



April 22, 2024

California Energy Commission
715 P Street
Sacramento, CA 95814

Docket No. 17-MISC-01

Offshore Wind California Public Comments RE: AB 525 Draft Strategic Plan

Dear Chair Hochschild and Commissioners,

Offshore Wind California (OWC)¹ commends the California Energy Commission (CEC) and other state agencies for preparing this detailed draft strategic plan to deploy California offshore wind at scale, as directed by the landmark AB 525 law signed by Gov. Newsom in 2021. This is exactly the kind of comprehensive plan that California needs for the responsible development of this remarkable renewable energy resource off the state's coast.

For the Golden State, the future and foundations of offshore wind are floating. The CEC's AB 525 Strategic Plan describes the essential next steps California must take to achieve its goal of generating a nation-leading 25 gigawatts (GW) from floating offshore wind by 2045. They include investments in a multi-port strategy and new electric transmission, an efficient and timely process for permitting, a robust supply chain and workforce training, engaging key stakeholders, and identifying suitable sea space to reach the state's ambitious offshore wind goals.

California is setting a course to make offshore wind a key part of its diverse clean-power portfolio to generate 100% clean electricity by 2045. The CEC's strategic plan follows earlier action by California lawmakers to enact the ground-breaking AB 1373, which enables the state to procure large-scale, long lead-time clean energy resources and bring offshore wind online.

While these comments offer recommendations to further refine the details of this strategic plan, the draft plan's determination and direction is clear. It represents an important milestone that underscores California's commitment to go big on offshore wind to help meet the state's ambitious climate, clean-energy, and grid-reliability goals.

¹ Offshore Wind California (OWC) is trade group representing 40 companies and organizations in the offshore wind industry, including offshore wind developers, technology providers, and consultancies committed to the responsible development of offshore wind power in California.

Offshore wind promises to deliver a host of benefits for California workers, residents, and electricity ratepayers. Deploying 25 GW off the state's North and Central Coasts will create [thousands of family-wage jobs](#) and supply clean power to [up to 25 million homes](#). Offshore wind can also save ratepayers [billions](#), help avoid rolling blackouts, and bring real environmental and health benefits, all while coexisting with other ocean users and protecting California's coastal communities and cultural resources. As an industry, we're committed to work with state and federal agencies, the California Legislature, and key stakeholders to make offshore wind's promise a reality.

Offshore Wind California's comments and recommendations on the draft AB 525 Strategic Plan are detailed below:

1. Further contextualize and detail the benefits of offshore wind for California

The draft AB 525 Strategic Plan would be improved if it included a section that consolidates the very significant benefits offshore wind will deliver to the state. To highlight a few: the [thousands of family-wage jobs](#), competitively priced clean electricity to power [up to 25 million homes](#), a complementary power generating profile that delivers reliable clean power when peak demand for electricity is at its highest, its help in avoiding the rolling blackouts that remain a threat to California's grid, the chance to reduce emissions in California for communities that for too long have shouldered environmental burdens, and its important role as part of California's clean-power portfolio in helping to reduce climate change impacts. Offshore wind can deliver all of these benefits while coexisting with other ocean users, protecting California's coastal communities and cultural resources, and minimizing land-use conflicts that can present challenges for other clean energy sources. It is vital to better communicate the benefits of California offshore wind to ensure robust support and buy-in from local communities, Tribes, and stakeholders, and a better understanding of both the necessity and ancillary benefits of offshore wind in the state's clean-energy mix.

2. Revise the recommendations in each section to further detail responsible agencies, current status, and next steps in the state's offshore wind action plan

The recommendations in each section of the draft AB 525 Strategic Plan would benefit from further detail and transparency on next steps and responsibilities for taking action. Naming responsible agencies – local, state, and federal – along with current status and next steps will help convey that these recommendations are actionable and are receiving ongoing attention from the CEC and other responsible agencies. In addition, providing status and next steps will help prioritize near-term actions the state must take to advance offshore wind in California. More detailed recommendations will also help readers of the plan better understand which agencies to engage on different topics and where there will be opportunities to provide public input.

3. Highlight financing mechanisms and sources – including federal, state, and private – that will be necessary to develop a robust and sustainable offshore wind industry in California

The draft AB 525 Strategic Plan provides some high-level estimates on funding needs to meet certain goals, such as the Port Plan’s estimate of \$11 to \$12 billion to upgrade existing port facilities to meet the 25 GW offshore wind planning goal by 2045. Providing high-level numbers are useful to signal to the market, the California State Legislature, and our federal partners on the overall needs and scale of investment needed to support this industry. Whether in this report or in the state’s 5-year infrastructure plan as currently recommended in AB 3006 (Zbur), it is vital that the state further explore financing mechanisms for offshore wind and its associated infrastructure in the state, with particular urgency given to developing a financing strategy for offshore wind staging and integration ports in California.

