

Testimony of Matt Arms
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Before the
Committee on Natural Resources, Subcommittee on Energy and Mineral Resources
Oversight Field Hearing on "*Power in the Pacific, Unlocking Offshore Wind Energy for the
American West.*"
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Chairman Grijalva, Chairman Lowenthal, Ranking Member Westerman and Ranking Member Stauber, it is an honor and a privilege to testify before this subcommittee today to discuss the opportunity for West Coast Ports to support offshore wind energy development and deployment. My name is Matt Arms and I am the Director of Environmental Planning at the Port of Long Beach.

I would like to take a moment at the start to recognize Chairman Lowenthal whose district includes the Port of Long Beach. Chairman Lowenthal has been a tireless advocate not only for the Port of Long Beach, but for all ports in the U.S. in his long-time role as co-chair of the Congressional Ports Caucus.

I also would like to express the Port's appreciation for the Subcommittee holding this field hearing to discuss the potential for offshore wind energy to provide sustainable and reliable energy along the Pacific coast. With the enactment of two historic pieces of legislation -- the Infrastructure Investment and Jobs Act and the Inflation Reduction Act -- there finally is federal assistance, in the form of grants, loans and tax credits, available to catalyze the deployment of offshore wind through public private partnerships. We also recognize, with opportunities come risks. I look forward to discussing how the Port of Long Beach is evaluating the opportunities and risks for offshore wind development and associated supporting facilities on Port land.

I. Background

The Port of Long Beach is the premier U.S. gateway for trans-Pacific trade and a trailblazer in innovative goods movement, safety, environmental stewardship and sustainability. As the second-busiest container seaport in the United States, the Port handles trade valued at \$200 billion annually and supports 2.6 million jobs across the nation, more than 575,000 in Southern California, and more than 50,000 jobs -- or 1 in 5 -- in Long Beach.

The Port of Long Beach welcomes today's largest vessels, serving 175 shipping lines with connections to 217 seaports around the world. In 2021, the Port handled more than 9.3 million container units, achieving the best year in its history. As part of an industry-leading \$4 billion capital improvement program this decade, the Port is building some of the most modern, efficient and sustainable marine facilities in the world to accommodate bigger and bigger ships, while generating thousands of new jobs.

We at the Port are committed to a zero emission future -- we are deeply invested in testing and deploying new technology and infrastructure, and we are making progress toward achieving our goal for zero emission drayage trucks by 2035, and our goal for zero emission, human operated

cargo handling equipment by 2030. We are also demonstrating and evaluating energy technologies, including microgrids, that will be needed to support resilient zero emission operations. As part of our commitment to sustainability, we are also considering the feasibility of using Port property in support of the development and operation of offshore wind projects off the coast of California and evaluating federal programs that can make these investments viable for the Port, the local work force, wind energy developers and our terminal operators.

II. Opportunities and Risks for Offshore Wind at West Coast Ports

The Port of Long Beach sees offshore wind as a critical piece of the puzzle to meet future energy demand with a green, reliable, and cost-effective electrical supply. Offshore wind could also allow for the production of renewable hydrogen, which would further support achievement of our zero emission goals.

The California Energy Commission (CEC) recently adopted planning goals of 5 GW by 2030 and 25 GW by 2045, the strongest goals in the nation for offshore wind that would create enough energy to power approximately 25 million California homes. The CEC is currently developing a strategic plan for offshore wind developments, including an assessment of California's waterfront facilities to help determine what infrastructure upgrades are needed to meet offshore wind deployment.

Over the last year and a half, the Port has engaged with CEC and other stakeholders, including wind developers, consultants, the State Lands Commission, as well as the Bureau of Ocean Energy Management (BOEM), regarding the landside infrastructure needed to support offshore wind in California. We also have been in discussion with the California Governor's Office of Business and Economic Development (GO-Biz) to use the Port of Long Beach as a site for the assembly of wind turbines through the federal-state offshore wind partnership.

As we continue to evaluate offshore wind energy, it has become clear that the required landside infrastructure to enable wind power does not currently exist in California or on the West Coast. We applaud early action being taken to provide required infrastructure, such as at the Port of Humboldt Bay, and are pleased that California and BOEM are taking a critical look at the infrastructure needs and potential pathways and solutions for offshore wind energy production. We look forward to continuing to coordinate with them and providing information to support their studies.

Among the challenges we face are that state law discourages the creation of "new ports" and the development of new heavy infrastructure outside of existing ports. Further, available land and terminal space in existing ports is extremely limited.

Development and business models used for facilities on the East Coast and in Europe may not work here. Large ports like the Port of Long Beach do not operate terminals or build on spec. We would need the commitment of a long-term experienced operator to lease and operate the facilities. The operator in turn would contract directly with individual developers as the developers win leases. These private partners need to be given the tools – with technical assistance and federal financial assistance – to enable them to build and employ successful models for developing and operating offshore wind facilities.

The California Association of Port Authorities (CAPA) recently joined American Clean Power California, Offshore Wind California, the California Wind Association (CalWEA), and the Business Network for Offshore Wind in advocating that California begin planning now to address issues of sea-space, environmental permitting, electric transmission, port improvements, supply chain, and workforce training. We agree that with their assertion that without an urgent and focused effort, lack of port infrastructure could hinder development of this resource and a robust offshore wind supply chain, thereby reducing the economic and environmental benefits of offshore wind deployment.

We also encourage the continued engagement with all stakeholders to ensure that safe access routes for the movement of ocean going vessels in and out of our Ports are maintained.

As the Port of Long Beach continues its discussions with developers and the state and federal government, it will evaluate opportunities to pursue federal grants, loans and tax incentives – on its own and in partnership with developers and energy providers -- to subsidize the cost of the new infrastructure and technology and seed the market for broader adaptation of offshore wind as a viable source of renewable energy. If we act now, we have the opportunity to get this right from the start and locate the needed facilities where they make the most sense. Large Ports, like Long Beach, are experienced with building heavy marine infrastructure and we should take advantage of those capabilities. To be successful, it will require a whole of government approach from federal, state and local, to site, permit and fund facilities in a short timeline. It will also require substantial state and federal funding of feasibility studies and investment in infrastructure, along with a streamlined planning approach.

III. Conclusion

In closing, the Port of Long Beach is committed to partnering with the private sector and working hand in hand with federal and state governments to develop a commercially viable model for the landside facilities that will be needed to support offshore wind energy development and operation. The Port of Long Beach has many advantages that could benefit development of offshore wind, including our location and our experience with building heavy marine infrastructure, and we believe we could all benefit from a feasibility analysis to specifically evaluate what it would take to make development of landside infrastructure at the Port work. Thank you for the opportunity to testify today. I look forward to your questions.