



## MISSION STATEMENT

CFEE STUDY TRAVEL PROJECT | FALL 2018

CHILE



In November 2018, the California Foundation on the Environment and the Economy (CFEE) will lead a delegation of California State Legislators as well as business, environmental, and labor leaders to Chile. The delegation will examine how the South American country is devising and implementing energy, infrastructure, and water policy that jointly advances environmental and economic priorities.

**CLEAN ENERGY & GRID MODERNIZATION** | California is regarded as a world leader for its efforts to decarbonize its energy system. Yet the generation of clean energy is only part of the story. To successfully integrate renewables, state leaders are also exploring the development of complementary programs, markets, and technologies that will enable a modern, reliable grid at lowest cost.

Chile is forging ahead with its own ambitious plans. Devoid of domestic fossil fuels but rich with solar, geothermal and wind potential, Chile seeks to generate 60 percent of its electricity from renewable resources by 2035 and 70 percent by 2050. This energy strategy also entails grid modernizations that, in some respects, represent some of the most advanced policies in the world.

As deeper renewable penetration and distributed energy resources (DER) change the way the electrical grid must operate, California and Chile must thoughtfully consider an array of solutions to harmonize grid management, including greater regional coordination, expanded demand response (DR), user-friendly time-of-use (TOU) rates, and diverse procurement and optimized use of renewable assets.

The delegation will visit solar fields and mining sites as well as meet with grid operators and energy officials to see how the Chileans are securing their energy independence and pursuing carbon reduction goals while maintaining an affordable and reliable grid.

**RESILIENT INFRASTRUCTURE & EMERGENCY PREPAREDNESS** | Scientists tell us that California's climate is entering a "new normal" in which dramatic swings from drought to downpour become commonplace. This variability spawns devastating wildfires, mudslides, and floods. The increasing likelihood of such extreme events, as well as the daily vulnerability to seismic disruptions, demands that California build resilient and "hardened" infrastructure so it can perform during worst-case scenarios.

Sitting atop the Pacific Ring of Fire, Chile has a long history living with earthquakes and volcanic activity. It is also exposed to the El Niño-Southern Oscillation, which causes torrential rains and crippling dry spells depending on atmospheric conditions. Consequently, Chile must plan, finance, build, and operate resilient infrastructure that can bear the full force of nature's fury.

The delegation will convene Chilean infrastructure developers, emergency management personnel and public officials to discuss their successes and setbacks as they work to address gaps in infrastructure performance, emergency response and communications, and cyber resiliency.

**SUSTAINABLE WATER & NATURAL RESOURCES MANAGEMENT** | California's new normal also impedes the sustainable management of the water supply. The ongoing competition over this limited and precious resource is pushing sensitive ecosystems, agricultural businesses, and disadvantaged communities to the brink.

Chile's climatic variability similarly threatens its own water supply. In response, Chile has moved forward with plans to construct a suite of new reservoirs and conveyance assets to augment supply and improve delivery reliability. The effects of a changing climate are also forcing adaptations to farming practices and the adoption of market-based approaches that support vulnerable ecosystems.

The delegation will meet with water managers, municipal officials, and natural resource specialists to see firsthand how Chile is establishing long-term water supply reliability and adapting natural resource management for the betterment of urban communities, the environment, and commercial operations.

**CFEE's MISSION** is to facilitate an exchange of knowledge, insights, and experiences between California policy leaders and their Chilean counterparts. CFEE strives to identify lessons that can support California policymakers as they work to deliver economic prosperity while demonstrating environmental stewardship.



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