



Secretary Wade Crowfoot
California Natural Resources Agency
715 P Street
Sacramento, CA 95814

May 14, 2024

Secretary Karen Ross
California Department of Food and Agriculture
1220 N Street
Sacramento, CA 95814

Secretaries Crowfoot and Ross:

We, members of the San Joaquin Valley Water Collaborative Action Program (CAP),¹ are writing to request the support of the administration to advance policies supportive of utility-scale solar projects and related energy transmission infrastructure in the San Joaquin Valley (Valley) to achieve California's significant renewable energy targets and benefit local communities, farmers, and the Valley's economy. Our multistakeholder group anticipates that this form of land repurposing will be important as our State manages through challenging land use changes associated with water scarcity, including implementing the Sustainable Groundwater Management Act (SGMA).

Studies by the Public Policy Institute of California (PPIC) have indicated that at least 500,000 acres of productive farmland will need to go out of production in the Valley over the next twenty years as a result of water scarcity.² If left unmanaged, this land use change could lead to an array of negative impacts (i.e., invasive weeds, pests, and dust) and devastate the Valley's economy, including job losses and reduced state and local tax revenues. Proactive management and strategic repurposing of these lands could provide opportunities to create an array of public benefits, including renewable energy.

Recently passed laws also require that all of California's future retail electricity be from carbon-free sources by 2045, with an even more aggressive target of 100% carbon-free electricity by 2035 for the State's largest electricity user: the Department of Water Resources. To achieve these objectives, the rate of solar and wind development in California will need to triple from its current rate for the next 20 years, and the Valley will play a vital role in meeting these targets.

¹ A coalition of over 80 leaders from agriculture, water agencies, environmental justice organizations, environmental organizations, academia, and state and federal agencies, is focused on developing actions that can lead to a more resilient water and land management in the Valley.

² [Managing Water and Farmland Transitions in the San Joaquin Valley - Public Policy Institute of California \(ppic.org\)](https://ppic.org/managing-water-and-farmland-transitions-in-the-san-joaquin-valley)

Executive Summary

The CAP supports the potential for utility-scale solar projects and related energy transmission infrastructure to be incorporated into land use changes throughout the Valley. It has identified specific policy improvements needed to increase the efficiency with which these projects are developed:

1. **Accelerate Permit Approvals.** Improve the pace of regulatory approvals of utility-scale solar projects and related energy transmission infrastructure while striking the right balance among environmental, socioeconomic, and cultural resource considerations.
2. **Williamson Act Modernization.** Provide clarity that counties may consider utility-scale solar projects and related energy transmission infrastructure compatible uses under the Williamson Act, leaving decision-making at the local level.
3. **Resume Subvention Funding.** Resume the issuance of subvention funds to counties with active Williamson Act contracts, including for lands in utility-scale solar (where compatible). If not universally resumed, subvention funding should be resumed for contracted lands before an agreed-upon date.
4. **Williamson Act Non-Renewal.** The State should adopt a policy to allow counties where solar is not a compatible use to offer non-renewal of Williamson Act contracts for solar development projects rather than requiring them to cancel contracts with a 12.5 percent cancellation fee.
5. **Funding Research and Development on the Coexistence of Utility-Scale Solar Projects and Water Recharge.** Support the research and development of how utility-scale solar projects and water recharge projects can co-exist on the same land (adjacent to or underneath solar facilities).
6. **Funding for Job Training.** Support and sustain workforce development programs that can assist displaced farm workers in pursuing jobs to support the construction and maintenance of utility-scale solar projects and related energy transmission infrastructure.
7. **Solar Energy for Disadvantaged Communities.** Incentivize solar developers to provide renewable energy developed in the Valley to disadvantaged communities to mitigate the risks associated with land use transitions and rising traditional energy costs.

Accelerate Permit Approvals

In order to strategically synchronize the development of renewable energy and land use repurposing due to water scarcity, California should streamline the approval process for utility-scale solar projects and related energy transmission infrastructure. The CAP recommends the following:

1. **Invest Funds and State Resources in Expanding Energy Transmission Infrastructure.** Renewable energy projects must be strategically sited near energy transmission infrastructure to convey the energy from the Valley to where it is needed most (i.e., major urban centers). PPIC and others have identified that the current energy transmission infrastructure level is inadequate to address the State's energy consumptive needs or its 2045 objectives. California should increase (a) State funding and improve the permitting process for energy transmission infrastructure development and construction and (b) cooperation between the California Energy Commission (CEC), California Public Utilities Commission (CPUC), California Independent System Operator (CAISO), Department of Water Resources (DWR), electric utilities, developers, and land use planning agencies for coordinated planning of energy transmission infrastructure and strategic siting.
2. **Programmatic Permitting Process and Terms.** The California Department of Fish and Wildlife (or another appropriate Federal and State agency) should be supported and engaged in developing

a programmatic permitting process for utility-scale solar projects and related energy transmission infrastructure, with uniform timelines and terms and conditions that offer satisfactory protections for endangered species but allow for the expedited development and long-term operation of these facilities.

