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California Offshore Wind Ramping Up

*By Ankur K. Tohan and Christina A. Elles**

In this article, the authors discuss a new California law that requires the California Energy Commission to establish offshore wind planning goals for 2030 and 2045 and to develop a strategic plan for offshore wind energy developments off the California coast.

In September 2021, California passed a new law, AB 525, which requires the California Energy Commission (“CEC”) to (i) establish offshore wind planning goals for 2030 and 2045, and (ii) develop a strategic plan for offshore wind energy developments off the California coast.

The new law complements recent efforts by the Biden administration and California Governor Gavin Newsom to rapidly deploy offshore wind off the coast of California.

The CEC—in coordination with the other federal, state, and local agencies¹—must submit a strategic report to the California Natural Resources Agency by June 30, 2023, that includes five chapters:

- Identification of sea space for offshore wind;
- Economic and workforce development and identification of port space and infrastructure;
- Transmission planning;
- Permitting; and
- Potential impacts on coastal resources, fisheries, Native American and Indigenous peoples, and national defense, as well as strategies for addressing those potential impacts.²

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¹ The law requires the CEC to coordinate with “the California Coastal Commission, the Ocean Protection Council, the State Lands Commission, the Office of Planning and Research, the Department of Fish and Wildlife, the Governor’s Office of Business and Economic Development, the Independent System Operator, and the Public Utilities Commission, and other relevant federal, state, and local agencies as needed.” See AB 525, Energy: offshore wind generation, § 2 (Sep. 23, 2021) (to be codified at 15 Cal. Pub. Res. Code § 25991(a)), https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=20210220AB525 (hereinafter “AB 525”).

² AB 525, § 2 (to be codified at 15 Cal. Pub. Res. Code § 25991(c)).

AB 525 requires the CEC to take several planning steps prior to submitting the strategic report on June 30, 2023.

First, on or before June 1, 2022, the CEC must “evaluate and quantify the maximum feasible capacity of offshore wind to achieve reliability, ratepayer, employment, and decarbonization benefits and shall establish offshore wind planning goals for 2030 and 2045.”³

The CEC must consider 12 factors when establishing these goals, including:

- The findings of the 2021 joint report issued pursuant to Section 454.53 of the Public Utilities Code;
- The need to develop a skilled and trained offshore wind workforce;
- The potential to attract supply chain manufacturing for offshore wind components throughout the Pacific region;
- The need for reliable renewable energy that accommodates California’s shifting peak load;
- The generation profile of offshore wind off the coast of California;
- The need for economies of scale to reduce the costs of floating offshore wind;
- The need to initiate long-term transmission and infrastructure planning to facilitate delivery of offshore wind energy to Californians;
- The availability of federal tax incentives for offshore wind investments;
- The National Renewable Energy Laboratory report finding that California has 200 gigawatts of offshore wind technical power potential;
- The opportunity for California to participate in the federal government’s intention to deploy 30,000 megawatts of offshore wind by 2030 and to create a pathway to unlocking 110,000 megawatts by 2050;
- Any executive action from the governor regarding offshore wind; and
- Potential impacts on coastal resources, fisheries, Native American and Indigenous peoples, and national defense, as well as strategies for addressing those potential impacts.⁴

The CEC is also directed to “identify suitable sea space for wind energy areas in federal waters” to accommodate the offshore wind planning goals for 2030 and 2045.⁵ The CEC, in coordination with state and local agencies, will then

³ *Id.* (to be codified at 15 Cal. Pub. Res. Code § 25991.1(a)).

⁴ *Id.* (to be codified at 15 Cal. Pub. Res. Code § 25991.1(b)).

⁵ *Id.* (to be codified at 15 Cal. Pub. Res. Code § 25991.2(a)).

“develop a plan to improve waterfront facilities that could support a range of floating offshore wind energy development activities, including construction and staging of foundations, manufacturing of components, final assembly, and long-term operations and maintenance facilities.”⁶

On or before December 31, 2022, the CEC must submit to the Natural Resources Agency and relevant committees of the state legislature “a preliminary assessment of the economic benefits of offshore wind as they relate to seaport investments and workforce development needs and standards.”⁷ The plan to improve waterfront facilities will be included in the strategic plan submitted to the Natural Resources Agency and the legislature by June 30, 2023.⁸

The CEC is also required to develop and produce a “permitting roadmap that describes timeframes and milestones” for an “efficient permitting process for offshore wind energy facilities and associated electricity and transmission infrastructure off the coast of California.”⁹ The permitting roadmap must be submitted to the Natural Resources Agency and relevant committees in the legislature by December 31, 2022.¹⁰

⁶ *Id.* (to be codified at 15 Cal. Pub. Res. Code § 25991.3(a)).

⁷ *Id.* (to be codified at 15 Cal. Pub. Res. Code § 25991.3(d)).

⁸ *Id.* (to be codified at 15 Cal. Pub. Res. Code § 25991.3(e)).

⁹ *Id.* (to be codified at 15 Cal. Pub. Res. Code § 25991.5).

¹⁰ *Id.* (to be codified at 15 Cal. Pub. Res. Code § 25991.5(f)).