Amendments Mock-up for 2021-2022 AB-525 (Chiu (A), Cunningham (A), Friedman (A))

*** Add Coauthors per attached sheet***

******Amendments are in BOLD******

Mock-up based on Version Number 99 - Introduced 2/10/21 Submitted by: Laura Shybut, Assembly Committee on Utilities and Energy

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares all of the following:

- (a) If developed and deployed at scale, the development of offshore wind energy can provide economic and environmental benefits to the state and the nation.
- (b) Offshore wind energy can advance California's progress toward its statutory renewable energy and climate mandates.
- (c) The joint agency report Joint Agency SB 100 Report issued pursuant to Section 454.53 of the Public Utilities Code demonstrated both of the following conducted portfolio modeling that selected
- (1) That California will need at least 10 gigawatts of offshore wind energy developments to achieve it's the state's climate goals, finding a total reduction in total resource costs by an estimated \$1 billion at least cost.
- (d)(2) That California will may need to build at least 34 48 gigawatts of new renewable energy and energy storage developments by 2030 and at least 140 145 gigawatts of new renewable energy and energy storage developments by 2045 to achieve the goals established in SB 100 (2017-18) (Chapter 312 of the Statutes of 2018).
- (e) Diversity in energy resources and technologies lowers overall costs. Offshore wind can add resource and technology diversity to the State's energy portfolio.
- (f)(d) Offshore wind energy development presents an opportunity to attract investment capital and to realize community economic development and workforce development benefits in California, including the development and preservation of a skilled and trained construction workforce to carry out projects, long-term job creation, and development of an offshore wind energy supply chain.

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- (g) (e) Offshore wind energy can contribute to a diverse, secure, reliable, and affordable renewable energy resource portfolio to serve the electricity needs of California ratepayers and improve air quality, particularly in disadvantaged communities.
- (h)(f) Subsea electricity transmission could reduce transmission congestion and provide transmission capacity for diverse clean energy development.
- (i)(g) With existing technology, each 1,000 megawatts of offshore wind energy will require between 100 and 120 square miles of sea space for development.
- (j)(h) The Ocean Protection Council's strategic plan for 2020 to 2025, inclusive, sets an objective for development of a commercial scale offshore wind energy project in California that minimizes impacts on marine biodiversity and habitat, currents and upwelling, fishing, cultural resources, navigation, aesthetics and visual appeal, and military operations by 2026.
- (k) In 2016, California initiated a collaborative process with the federal government with the formation of the Bureau of Ocean Energy Management (BOEM)/California Intergovernmental Renewable Energy Taskforce, which includes a broad public outreach process to examine potential wind leasing areas in federal waters. BOEM identified areas in Humboldt, Morro Bay and Diablo Canyon as the first three potential offshore wind "call areas" and issued a call for nominations of interest in 2018.
- (1) The BOEM/California Intergovernmental Renewable Energy Taskforce has resulted in the development and collection of important data and information relevant to an assessment of potential offshore wind energy resources, including the creation of the California Offshore Wind Energy Gateway, which assembles geospatial information on ocean wind resources, ecological and natural resources, commercial and recreational ocean uses, and community values, and makes this information publicly available.
- (m) Offshore wind should be developed in a manner that protects coastal and marine ecosystems. The State of California should use its authority under state programs and policies to ensure (1) avoidance, minimization, and mitigation of significant adverse impacts, and (2) monitoring and adaptive management for offshore wind projects and their associated infrastructure.
- (n) The President and Departments of Interior, Energy, and Commerce have announced a shared goal to deploy 30,000 MW of offshore wind energy by 2030, employing tens of thousands of workers and protecting biodiversity and promoting ocean co-use.
- **SEC. 2.** Chapter 14 (commencing with Section 25991) is added to Division 15 of the Public Resources Code, to read:

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CHAPTER 14. Offshore Wind Generation

- **25991.** (a) The commission, in coordination with the California Coastal Commission, the Ocean Protection Council, the State Lands Commission, the Office of Planning and Research, the Governor's Office of Business and Economic Development, *the California Independent System Operator*, and the Public Utilities Commission, and other relevant federal, state, and local agencies as needed, shall develop a strategic plan to achieve a goal of at least 10,000 megawatts of *for* offshore wind energy developments installed off the California coast *in federal waters*. by 2040, with an interim target of 3,000 megawatts installed by 2030.
- (b)By March 1, 2022, the California Energy Commission shall evaluate and quantify the maximum feasible capacity of offshore wind to achieve reliability, ratepayer, employment, and decarbonization benefits and shall establish megawatt planning goals for 2030 and 2045. In defining these goals, the Commission shall consider the findings of the Commission's joint report pursuant to Section 454.53, and consider the following:
- (1) the need to develop a skilled and trained offshore wind workforce;
- (2) the potential to attract supply chain manufacturing for offshore wind components throughout the Pacific region;
- (3) the need for reliable renewable energy that accommodates California's shifting peak load;
- (4) the generation profile of offshore wind off the coast of California;
- (5) the need for economies of scale to reduce the costs of floating offshore wind;
- (6) the need to initiate long-term transmission and infrastructure planning to facilitate delivery of offshore wind to Californians;
- (7) the availability of federal tax incentives for offshore wind investments;
- (8) the National Renewable Energy Laboratory (NREL) report finding that California has 200 GW of offshore wind technical power potential;
- (9) 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;
- (10) Any executive action from the Governor of California regarding offshore wind.
- $\frac{\text{(b)}}{\text{(c)}}(c)$ (1) The commission shall submit the strategic plan to the Natural Resources Agency and the Legislature on or before $\frac{\text{June 1, 2022}}{\text{Jecember 31, 2022}}$. Development of this strategic plan shall incorporate, but not delay, progress to advance responsible development of offshore wind in other relevant policy venues.
- (2) The plan submitted to the Legislature pursuant to paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.
- (c) (d)(The strategic plan shall include, at a minimum, the following four chapters:
- (1) Identification of sea space, including the findings *and recommendations* resulting from activities undertaken pursuant to Section 25991.1.

