

# AB 1373: CENTRAL PROCUREMENT OF DIVERSE NEW CLEAN ENERGY SOURCES

*Lawmakers must act now or miss out on offshore wind*

AMERICAN  
CLEAN  
POWER  
CALIFORNIA



## California needs a new source of 100% clean power to build its way out of the climate crisis – offshore wind is the answer.

- ▶ With some of the best offshore wind availability in the nation, California is leading with ambitious goals to harness this resource: up to 5 GW by 2030 and a nation-leading 25 GW by 2045. That's enough to power **25 million homes**, equal to 12 Hoover Dams or a dozen Diablo Canyon power plants!
- ▶ Offshore wind will provide critical resource diversity that will enable the state to achieve an 100% carbon-free electric system while maintaining reliability.
- ▶ Building offshore wind **at scale** will generate tens of thousands of good paying jobs while helping reach California's 100% clean energy target by providing power at the end of the day when solar generation declines and natural gas plants ramp up.

## VOTE YES ON AB 1373

AB 1373 reflects an agreement between the Governor and Legislative leadership to authorize central procurement of diverse resources like offshore wind. The Legislature must pass AB 1373 this year to jumpstart this new industry. Only by establishing a dedicated central buyer for offshore wind can the state get this promising new market on its feet—and achieve California's goal of clean power for all.

## Central procurement is critical to getting this promising new market on its feet – and delivering clean power to every Californian.

- ▶ California's first offshore wind projects will create an entirely new industry. They face higher up-front investment costs and will take time to build – putting people to work upgrading ports, building new transmission lines, and establishing new supply chains.
- ▶ Offshore wind developers need dedicated buyers during the start up phase to secure investment. The state can help navigate these challenges through central procurement from a single buyer such as the Department of Water Resources, which has the buying power to accommodate large-scale resources like offshore wind and provide the market certainty that industry needs to build.
- ▶ By creating economies of scale to bring offshore wind costs down, central procurement will continue California's leadership as the incubator of innovative clean energy technologies. Policy choices made solar power less expensive than natural gas in the Golden State. Let's replicate this success for offshore wind through central procurement.

## AB 1373 is critical to realize the tremendous benefits of offshore wind to California's economy, workforce, and environment.

- ▶ Offshore wind developers must make big decisions soon. They must secure financing to make their first steps now. Surveys to inform project design and give investors confidence to move forward with 2024 development milestones, including survey work and port investments.
- ▶ California can create a path to build offshore wind through central procurement, which shares costs, risks, benefits evenly among ratepayers. Without it, investments and jobs are at risk, we'll fall behind on our nation-leading goals, and our reliance on climate altering energy sources will persist.
- ▶ The Governor and leaders in the Senate and Assembly have come together on a proposal in AB 1373 for central procurement of diverse clean energy resources. Lawmakers must vote yes on AB 1373 to realize the tremendous benefits of offshore wind to California's economy, workforce, and environment.