



# California Wind Energy Association

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July 14, 2025

The Honorable Cottie Petrie-Norris, Chair  
Assembly Utilities and Energy Committee  
1020 N Street, Room 408A  
Sacramento, CA 95814

**RE: Senate Bill 540 (Becker) – OPPOSE UNLESS AMEND**

Dear Chair Petrie-Norris,

The California Wind Energy Association (CalWEA) must regrettably oppose SB 540 (Becker) unless amended to ensure that out-of-state resources that qualify for Renewables Portfolio Standard (RPS) Product Content Category 1 (PCC1) are fully capable of delivering energy to California.

CalWEA is a 25-year-old trade association. Our members are focused on operating and developing wind energy resources within and directly interconnected to California and capturing related economic and workforce development benefits for California.

When the legislature adopted the RPS requirements, it wanted to ensure that renewable resources outside of California are physically delivered to a California Balancing Authority (BA) to enhance system reliability for Californians. This is the purpose of the RPS PCC1 eligibility requirements. Under a Western Energy Day Ahead Market, which SB 540 would authorize California's Independent System Operator and California transmission-owning utilities to join, there will be no deliveries to California BAs, only deliveries to the single Western market.

While CalWEA appreciates the amendment that was made to SB 540 that is intended to address this issue, we believe that the amendment requires adjustment to require resources that want to qualify for RPS PCC1 to obtain an e-tag showing that they have reserved transmission capacity to a California BA to ensure that generators are capable of delivering to the CAISO or another California BA. Otherwise, California could end up relying on more renewable resources than the system can physically deliver to California.

Removing the delivery requirement would also place in-state resources at a competitive disadvantage against out-of-state resources, which do not face the high costs of development in California, nor provide the in-state economic tax and jobs benefits.

For these reasons, CalWEA opposes SB 540 unless amended to address this concern.

Sincerely,

A handwritten signature in black ink that reads "Nancy Rader". The signature is written in a cursive, flowing style.

Nancy Rader  
Executive Director  
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(510) 919-6358

cc: Members and Staff, Assembly Utilities and Energy Committee  
Senator Josh Becker

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