



February 3, 2020

The Honorable Chris Holden and Laura Friedman
 Assembly Utilities and Energy and Natural Resources Committees
 State Capitol
 Sacramento, CA 95814

Re: Opposition to Eagle Crest Legislation

Dear Chair Holden and Chair Friedman,

We write to express our opposition to legislation directing the procurement by the Independent System Operator of expensive long-duration bulk storage, such as the proposed Eagle Crest pumped energy storage project in the Eagle Mountains, surrounded by Joshua Tree National Park. Like in 2018 and 2019, Eagle Crest seeks the assistance of state lawmakers to evade the proper rulemaking processes conducted by state regulatory agencies that determine if, how, where and when pumped storage can help California reach its clean energy goals. Like the past two years, Eagle Crest seeks to put its thumb on the scale because the established processes that protect ratepayers and safeguard the environment have stalled its project.¹ Said differently, a private corporation seeks to have the State legislature mandate ratepayers spend \$2.5 billion to

¹ Eagle Crest is an active participant in the California Public Utilities Commission Rulemaking Process that continues to consider pumped storage technology but has not determined if, how, when and where this technology would be needed to reach clean energy goals while protecting ratepayers from expensive, unnecessary costs. The Trump administration’s 2018 approval of Eagle Crest’s right-of-way is currently under administrative appeal. The FERC’s 2018 issuance of a new FERC license to Eagle Crest is currently being litigated in Federal court.

bail out its failing project that State regulators have not determined to be needed for California's clean energy future. This is simply bad policy for California.

While energy storage is crucial to California's sustainable future, Eagle Crest has always been the wrong project in the wrong place. Unlike other proposed pumped storage projects, such as the San Vicente project in San Diego, Eagle Crest is the only project that would overdraft groundwater aquifers. The project would extract thousands of acre-feet of ice-age groundwater from an arid desert valley, then store it in uncovered reservoirs where it will rapidly evaporate, necessitating more aquifer pumping. In 2017, the National Park Service wrote, “[**scientific research suggests that the planned withdraw rate would cause damaging overdraft conditions.**” In the meantime, the new reservoirs would pose the threat of acid mine drainage contaminating the aquifer, increasing raven populations to the detriment of the threatened desert tortoise, and further industrializing an area of desert bighorn sheep habitat that advocates seek to add to Joshua Tree National Park. As an economic engine, Joshua Tree brings millions of tourist dollars to desert communities each year. Further industrializing the Chuckwalla Valley would pose a severe threat to those communities' economy.

Like the proposed Cadiz groundwater mining project, Eagle Crest would overdraft groundwater aquifers that support important publicly owned lands. Like Cadiz, Eagle Crest has failed to advance its project for over two decades because its science and economics don't add up, resulting in opposition from the environmental community and from utility associations.²

Eagle Crest first applied for its Federal Energy Regulatory Commission (FERC) license in 1994. In the 26 years since, California lawmakers and residents have determined that our fragile desert ecosystem is a state treasure worthy of defending and protecting, and our groundwater aquifers should not be mined.

We urge you to support the state's fair rulemaking processes and oppose legislative efforts to bail out the failing Eagle Crest project. As the Los Angeles Times Editorial Board wrote last year, “Don't pass this bill. And not just because the necessity of this particular project is in doubt, but because the potential environmental impact is far too severe to let it go through.”³

Sincerely,

Melissa Romero
Legislative Affairs Manager
California League of Conservation Voters

Neal Desai
Senior Program Director, Pacific Region
National Parks Conservation Association

² See attached January 2, 2020 Coalition letter to the California Legislature opposing Eagle Crest legislation.

³ LA Times Editorial, May 29, 2019 “**No, we shouldn't pump desert groundwater near Joshua Tree to help store electricity**” <https://www.latimes.com/opinion/editorials/la-ed-joshua-tree-eagle-mountain-pumped-storage-20190529-story.html>

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January 2, 2020

**THE RESURRECTION SB 772, OR A SIMILAR VERSION,
MANDATING THE PROCUREMENT OF EXPENSIVE LONG-
DURATION BULK STORAGE MUST BE OPPOSED
FOR THE FOLLOWING REASONS:**

- The Legislature has **already rejected** the proposal in two different legislative vehicles: SB 772 (2019) and AB 2787 (2018).
- California utilities already determine their system needs through legislatively mandated Integrated Resource Plans. The state is also required by SB 100 to produce a joint-agency report to determine statewide electric needs **A one-off legislative mandate that spreads costs of bulk storage across the Transmission Access Charge, inviting FERC into California energy policy, will cost Californians BILLIONS OF DOLLARS** and is not needed to ensure we meet our clean energy goals.
- Environmental risks and sacred site impacts are not factored appropriately with many of the developer-backed pumped hydropower storage projects. For example, the long-struggling Eagle Crest project carries **significant environmental impacts** including overdraft of protected desert groundwater aquifers, wildlife and fauna impacts, as well as encroachment on endangered species habitat.

**FOR THESE REASONS, WE REMAIN OPPOSED TO LEGISLATION
LIKE SB 772 THAT BYPASSES ESTABLISHED STATE POLICIES.**