitivity Portfolio 1. Furthermore, the Commission should consider the full AB 525 planning goal of 25 GW of offshore wind by 2045. At a minimum, the Commission should continue to look to the CAISO 20-Year Transmission Outlook and update future TPP sensitivity cases with updated offshore wind studies. Finally, in addition to the outcomes of the AB 525 process, the impacts of new wind energy area designations and increasing density factors in existing lease areas should inform the TPP. OWC appreciates the opportunity to submit these reply comments to support the Commission’s deliberative effort and looks forward to collaborating with the Commission and stakeholders in this proceeding.

Respectfully submitted,

Dated: February 7, 2023

/s/  
\_\_\_\_\_  
Adam Stern  
Executive Director  
Offshore Wind California  
P.O. Box 955  
Menlo Park, CA 94026  
Tel: (510) 681-4483  
E-mail: [adam.stern@offshorewindca.org](mailto:adam.stern@offshorewindca.org)

---

<sup>9</sup> PCF Opening Comments at ii and 8.

<sup>10</sup> See Pub. Util. Code § 454.52.