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US sets December date for milestone auction to tap 'immense' west coast floating wind potential

US Interior Secretary Deb Haaland. Photo: Getty/Getty Images

Eagerly-awaited leasing contest for 4.5GW off California 'critical' to Biden ambitions for offshore deployment, says Dol

By Richard Kessler

The US large-scale floating wind era will begin on 6 December when the federal government holds an eagerly-awaited lease sale for five areas with 4.5GW capacity along California's central and northern coasts.

"Today, we are taking another step toward unlocking the immense offshore wind energy potential off our nation's west coast to help combat the effects of climate change while lowering costs for American families and creating good-paying union jobs," said interior secretary Deb Haaland, as she announced the date on Tuesday. "The demand and momentum to build a clean energy future is undeniable."

The Department of Interior (DoI) will oversee the auction through the Bureau of Ocean Energy Management (BOEM), the regulatory agency for the industry in federal waters on the outer continental shelf. BOEM will auction three zones within the Morro Bay wind energy area (WEA) off central California and two in the Humboldt WEA in the state's far north. The agency earlier completed environmental reviews of both that determined "responsible" commercial development will not have significant impacts.

"We know more than half the nation's offshore wind resources are in deep waters and floating wind is going to help reach those areas that were thought unobtainable," BOEM Director Amanda Lefton told an offshore wind conference today in Providence, Rhode Island, where she also announced the lease area sales.

The California Final Sale Notice (FSN), which will publish in the *Federal Register* later this week, provides detailed information about the final lease areas, lease provisions and conditions, and auction details. It also identifies qualified companies who can participate in the lease auction.

Lefton said the lease sale will include several stipulations designed to promote development of a robust domestic US supply chain, advance flexibility in transmission planning, and create jobs for members of labour unions that are politically influential in California. Twenty-three bidders have qualified to participate in the California auction, including many of the world's most prominent players, such as Orsted, Avangrid, and Equinor, as well as local utilities and investment firms.

Dol said the sale will be "critical" to achieving President Joe Biden's goal of having 30GW offshore wind capacity deployed by 2030 and 15GW of floating projects by 2035, by when he also wants a carbon-free US electric grid.

"The future of offshore wind is floating, and today's lease auction announcement is another exciting step to advancing the US as a premier market for this cutting-edge industry, which will bring a reliable renewable resource to California's power sector," said Liz Burdock, CEO of advocacy group Business Network for Offshore Wind.

Erik Milito, president of trade body National Ocean Industries Association (NOIA), praised the decision to advance the lease sale, saying that California and other US west coast states are "well-positioned for global leadership in the deployment of floating wind technology."

California is spearheading the floating wind industry with goals of up-to 5GW of capacity by 2030 and 25GW by 2045.

Adam Stern, executive director of Offshore Wind California, the industry lobby group, said today's announcement "sends a powerful signal" that BOEM is moving forward with "speed and scale" to support the state's offshore wind ambitions.

To date, BOEM has held 10 competitive lease sales and issued 27 active commercial wind leases in the Atlantic Ocean from Massachusetts to North Carolina.

Tim Ferry in Providence contributed to this article.