

NRC Field Hearing: Power in the Pacific: Unlocking Offshore Wind Energy for the American West

September 8, 2022

Supervisor Ortiz-Legg Remarks

Introduction/welcoming statements.

The County of San Luis Obispo recognizes our unique position adjacent to one of only two wind energy areas on the West Coast. We regard offshore wind as a once-in-a-generation opportunity to stimulate widespread economic growth by fostering a new industry. We recognize the innovative leadership of the Biden – Harris Administration. Creating a new industry requires collaboration and expertise.

The County has a long history of producing energy, including oil and gas extraction and natural gas, nuclear, and solar power generation. Originally constructed for commercial shipping of goods and passengers, Port San Luis Pier was the largest crude oil shipping port in the world in the 1910s. Since the 1980s, the county has hosted 2.2 gigawatts of carbon-free, base load energy generation at Diablo Canyon Power Plant, which represents nearly 10% of the state's energy portfolio. The County also hosts 800 megawatts of utility scale solar generation. The two solar plants were early adopters, demonstrating the balance that can be achieved between clean energy generation and the protection of animal species, plants, and other biological resources.

As we look to offshore wind development, we are committed to continuing our legacy as one of California's vital power-generating counties.

The County recognizes the development of a new clean energy industry on our coastline has the potential to be transformational, so united on this front, our County Board of Supervisors passed a resolution in June 2021 proclaiming our support for federal and state initiatives aimed at developing offshore wind, energy storage, and other forms of renewable energy. We are highly engaged in offshore wind discussions. My colleague, Supervisor Bruce Gibson, and I both sit on BOEM's California Intergovernmental Renewable Energy Task Force. We regularly collaborate with federal, state, regional, and private sector offshore wind stakeholders. Last month, the County submitted written public comment on BOEM's draft proposed sale notice for the upcoming offshore wind lease auction.

The potential economic benefits of offshore wind for our Central Coast region are significant. A study conducted April 2021 by our regional economic development organization, REACH, and our local Cal Poly State University determined that the key to realizing the economic benefits is constructing and operating a specialized wind port within our county's jurisdiction. The study estimated that constructing

an operations and maintenance port for a 3-gigawatt wind farm would generate nearly 12,000 jobs and operating that port in perpetuity would create over 600 permanent, full-time, good-paying jobs. In addition to head-of-household job creation, our region has the potential to realize hundreds of millions of dollars in economic output from offshore wind. We've heard from federal and industry stakeholders that proximity of the port matters – it matters from an economic perspective for developers, and it matters for the affected communities adjacent to the development.

With this potential opportunity in mind, we are making financial investments now in determining how we can prepare for and harness the benefits of offshore wind. With support from our County, Santa Barbara County, and the city of Morro Bay, REACH will be completing a study this fall that will assess waterfront infrastructure options including siting and redevelopment possibilities pertaining to the development, construction, and future maintenance to support OSW. The County's commitment will help the State and Federal governments achieve their ambitious energy goals and foster a welcoming environment for investment.

As BOEM is currently reviewing comments on their bidding process, I would like to offer my perspective based on a decade of experience in renewable energy, developing and constructing 2 gigawatts of utility scale solar generation. The ability to successfully execute the fledgling wind industry on the west coast will require as much de-risking as possible in the areas where control exists to do so. Specifically, it is important to provide bidding credits that value the Biden Administration's Federal-State Offshore Wind Partnership, which seeks to expand "key elements of the supply chain, including manufacturing facilities for offshore wind components, port capabilities, logistics networks needed to install projects, and workforce development to fill good-paying jobs" and to utilize the lease auction process to support these goals. A bidding credit that incentivizes workforce and supply chain development occurring as close to the wind energy areas as possible would send a powerful, positive signal to our community and to all other communities adjacent to future WEAs that the federal government is committed to ensuring the economic vitality of these areas. .

In addition, credits for community benefits agreements would be important to advance the path for offshore wind development and avoid unnecessary and time-delaying tactics often used by those "left out". Community benefits agreements can ensure affected communities are engaged early and often throughout the offshore wind energy development process and increase the ability for underserved communities to participate in greater numbers.

Lastly, it is my experience that Project Labor Agreements have always resulted in strong support and can increase project viability. While the Bureau cannot force PLAs, they can increase credits to incentivize developers to make such a commitment.

With the winning combination of ample existing transmission infrastructure at both Diablo Canyon and in Morro Bay and a highly skilled workforce, our region is eager and united in its support for responsible offshore wind development. We appreciate the interest of the Natural Resources Committee in offshore wind development in California, and we look forward to working with federal, state, and other local agencies on this opportunity.