

**REPORT OF THE  
CHIEF LEGISLATIVE ANALYST**

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DATE: April 28, 2021

TO: Honorable Members of the Rules, Elections, and Intergovernmental Relations Committee

FROM: Sharon M. Tso   
Chief Legislative Analyst

Council File No: 21-0002-S98  
Assignment No: 21-04-0313

SUBJECT: AB 525 (Chiu)

CLA RECOMMENDATION: Adopt the attached Resolution (Buscaino– O’Farrell) to include in the City’s 2021 - 2022 State Legislative Program SUPPORT for AB 525 (Chiu), which would require the California Energy Commission (CEC) to develop a strategic plan for achieving 3,000 megawatts (MW) of offshore wind development off the California Coast by 2030, and at least 10,000 MW by 2040.

SUMMARY

On April 7, 2021 a Resolution (Buscaino– O’Farrell) was introduced in Council to support AB 525 (Chiu). The Resolution states AB 525 would require the CEC to develop a strategic plan for achieving 3,000 MW of offshore wind development off the California Coast by 2030, and at least 10,000 MW by 2040. The 100 Percent Clean Energy Act of 2018 established that eligible renewable energy resources supply 100 % of retail sales of electricity to California customers by December 31, 2045. The Resolution states that existing State law also requires the Public Utilities Commission (PUC) and the CEC to undertake various actions to further clean energy and pollution reduction objectives. The bill would also require the CEC to develop a plan to improve existing waterfront facilities that could support a range of floating offshore wind energy development activities. The additional developments of offshore wind energy facilities could create more than 14,000 construction jobs and 3,000 operations and maintenance jobs. AB 525 can assist in providing a secure, reliable, and affordable renewable energy source to serve the needs of Californians and improve air quality in a variety of communities throughout the State; therefore, the Resolution requests that the City of Los Angeles support AB 525.

BACKGROUND

On February 1, 2021 AB 525 was introduced by Assembly Member Chiu which would add Chapter 14 (commencing with Section 25991) to Division 15 of the Public Resources Code, relating to energy. The 100 Percent Clean Energy Act of 2018 established that eligible renewable energy resources and zero-carbon resources supply 100% of retail sales of electricity to California end-use customers and 100% of electricity procured to serve all State agencies by December 31, 2045. The Act requires the PUC, the CEC, and the State Air Resources Board to issue a joint report to the Legislature by January 1, 2021, and every four years thereafter, that includes specified information relating to the implementation of the policy.

Existing law requires the PUC and the CEC to take various actions in order to meet the State's clean energy and pollution reduction objectives. This bill would require the CEC, in coordination with other agencies, to develop a strategic plan to achieve a goal of a minimum of 10,000 MW of offshore wind energy developments installed off the California coast by 2040, with an interim target of 3,000 MW installed by 2030. AB 525 would require the CEC to submit the strategic plan to the Natural Resources Agency and the Legislature by June 1, 2022.

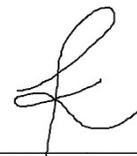
This bill would require the CEC, to coordinate with relevant State and local agencies, to assess and develop a plan to improve existing waterfront facilities that could potentially support a variety of floating offshore wind energy development activities; and would require the PUC, in consultation with the CEC, to include offshore wind energy as a resource for full consideration in the PUC's integrated resource planning process. AB 525 would require the CEC, in consultation with the PUC and the Independent System Operator, to assess the transmission investments and upgrades necessary to support at least 10,000 MW of offshore wind energy developments by 2040. The bill would require that assessment to include the consideration of eligible renewable energy resource technologies, including, but not limited to, offshore wind energy, as a resource in order to accomplish the objectives of the 100 Percent Clean Energy Act of 2018.

The bill would also require the CEC to assemble a working group that includes all relevant State agencies to facilitate the permitting process for offshore wind energy facilities and associated electricity and transmission infrastructure off the coast of California. AB 525 can assist in providing a secure, reliable, and affordable renewable energy source to serve the needs of the State and improve air quality in a variety of communities; therefore, the City should support AB 525.

#### BILL STATUS

##### *AB 525*

04/22/21	From committee: Amend, and do pass as amended and re-refer to Committee (Com). on Natural Resources (NAT. RES.) (Ayes 14. Noes 0.) (April 21).
04/19/21	(pending re-refer to Com. on NAT. RES.)
04/19/21	Assembly Rule 56 suspended.
04/05/21	In committee: Hearing postponed by committee.
02/18/21	Referred to Coms. on U. & E. and NAT. RES.



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Kimberly A. Tejada  
Analyst

SMT:kat

Attachments: Resolution (Buscaino– O'Farrell)

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state, or federal government body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, the 100 Percent Clean Energy Act of 2018 established that eligible renewable energy resources supply 100% of retail sales of electricity to California customers by December 31, 2045; and

WHEREAS, existing State law also requires the Public Utilities Commission and the Energy Commission to undertake various actions to further clean energy and pollution reduction objectives; and

WHEREAS, AB 525 (Chiu), introduced February 21, 2021, seeks to require the Energy Commission to develop a strategic plan to implement at least 10,000 megawatts of offshore wind energy developments installed off the California coast by 2040, with an interim target of 3,000 megawatts installed by 2030; and

WHEREAS, the measure would also require the Energy Commission to develop a plan to improve existing waterfront facilities that could support a range of floating offshore wind energy development activities; and

WHEREAS, 10,000 megawatts of offshore wind energy developments could create more than 14,000 construction jobs and 3,000 operations and maintenance jobs; and

WHEREAS, AB 525 can assist in providing a secure, reliable, and affordable renewable energy source to serve the needs of Californian's and improve air quality in a variety of communities throughout the State;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2021-2022 State Legislative Program SUPPORT for AB 525 (Chiu) that seeks to develop a strategic plan to implement at least 10,000 megawatts of offshore wind energy developments installed off the California coast by 2040, with an interim target of 3,000 megawatts installed by 2030.



PRESENTED BY:

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JOE BUSCAINO  
Councilmember, 15<sup>th</sup> District



SECONDED BY:

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MITCH O'FARRELL  
Councilmember, 13<sup>th</sup> District



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