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California needs the right policies in place to fully benefit from offshore wind development

An offshore wind farm off the coast of Blackpool, England on Sept. 5, 2018.

Photo by Phil Noble, Reuters



As California proceeds with large-scale offshore wind projects, state leaders need to establish policies that ensure both economic and environmental success for the next wave of clean energy development.

By Chris Hannan

As elected officials return to Sacramento this week after the Legislature's summer break, they have a unique opportunity to not only continue California's climate leadership but also lay the groundwork for a new, infrastructure-based industry and job-creation engine: offshore wind.

Offshore wind energy is a <u>nearly \$50 billion industry</u>, but on the West Coast, <u>we're just getting started</u>. Similar to utility-scale solar and wind farms, the establishment of offshore turbines presents an opening for California to once again lead – this time in floating wind technology. In doing so, the state can become a central player in this burgeoning international market.

California's projects off the coast of Humboldt and Morro Bay will be the nation's first large-scale floating offshore wind developments. Not only are these projects key to meeting the state's ambitious climate agenda, but with proper policy, they represent the launch of a new, clean energy industry with the potential to reshape regional economies and generate thousands of jobs. But to unlock the promise of offshore wind and support the enormous investment required to make it operational, state leaders need to cultivate a market for the energy these projects produce.

Earlier this year, Gov. Gavin Newsom and the Legislature began working toward a policy, Assembly Bill 1373, that will incentivize and expedite wind and other clean energy sources. As this effort develops, they should also prioritize streamlining energy procurement to create a stable market for offshore wind developers who are willing to embrace California's deep commitment to its skilled and trained workforce.

Currently, each of California's more than 40 power providers acquires energy for their own local —and sometimes very small — needs. Offshore wind projects are large-scale, with long development timelines that require new port and transmission infrastructure upgrades. Our current system just does not meet the unique needs, timeline and scale of offshore wind energy.

On the East Coast, <u>state policies have ensured predictable paths</u> to long-term contracts for large amounts of offshore energy, stimulating hundreds of millions of dollars in crucial private investments. The same is needed in California. Big public infrastructure projects and new industries, like offshore wind, require both steady government leadership and an investment in the workers necessary to build it. By establishing a central procurement system for clean power buying that ensures local skilled workers are utilized, the state can create both the human and financial investment needed to make offshore wind generation a major solution.

Offshore wind energy is projected to power 25 million homes in California by 2045 and, at the peak of construction, create 8,000 direct jobs annually, 9,000 jobs to upgrade port infrastructure and thousands of other jobs that will support these massive construction projects. If California is proactive policy-wise, this could also mean boosting our depressed manufacturing sector by creating an in-state supply chain for our own projects as well as the 2,000 GW or more in offshore wind that will extend up the coast through Oregon and Washington.

And the jobs that will be created through infrastructure upgrades of this magnitude are jobs that will pay family-sustaining wages and be an enormous economic energizer in places like Humboldt County, where the unemployment rate has almost jumped a full percentage point over the last year.

The governor and the Legislature have shown a strong commitment to clean energy by enacting legislation that requires a huge amount of new clean generation. The next step is to enact corresponding policy to make it a reality as California faces yet another power crisis. The clearest path to becoming operational is by responsibly solving the challenge of procurement this year.

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