

COUNTY OF MENDOCINO Board of Supervisors

DARCIE ANTLE CLERK OF THE BOARD

501 Low Gap Rd. Room 1010 Ukiah, CA 95482 Email: bos@mendocinocounty.org Website: www.mendocinocounty.org Office: (707) 463-4221 Fax: (707) 463-5649

April 24, 2023

Assemblymember Eduardo Garcia, Chair Assembly Utilities and Energy Committee State Capitol, Legislative Office Building 1020 N Street, Room 408A Sacramento, CA 95814

Re: AB 1373 (Garcia) Energy - OPPOSE UNLESS AMENDED

Dear Assemblymember Garcia,

On behalf of the County of Mendocino, we regretfully oppose Assembly Bill 1373 (Garcia) unless amended, which seeks to establish a central procurement entity (CPE) and make other changes.

Mendocino County shares and applauds your commitment to improving the state's energy reliability and resource diversity. Community Choice Aggregations (CCAs) procured significant long-duration storage and clean resources very early, leading efforts to scale up offshore wind and geothermal.

However, well intended, AB 1373, as currently drafted, would create an unintended slowdown in developing new reliable resources and unreasonably increase ratepayer costs. Therefore, Mendocino County encourages the Central Procurement Entity to focus on the state's critical transmission issues instead of on generation and expressly to help deliver the necessary transmission work.

Mendocino County is concerned that this bill is focusing on the wrong problem. Load Serving Entities (LSE) can procure new resources when the necessary transmission and distribution infrastructure facilitates such procurement. Load-serving entities have met their procurement requirements for new, clean energy resources. A report recently showed that LSEs exceeded the Mid-Term Reliability (MTR) procurement order issued by the CPUC and that CCAs over-procured by over 500 MWs. Contracting to procure new supplies is not the problem.

The real problem is the need for more transmission and the slow interconnection pace at both the transmission and distribution levels. For example, CCAs have recently reported over 790 MW of new, clean energy resources that they cannot connect to the grid due to interconnection delays. Further

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complicating matters, to meet SB 100 goals by 2045, all LSEs must increase their annual procurement rate by 557%.

California's distribution and transmission infrastructure is currently struggling. If we fall well short of our clean energy goals, it will not be because of a lack of procurement of generation resources but because the state has not addressed its significant infrastructure needs. For these reasons, Mendocino County recommends that policymakers address California's infrastructure needs and respectfully oppose AB 1373 unless amended for the above reasons.

Respectfully,

Glenn McGourty, Chair

Mendocino County Board of Supervisors