

Testimony of

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Subcommittee on Energy and Mineral Resources**

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Good morning, Chairman Lowenthal and subcommittee members. It's my honor to appear before you today.

My name is Kourtney Vaccaro and I serve as a Commissioner with the California Energy Commission.

The Energy Commission is the state's primary energy policy and planning agency and it works with partner agencies to ensure that the state's energy system remains reliable, safe, and affordable.

I'd like to begin by thanking you for holding this hearing in a local California community at the center of floating offshore wind energy planning and development.

We recognize the potential of offshore wind development to provide benefits to coastal communities such as Morro Bay.

California is Taking Bold Action to Meet the Urgency of the Climate Crisis and Advance Progress on Clean Energy

California is currently taking bold action to address the urgency of the climate crisis and the resulting impacts, which are occurring sooner and with greater intensity and frequency than anticipated and causing unprecedented stress on the state's energy system.

The state's focus on strategies to strengthen climate change resilience, advance zero-carbon and renewable energy technologies and policies, and reduce greenhouse gas emissions economywide, include swiftly - yet thoughtfully and

responsibly - expanding the state's renewable resource portfolio to include offshore wind energy.

In July 2022, Governor Newsom issued a letter to state leaders calling for urgent action to work with our federal partners to accelerate the deployment of offshore wind to help the state meet its clean energy goals.¹ Just one year earlier, Governor Newsom signed into law Assembly Bill 525 (or AB 525), which tasks the Energy Commission to develop a strategic plan by June 2023 for offshore wind energy development in federal waters offshore California.²

In August 2022, to inform the strategic plan, the Energy Commission established preliminary, aspirational offshore wind planning goals of 2 to 5 gigawatts (GW) of floating offshore wind technologies³ in federal waters offshore California by 2030 and 25 GW by 2045.⁴ The Energy Commission is currently working toward identifying suitable sea space to accommodate these planning goals.

This analytical work will consider existing data and information on offshore wind resource potential and commercial viability, existing and new transmission and port infrastructure, and protection of ocean, coastal, cultural, and biological resources. And it will require close collaboration and continuing partnership with the Bureau of Ocean Energy Management (BOEM).

Anticipation of a 2022 BOEM California Lease Sale

As we sit here today, we're in a historic moment as our partner, BOEM, is poised to hold a first ever California lease sale.

California, through a comment letter jointly submitted by several state agencies on BOEM's proposed sale notice for Pacific Wind Lease Sale 1, recognized the significance of reaching this phase in BOEM's leasing process and shared insights

¹ [07.22.2022-Governors-Letter-to-CARB.pdf](#)

² The Energy Commission is to develop the strategic plan in coordination with California's energy entities and state agencies charged with protecting species and habitats as well as state, coastal, and marine resources.

³ To date, most offshore wind energy projects use fixed-bottom foundations, which are suitable for shallow waters. The deep waters of the Pacific Outer Continental Shelf off California's coast have steep drop-offs and will require offshore wind turbines installed on floating platforms to be anchored to the seabed. While the global floating offshore wind market is in early stages of development, the technology is projected to quickly advance and California is well-positioned to be a leader in the floating offshore wind market.

⁴ [Offshore Wind Energy Development off the California Coast: Maximum Feasible Capacity and Megawatt Planning Goals for 2030 and 2045](#)

to inform BOEM’s development of the Final Sale Notice.⁵ This included a recommendation for BOEM to offer the opportunity for a 50% bidding credit, combined of monetary and non-monetary components: 20% for supply chain, 5% to prepare a diverse skilled and trained workforce in California to deploy floating offshore wind, 10% for community benefits agreements with onshore communities, 10% for community benefits agreements with lease area users, and 5% for environmental monitoring and adaptive management. This recommendation reflects the magnitude of investment required to establish a new industry in a way that minimizes impacts, maximizes benefits, and results in renewable energy generation that is affordable to California ratepayers and ensures a fair return to the United States.

As California eagerly awaits the release of the Final Sale Notice and lease sale, it will continue to invest in research and development and take important and timely actions for wind energy development offshore California.

Energy and transmission planning are ongoing with an eye toward future requirements for procurement of new energy resources and the development of the transmission needed in California to integrate offshore wind energy at scale and in recognition of the unique differences of the transmission systems connecting the central and north coast regions to the rest of the state.

The state has made and will continue to make investments to assess opportunities for California’s ports and waterfront facilities. Likewise, the state will continue to invest in environmental research, focusing on such things as data collection, mapping, and improving our understanding of the potential impacts of offshore wind energy development.

Continuing State/Federal Partnership and Shared Vision

California and the federal government are at an opportune time to leverage our collective efforts to layout a vision and new level of partnership on offshore wind. This collaboration will serve as a model for future engagement and establish

⁵ Formal name is Pacific Wind Lease Sale 1 (PACW-1) for Commercial Leasing for Wind Power on the Outer Continental Shelf in California - Proposed Sale Notice. On August 1, 2022, California state agencies submitted [a comment letter](#) in response to the PACW-1 PSN.

California and the United States as a global leader in the floating offshore wind market.

At the same time, California will continue working with industry and stakeholders including environmental organizations, fisheries and the communities that depend on them, native American tribes and indigenous peoples, and environmental justice communities, to advance common interests and shared values of economic prosperity, environmental stewardship, and energy resilience.

Thank you for your time and attention and the opportunity to testify. I look forward to your questions.