The draft AB 525 Strategic Plan would benefit from a section highlighting the mix of federal, state, and private funding that is available or necessary to get this industry launched. One specific opportunity is outlined in AB 2208 (Zbur), the California Ports Development and Offshore Wind Infrastructure Bond Act of 2024, which proposes including \$1 billion of funding for port infrastructure investments to support offshore wind in a climate bond to appear on the November 2024 ballot. This measure, which may be incorporated into other legislative efforts, is supported by a coalition of labor, environmental groups, and industry. It would send a powerful market signal to this industry that California is committed and ready to move forward on offshore wind, even as the State navigates a challenging budget environment. Such a commitment – if supported by the Legislature and approved by the voters – would make an enormous difference in securing the financing and momentum necessary for port upgrades to achieve California’s ambitious goals and timeline for deploying offshore wind.

4. Develop a more detailed plan for state and federal permitting

It is critical that the State’s agencies commit to and begin implementing the permitting approach and interagency coordination detailed in the Offshore Wind Coordinated Agency Permitting Approach section of the draft AB 525 Strategic Plan. OWC broadly supports the comments provided by American Clean Power California (ACP-CA) on the draft plan, and we particularly underscore their recommendations on developing a timeline and interagency Memorandum of Understanding (MOU). OWC agrees that providing a timeframe and schedule, specific milestones, and agency roles and responsibilities, is under the CEC’s authority and is an urgent and necessary next step for the CEC to pursue. Further detail on recommendations to the permitting roadmap and approach is provided in OWC/ACP-CA’s joint comments on February 10, 2023 regarding the Permitting Roadmap, and ACP-CA’s July 19, 2023 comments on the AB 525 Permitting Roadmap Workshop.

5. Recommendations on *Chapter 5: Sea Space for Offshore Wind Development* including adjusting the range of offshore wind generation potential based on industry-corrected higher density factors

OWC is encouraged by the CEC’s conclusions in the draft AB 525 Strategic Plan that the 2030 goal of 2 to 5 GW by 2030 can be fully accommodated by projects in the existing Morro Bay and Humboldt lease areas and that the strategic plan’s identified suitable sea space could fully support the CEC’s planning goal of 25 GW by 2045, even after reducing 50 percent of that suitable sea space to avoid potential conflicts with other ocean users and marine resources.

OWC emphasizes and agrees with ACP-CA's comments on the draft AB 525 Strategic Plan regarding sea-space findings and adjustments with the industry's corrected power density estimates. OWC agrees that the industry-corrected projection (Table 2 of ACP-CA comments) and a higher density factor of 7 MW/km² should be assumed and incorporated into the draft strategic plan's Table 5-2: Range of Offshore Wind Generation Potential. The 7 MW/km² is a more realistic estimate that raises the generation potential of the existing Morro Bay and Humboldt lease areas to 10+ GW and significantly reduces the total new sea space required to reach the state's 25 GW goal (to only an extra 2,060 km² in addition to the 1,511 km² in the current lease areas). This has a number of important positive implications, including easing concerns regarding potential conflicts with other ocean users and mitigation of potential offshore wind impacts.

In addition, OWC supports ACP-CA's recommendation that the CEC commit to engaging with the U.S. Coast Guard to ensure proposed fairways are not in conflict with new offshore wind call areas designated on the North Coast, and that these new call areas can remain in the 20-25 mile range offshore to avoid greater costs and technical feasibility challenges that may ensue from developing floating wind in deeper waters further west on the Outer Continental Shelf.

The final AB 525 Strategic Plan should be also be updated to include the findings of the newly published and updated Point Blue Conservation Science [study](#), "Using Available Data and Information to Identify Offshore Wind Energy Areas Off the California Coast." This report concludes that the highest priority and most feasible areas for additional California offshore wind sea space are the Mendocino Area_1 and portions of the Mendocino Area_2, and the Humboldt Area_1 and Humboldt Area_2 areas of interest. The Point Blue report findings conclude that this sea space is most suitable for additional offshore wind deployment and best balances high wind resources with the minimization of most potential impacts on marine life and other ocean users.

Lastly, the CEC should coordinate with the Bureau of Ocean Management (BOEM) through the BOEM/California Intergovernmental Renewable Energy Task Force process and encourage BOEM to initiate a Call for Information and Nominations to identify additional potential areas suitable for offshore wind leasing based on the CEC's sea-space analysis. Moving forward with this process for the next round of California offshore wind lease sales is a high priority to ensure that sufficient lease areas are designated to meet the state's 25 GW planning goal by 2045. Designation of additional offshore wind call areas will also send an important signal to industry and the markets regarding economies of scale that will drive development of a sustainable in-state supply chain, creation of more California-based jobs, and the steady downward trajectory of offshore wind costs that will result in significant savings for California electricity ratepayers.

Thank you for this opportunity to comment on the draft AB 525 Strategic Plan, and for the Commission's continuing leadership in advancing offshore wind's role as a key contributor to meeting California's ambitious climate, 100% clean-energy, and grid-reliability goals.



Adam Stern
Executive Director