



July 28, 2020

The Honorable Ben Hueso, Chair
 Senate Energy, Utilities and Communications Committee
 State Capitol, Room 4035
 Sacramento, CA 95814

Re: Support for AB 1720 (Carrillo) – Long Duration Energy Storage for a Reliable Energy Grid

Our organizations strongly support AB 1720 (Carrillo). This bill will protect California’s clean energy grid by ensuring sufficient long duration storage projects are on-line by 2026. AB 1720 also creates thousands of good-paying jobs to boost our economic recovery while protecting consumers from higher costs. Our state needs to take meaningful action now to develop long duration energy storage solutions. AB 1720 will help us achieve this goal.

California is rapidly moving toward a 100 percent clean energy grid. To ensure consumers and businesses have reliable energy throughout this transition, our state must be able to store and dispatch large amounts of renewable energy when needed. As part of its Integrated Resource Planning (IRP) process, the CPUC identified an urgent need for an additional 1,000-1,600 megawatts of long duration energy storage by 2026, and is currently working with individual utilities to develop plans to procure enough long duration energy storage on the necessary timeline to meet our reliability needs.

Given long-duration storage projects take several years to build and integrate with the grid, it is critical that we take action now to ensure they are developed in a timely manner. AB 1720 would work within the existing CPUC IRP process to integrate long duration storage into our energy infrastructure. If the CPUC determines it cannot produce the amount of long duration energy storage the state needs by March 1, 2021, the Department of Water Resources (DWR) will step in as a safety net procurement entity to ensure projects are built. Because of its expertise and experience in energy and large infrastructure management and procurement, DWR is well positioned to serve in this role.

AB 1720 is a sensible approach to meeting our long duration energy storage needs. By ensuring these storage solutions can be brought to market in a timely manner, AB 1720 helps maintain reliable electric service for California businesses and consumers. It spurs innovation through a technology neutral approach, while creating a catalyst for desperately needed jobs.

The bill contains no new costs for the state as the CPUC has already incorporated costs for meeting state-mandated renewable goals into their plan. What's more, AB 1720 puts in place a competitive procurement process to advance the most cost-effective storage technologies.

We have no time to waste. These long duration storage projects must be online by 2026 to meet our clean energy goals. A failure to act this legislative session could leave the state scrambling later to put needed resources in place, which will negatively impact grid reliability and could result in higher costs for consumers. We urge your aye vote.

Sincerely,

Al C. Rich, President
ACR Solar International Corp.

Deborah Howard, Executive Director
California Senior Advocates League

Lauren Weston, Executive Director
Acterra: Action for a Healthy Planet

Betty Jo Toccoli, President & Advocate
California Small Business Association

Claire Donnenwirth, Executive Vice President
Associated Plumbing & Mechanical Contractors of Sacramento

Mayor Victor Lopez, CEO
Central Valley Latino Mayors and Elected Officials Coalition

Claire Donnenwirth, Executive Director
Associated Subcontractors Alliance of Sacramento

Gary Passmore, President
Congress of California Seniors

Jim Wunderman, President & CEO
Bay Area Council

Sandy Emerson, Board President
Fossil Free California

Pat Fong Kushida, President & CEO
California Asian Pacific Chamber of Commerce

Ruben Guerra, CEO
Latin Business Association

Eddie Bernacchi, Legislative Advocate
California Chapters of the National Electrical Contractors Association (NECA)

Julia Prochnik, Executive Director
Long Duration Energy Storage Association of California

Daniel Curtain, Director
California Conference of Carpenters

Doug Kesler, Executive Director
Si Se Puede Fresno, Tulare, Kings & Kern

Mike Williams, Executive Director
California Delivery Association

Sergey Terebkov, President & CEO
Slavic-American Chamber of Commerce

Julian Canete, President & CEO
California Hispanic Chambers of Commerce

Robbie Hunter, President
State Building and Construction Trades Council of California

Lisa Baca, Executive Director
California Latino Leadership Institute

John Cooper, Labor Relations
Southern California Contractors Association

Eddie Bernacchi, Director
California Legislative Conference of the Plumbing, Heating & Piping Industry

Cc: Assembly Member Carrillo
Members of the Senate Energy, Utilities and Communications Committee