



Aug. 15, 2018

Honorable Assembly Member Chris R. Holden
State Capitol, Room 5132
Sacramento, CA 95814

**RE: AB 813: Multistate regional transmission system organization: membership. –
OPPOSE**

Dear Assembly Member Holden,

Independent California is a non-profit devoted to ensuring equal rights for all Californians, including the right to equal representation. I am writing today to express our opposition to AB 813, which seeks to weaken the California Independent System Operator's accountability to our state elected officials, in the hope that more out-of-state transmission operators will join.

Our primary concern with this bill is how it constitutes the Western States Committee, with three seats for each state. California has 10% more residents than Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming combined.¹ Apart from the obvious fiscal drawbacks of giving other state governments disproportionate power over questions like "where should we build new transmission capacity, and who should pay for it?" the bill in essence subjects Californians to a gross malapportionment scheme, whereby more than half the residents of the Western U.S. would receive less than 10% of the representation.

¹ Based on U.S. Census population estimates for July 1, 2017.

Not only is it surprising that such a proposal should originate from *our own* state legislature, but we suspect that, as written, the bill may violate the guarantee of equal protection under the law in both the 14th Amendment of the U.S. Constitution and Section 7 of Article I of the California Constitution.

We note that the Western States Committee is not a mere forum for state governments to discuss grid regionalization (which would not require a bill). The legal text of AB 813 gives the Committee open-ended authority over “guidance to the Independent System Operator on all matters of interest to more than one state.” Furthermore, as the bill's digest notes, the California ISO proposed in 2016 (and presumably still intends) to give the Western States Committee primary approval authority over certain California ISO proposals, *as well as veto power over new nominees to the ISO board.*

We agree with the NRDC, the primary environmental group in support of this bill, about the urgent importance of combatting climate change. However, along with Sierra Club California, Earthjustice, Climate Action Campaign, and several local chapters of 350.org, we disagree that this bill, as written, will help combat climate change, and may in fact exacerbate it.

In addition, Clean Coalition makes a compelling case that the core idea behind this bill is flawed.² If California really means to get anywhere near 100% renewable energy, we will need significant energy storage to deal with the intermittent output of wind and photovoltaic solar. Moving energy over long distances is an old way of doing things; now that the price of batteries is low and continuing to plummet, we may be better off investing in infrastructure that can move energy through time.

Thus, even a successful grid regionalization bill would have unintended consequences. We might invest money in extra transmission capacity that we should have invested in storage solutions and advanced control systems. We might reach a point where parts or all of California are capable of being energy-independent, only to have to contend with an unaccountable regional ISO that insists on top-down regional planning.


Put another way, California now has the opportunity to model to the rest of the world a clean, reliable, comprehensive renewable energy solution that can work anywhere that the sun's rays fall. In contrast, grid regionalization proposes, *at best*, to impact power

² See “Re: OPPOSE AB 813” dated June 15, 2018.

consumption in ten other states with a combined GDP less than 73% of California's.³

Grid regionalization is, frankly, thinking small in the face of the enormous challenge that is climate change. Our continued prosperity, and, in the long term, our survival, depends on moving beyond the solutions of the past and thinking bigger.

Sincerely,

A handwritten signature in black ink that reads "Dave Marin". The signature is written in a cursive style with a prominent "D" and "M".

Dave Marin
Chair of the Board
Independent California
dave.marin@independentca.org

³ Source: Bureau of Economic Analysis, 2017 state GDP estimates.