

Comments on Outer Continental Shelf Offshore Morro Bay, California Wind Energy Area Environmental Assessment Scoping Docket No. BOEM-2021-0044-0061 January 11, 2022

Offshore Wind California (OWC) is a business association of developers and technology firms dedicated to the responsible development of offshore wind power for our state.

We want to thank the federal Bureau of Ocean Energy Management (BOEM) and California state agencies, and state, local and tribal leaders who have been instrumental in support of offshore wind power development on California's Central Coast. These combined governmental efforts have been essential for advancing BOEM's formal designation of the Morro Bay Wind Energy Area (WEA) in November 2021. The WEA is now moving forward with next steps in the leasing process.

The National Renewable Energy Laboratory (NREL) reports that California has <u>200 gigawatts</u> (GW) of technical potential for generating offshore wind power. The <u>Joint Agency Senate Bill (SB) 100 report</u> in March 2021 concluded the state will need to develop a dynamic and diverse portfolio of renewable energies that includes at least 10 GW of offshore wind to cost-effectively achieve its 100% renewable and zero-carbon energy goals by 2045.

Ten GW of offshore wind power represents a small fraction of California's full technical potential, yet its potential benefits are huge. Ten GW of offshore wind power would supply almost 15% of the state's current electricity needs, providing clean, reliable energy that complements the state's solar and other renewable resources, and helps keep the lights on for Californians around the clock. Moreover, building out 10 GW of offshore wind power generation will create thousands of good-paying jobs, save ratepayers <u>\$1 billion or more</u> for installed clean power capacity,¹ create new domestic supply chains, enable California to cost-effectively meet its 100% clean energy goals, and also help the state to manage its growing climate risks. These benefits can be achieved along with the continued sustainability and protection of our ocean resources.

To bring offshore wind to market for Californians and realize these benefits will require scale, speed, and sustained federal and state support. Economies of scale will be key to driving down costs, delivering competitively priced clean power, and encouraging industries and jobs to locate in our state.

That's why OWC and our member companies supported the extensions to the Morro Bay Call Area proposed last July. Although BOEM has removed the East extension, which was closer to shore, the final Morro Bay WEA designates 376 square miles for development, which will help drive these necessary economies of scale. Industry experts estimate that the Morro Bay WEA can produce 3 GW of offshore wind for California.

Along with scale, the Morro Bay WEA offers another important attribute that will contribute to its speed to market. That is access to existing transmission interconnection capacity – up to 5-6 GW according to an analysis by the California Independent System Operator $(CAISO)^2$ – available from a retired gas plant at Morro Bay and

¹ <u>2021 SB 100 Joint Agency Report: Achieving 100 Percent Clean Electricity in California: An Initial Assessment</u>, March 2021; <u>California's Offshore Wind Electricity Opportunity</u>, by Adam Rose, Dan Wei, and Adam Einbinder, USC Schwarzenegger Institute for State and Global Policy, August 2021.

² 2020-21 Transmission Plan, California Independent System Operator, March 24, 2021, p. 28.

the two nuclear generators at the Diablo Canyon Power Plant that are due for retirements in 2024 and 2025. Additional transmission upgrades will be needed to deliver the electricity to population load centers.

This is why we were encouraged to see both Morro Bay and Humboldt included in the initial California offshore wind plans announced by the Biden Administration and Governor Newsom. This first phase of development of 4.6 GW can contribute significantly to the Biden Administration's 30 GW national goal for offshore wind by 2030. With its proximity to existing transmission infrastructure, the Morro Bay WEA can lead the way in California's offshore wind development, particularly with new floating turbine technology.

California is up to this challenge. In September, the state's Legislature gave overwhelming bipartisan approval to and Governor Newsom signed Assembly Bill (AB) 525. This landmark legislation directs the California Energy Commission (CEC) to establish clear offshore wind targets for 2030 and 2045. It also requires the CEC and other agencies to develop a permitting roadmap that involves all affected stakeholders, and works to strengthen marine and coastal protection and address other environmental issues. The CEC and the California Public Utilities Commission (CPUC) have already begun taking the steps necessary to implement this important new law.

The urgency of this task is evident by the clear and present climate dangers facing our state and our planet. Last summer's wildfires and heat waves in California and the rest of the West, as well as extreme weather elsewhere in the U.S. and across the globe, underscore that the Earth is facing a climate emergency – not some time in the distant future, but now. We need to move with speed, scale, and sustained federal and state support on the planning and deployment of offshore wind: our nation's clean energy and climate future depend on it.

California has established itself as a leader with an impressive mix of renewables, primarily solar and onshore wind. But when the sun goes down, we still rely on peaker plants for as much as 60% of our electricity. More solar panels and storage capacity will help, but they are unlikely to scale fast enough to close the gap at an affordable price. California needs to procure a diverse portfolio of renewable energy including offshore wind.

Offshore wind can deliver clean, reliable, utility-scale power for California's grid night and day with proven technology deployed out at sea with minimal visual and environmental impacts. The floating offshore wind turbines required for California's deeper coastal waters are already generating high-capacity power today off the coasts of Scotland and Portugal. It is time to bring this exciting new technology to help power the Golden State's clean energy future.

To realize offshore wind's promise and reach these multi-gigawatt goals, we must move forward with an offshore auction and lease sale in the fall 2022, complete the federal and state environmental reviews, upgrade transmission and port infrastructure, support development of a supply chain, and streamline federal/state permitting while protecting wildlife, fishing, and cultural resources. Offshore wind can be a key part of our new clean energy economy in California and America.

We look forward to engaging with BOEM and other federal and state stakeholders in the Environmental Assessment for the Morro Bay WEA. We are committed to sharing our industry expertise and outlining a path to achieve 3 GW of offshore wind for California by 2030, at least 10 GW by 2040, and, looking further ahead, 20 GW by 2050. Achieving these targets requires getting started now with a focused effort to advance development at both the Morro Bay and Humboldt WEAs through the necessary reviews and leasing process.

OWC stands committed to work with BOEM and state agencies to make California a leader in floating offshore wind power – as it is with other renewables – by providing the best available industry data and science to inform the Environmental Assessment and leasing process as it advances at Morro Bay and beyond.