Williamson Act Modernization

Landowners with Williamson Act contracts face difficult decisions when considering whether a utility-scale solar project is a financially suitable alternative land use for their property, as certain counties have determined that utility-scale solar is incompatible with the Williamson Act. The result of this county-by-county approach is that property taxes increase in some Valley counties when agricultural land is repurposed for utility-scale solar projects, thereby disincentive those wishing to utilize the property to meet the State's clean energy objectives. At the same time, counties struggle with the revenue implications of retaining the Williamson Act on land repurposed for utility-scale solar. The result is that the solar development community faces inconsistency on a county-by-county basis, and landowners and counties find themselves in conflict over property taxes. The CAP recommends the following:

1. **Reinstatement of Subvention Funds.** The State should reinstate subvention funds to supplement lost tax revenues in counties impacted by repurposing farmland to utility-scale solar. The intent is for this form of land repurposing to be revenue-neutral to the counties. The CAP recognizes that this is a costly proposal. Still, it suggests that, at a minimum, subvention funding be resumed for contracted lands before an agreed upon date and consider establishing a specific period during which subvention funding will resume.
2. **Non-Renewal Option.** The state should develop a policy allowing counties, where solar is not compatible with providing a non-renewal pathway for solar development projects on Williamson Act, contracted lands rather than the required cancellation. Non-renewal results in a gradual ramp-up of increased property taxes over a nine-year period rather than an immediate cancellation requiring a cancellation fee of 12.5 percent of the cancellation valuation or 25 percent in a Farmland Security Zone.
3. **Compatibility of Utility-Scale Solar with the Williamson Act.** The State should provide counties with assurances for determining that utility-scale solar projects may be compatible with the Williamson Act to create more consistency among the counties. Utility-scale solar project permits require project operators to return the property to its pre-project condition after its useful life. The return of the property to this condition would return it to an open-space status with the potential to be placed again into agricultural production. While the non-agricultural use is long-term, it is fundamentally temporary.

Funding Research and Development on the Coexistence of Utility-Scale Solar Projects and Underground Water Storage Projects

Underground storage of surface water in wet years (in the form of water banking or water recharge) is an increasingly popular strategy for landowners and water managers in the Valley to reduce the volatility of water supply and water costs. Land repurposing efforts in the Valley – including the development of utility-scale solar projects and related energy transmission infrastructure – should not impede these efforts to store water. Generally, solar developers avoid properties with soil suitable for underground storage. However, with adequate data and decision-making tools, utility-scale solar and water banking and recharge can co-exist. The CAP recommends that the State fund research and develop strategies that

may render co-located water banking and recharge projects more desirable to landowners, water managers, and utility-scale solar project operators. This would include studying sublateral irrigation methods or other applications to reduce or eliminate the period when a utility-scale solar project site is flooded.

Funding for Job Training

The CAP seeks supportive programs for farm workers experiencing job displacement due to water scarcity, driving land use changes. Utility-scale solar projects and related energy transmission infrastructure provide an opportunity to expand the job market in the most heavily impacted communities. The CAP recommends that the State allocate funds to support workforce development programs to prepare displaced farm workers for management, electrical, and construction jobs related to utility-scale solar projects and related energy transmission infrastructure.

Solar Energy for Disadvantaged Communities

In addition to workforce development benefits, the CAP sees a strategic opportunity to develop utility-scale solar projects and related energy transmission infrastructure to benefit the surrounding communities. The CAP recommends the following:

1. **Establish Incentive Program.** The State should develop an incentive program to encourage solar developers to make a certain amount of renewable energy available to nearby communities at affordable long-term rates that are favorable to rates available from utilities.
2. **Simplify Local Utility Policies.** The state should develop simplified local utility rules and policies regarding supplying energy to local communities not to impede the provision of renewable energy to disadvantaged communities.

The CAP believes the recommendations above can substantially improve the utility-scale solar project and related energy transmission infrastructure development process. Given the similar planning horizons of SGMA and SB 100, the CAP requests that these recommendations be given thorough and timely consideration so that project planning and development can proceed. The CAP leadership is available to discuss or consult on these issues.

Sincerely,



Ann Hayden
Environmental Defense Fund



Sarah Woolf
Water Wise

Co-Chairs
San Joaquin Valley Water Collaborative Action Program

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| Name | Caucus | Organization |
| Ann Hayden (Co-Chair) | Environmental | Environmental Defense Fund |
| Sarah Woolf (Co-Chair) | Agriculture | Water Wise |
| Buzz Thompson | | |
| Cannon Michael | Agriculture | Bowles Farming Company |
| Charles Delgado | Environmental | Sustainable Conservation |
| Emmy Cattani | Agriculture | Cattani Farming & Ranching |
| Jennifer Clary | Safe Drinking Water | Clean Water Action |
| Jennifer Pierre | Water Agencies | State Water Contractors |
| Jon Reiter | Agriculture | McConnell Farms, LLC |
| Justine Massey | Safe Drinking Water | Community Water Center |
| Kimberly Brown | Agriculture | Wonderful Orchards |
| Mas Masumoto | Agriculture | Masumoto Family Farm |
| Randy Fiorini | Agriculture | |
| Sopac Mulholland | Environmental | Sopac and Associates LLC |
| Susan Long | Environmental | |
| Tom Collishaw | Safe Drinking Water | Self Help Enterprises |
| Austin Ewell | Water Agencies | Ewell Group |
| Aaron Fukuda | Water Agencies | Mid-Kaweah GSA |
| Mike Wade | Agriculture | California Farm Water Coalition |
| Aubrey Bettencourt | Agriculture | Almond Alliance |
| Megan Nicholas-Harper | Agriculture | Manulife Investment Management |