



July 9, 2021

Rajinder Sahota
California Air Resources Board
1001 I Street
Sacramento, CA 95812

Submitted online

Re: *American Clean Power (ACP) - California Comments on 2022 Scoping Plan Update to Achieve Carbon Neutrality by 2045.*

Dear Ms. Sahota:

ACP-California is pleased to provide these initial comments to the California Air Resources Board's ("ARB") 2022 Scoping Plan Update to Achieve Carbon Neutrality by 2045. This effort is critical to aligning state agencies and California's economic sectors behind coordinated decarbonization strategies. These comments discuss the role of the energy sector in meeting the 2045 emission reduction target, with particular focus on utility-scale renewable energy and clean capacity development to facilitate emission reductions across the entire economy while meeting the state's affordability and energy reliability objectives. Below, ACP-California offers four high-level recommendations for the 2022 Scoping Plan.

The American Clean Power Association (ACP) is the voice of companies from across the clean power sector that are providing cost-effective solutions to the climate crisis while creating jobs, spurring massive investment in the American economy, and driving high tech innovation across the United States. ACP's mission is to transform the U.S. power grid to a low-cost, reliable, and renewable power system. ACP-California is the state project of the national organization and shares this mission with an eye toward California's market and policy venues.

The clean energy industry commits to ensuring that all Californians have electric power during every hour of every day, particularly in the face of more intense climate events. Reliability is a basic need in modern society, and a diverse portfolio of clean technologies including solar, storage, land-based and offshore wind, and transmission, working together, will deliver affordable reliability without compromising air quality or decarbonization.

One of the critical strategies for achieving the 2045 carbon reduction targets is through the implementation of SB 350 and SB 100, which require all of California's utilities and direct access providers to plan for long term GHG emission reductions through "Integrated Resource Planning" ("IRP"). The ARB plays an important role in the IRP process. The recent release of the 2020 update to SB 350 Integrated Resource Planning Electricity Sector Greenhouse Gas Planning Targets in March of 2021 noted that incorporation of SB 100 goals would reduce the



upper end of the GHG reduction range from 53 MMTCO_{2e} to 44 MMTCO_{2e}.¹ In the March update document, the ARB encourages all Load Serving Entities (“LSEs”) to plan towards the bottom end of the range (30 MMTCO_{2e}). This confirms that the CPUC’s past reliance on the 46 MMT scenario as the basis for long-term transmission planning is not aligned with the State’s GHG reduction trajectory. The ARB update stated the following on pages 3-4:

Had staff used the 60 percent RPS scenario instead of the Scoping Plan scenario to establish the electricity sector GHG planning target range, the top end of the range would have reduced from 53 MMTCO_{2e} to 44 MMTCO_{2e}, or 17 percent (See Figure 1 below). The bottom end of the range remains at 30 MMTCO_{2e}.

This type of alignment of agency processes is an example of the type of action and leadership needed to ensure that the State can rely on the electricity sector to facilitate economy-wide emission reductions. Even when considering very conservative electricity load forecasts, California’s SB 100 goals will require the development of unprecedented amounts of new carbon-free capacity.² To ensure that the State can meet its GHG, reliability and affordability goals, the State must focus on strategies that facilitate decarbonization at least cost to consumers. This is particularly important for front-line communities whose power bills are often a large percentage of the overall household expenses.

California has long relied on the transition to renewable energy as a cornerstone of the State’s greenhouse gas reduction strategy. Electrification was a core strategy identified for multiple sectors in the 2017 Scoping Plan update.³ A 2020 report from the Legislative Analyst’s Office cited the electricity sector as a primary driver of greenhouse gas emission reductions, with annual emissions from the sector declining by about 40 million metric tons (40%) over the last decade.⁴ As the State continues to lean on electrification strategies to reduce greenhouse gas emissions from the building and transportation sectors, it will be critical to set appropriate planning targets and standards.

¹ California Air Resources Board. Senate Bill 350 Integrated Resource Planning Electricity Sector Greenhouse Gas Planning Targets: 2020 Update. March 2021, pp. 3-4. <https://ww2.arb.ca.gov/sites/default/files/2021-04/sb350-final-report-2020.pdf>

² See 2021 SB 100 Joint Agency Report, Charting a Path to a 100% Clean Energy Future, Figure 35, at p. 84 (March 2021) available at: <https://www.energy.ca.gov/sb100>

³ See 2017 Scoping Plan Update at p. ES-6, available at: https://ww2.arb.ca.gov/sites/default/files/classic/cc/scopingplan/scoping_plan_2017.pdf?utm_medium=email&utm_source=govdelivery

⁴ Petek, Gabriel. Legislative Analyst’s Office. Assessing California’s Climate Policies – Electricity Generation. January 2020. <https://lao.ca.gov/Publications/Report/4131>



ACP-California offers the following high-level recommendations for the 2022 Scoping Plan Update:

1. The modeling assumptions should account for electricity load growth due to the anticipated need for decarbonization in the industrial and transportation sectors. Simply put, the 2022 Scoping Plan should serve as a guide for how the electricity sector will help facilitate the entire economy's achievement of a 100% clean energy standard.
2. The ARB should develop the Scoping Plan and the associated modeling to demonstrate how accelerated GHG targets in the near-term affect cost effective carbon reduction strategies in the longer term. To facilitate more proactive planning, the ARB should accelerate the greenhouse gas reduction targets in the near term to ensure that the fleet of clean resources is available to serve electricity load growth across the economy in the longer term.
3. Delivering on the promise of 100% clean energy will require immediate, sustained, and significant new investment in the grid to deliver clean capacity in a safe and reliable manner. The ARB should encourage State energy agencies and the California ISO to ensure that transmission approvals and investments keep pace with California's renewable energy buildout.
4. The ARB should consider how coordination with other Western states and balancing areas can reduce costs and facilitate GHG reductions for Californians.

ACP-California appreciates the opportunity to provide these comments on the role of clean energy development in meeting the State's GHG targets. We look forward to participating in this process and working with the state on cost-effective strategies to meet the 2045 carbon reduction targets.

Respectfully submitted,

/s/

Danielle Osborn Mills
Director, ACP-California
danielle@renewableenergystrategies.com
916-320-7584