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- (2) Economic and workforce development *and identification of port space and infrastructure*, including the findings resulting from activities undertaken pursuant to Section 25991.2.
- (3) Transmission planning, including the findings resulting from activities undertaken pursuant to Section 25991.3.
- (4) Permitting, including the findings resulting from activities undertaken pursuant to Section 25991.4.
- (d) (e) (1) The strategic plan shall emphasize and prioritize near-term actions, particularly related to port retrofits and investments and the workforce, to accommodate the probable immediate need for jobs and economic development.
- (2) In considering port retrofits, the strategic plan shall strive for compatibility with other harbor tenants and ocean users to ensure that the local benefits related to offshore wind energy construction complement other local industries.
- (3) The strategic plan shall emphasize and prioritize actions that will improve port infrastructure to support land-based work for the local workforce.
- (e) (f) The development of the strategic plan regarding workforce development shall include consultation with representatives of key labor organizations and apprenticeship programs that would be involved in dispatching and training the construction workforce.

25991.1. (a) The commission shall work in coordination with the California Coastal Commission, California Department of Fish and Wildlife, Ocean Protection Council, State Lands Commission, with stakeholders, other with key stakeholders, state, local, and federal agencies, and the offshore wind energy industry to identify suitable sea space for wind energy areas in federal waters sufficient to accommodate the offshore wind planning goals determined in Section 25991(b) at least 10,000 megawatts of offshore wind generation off California's coast, with a plan to assess and address environmental impacts and land use conflicts in accordance with California's long term renewable energy and greenhouse gas emission reduction goals. The commission should first recognize the sea-space identified through the 2018 BOEM Call for Nominations and any other relevant information to achieve the 2030 planning goal determined in accordance of Section 25991(b). Next, in coordination with the agencies named, the commission should identify suitable sea-space for a future phase of offshore wind leasing to accommodate the 2045 planning goal determined in Section 25991(b). In identifying suitable sea-space, the commission shall consider: (1) existing data and information on offshore wind resource potential and commercial viability, (2) existing and necessary transmission and port infrastructure, and (3)protection of cultural and biological resources with the goal of prioritizing least-conflict ocean areas. The commission shall include the information developed through the BOEM/California Intergovernmental Renewable Energy Task Force, and shall utilize the California Offshore Wind Energy Gateway to provide information to the public.

Laura Shybut Assembly Utilities and Energy Committee 04/14/2021 Page 4 of 6 (b) The commission, working in coordination with the California Coastal Commission, California Department of Fish and Wildlife, Ocean Protection Council, State Lands Commission, with stakeholders, other state, local, and federal agencies, and the offshore wind energy industry shall make recommendations to address potential environmental impacts and use-conflicts, such as monitoring, mitigation, and adaptive management, and should be in accordance with California's long-term renewable energy and greenhouse gas emission reduction goals. Nothwithstanding the foregoing, nothing in this section shall modify existing law or otherwise be binding on relevant state agencies with jurisdiction and authority for project-specific siting and permitting decisions.

25991.2. (a) The Incorporating the findings of 25991.1(a), the commission, in consultation coordination with relevant state and local agencies, shall assess and develop a plan to improve existing 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.

- (b) The assessment undertaken pursuant to subdivision (a) shall include a detailed assessment of the necessary investments in California seaports to support offshore wind energy activities, including construction, assembly, and operations and maintenance. The assessment shall detail consider the potential availability of land and water acreage at each seaport, including competing and existing uses, infrastructure feasibility, access to deep water, and bridge height restrictions, and potentially impacted natural and cultural resources.
- (c) The assessment undertaken pursuant to subdivision (a) shall analyze workforce development needs for the California offshore wind energy industry, including occupational safety requirements, and the need to require the use of a skilled and trained workforce to perform all work. The assessment shall also analyze the need for the Division of Apprenticeship Standards to develop curriculum for in-person classroom and laboratory advanced safety training for workers.
- (d) The assessment undertaken pursuant to subdivision (a) shall consider and make recommendations for workforce standards for offshore wind energy facilities and associated infrastructure, including, but not limited to, prevailing wage, skilled and trained workforce, apprenticeship, local hiring, and targeted hiring, that ensure sustained and equitable economic development benefits.
- (e) The assessment undertaken pursuant to subdivision (a) shall include consultation with representatives of key labor organizations and apprenticeship programs that would be involved in dispatching and training the construction workforce.

25991.3. (a) The commission, in consultation with the Public Utilities Commission and the Independent System Operator, shall assess the transmission investments and upgrades necessary to support at least 10,000 megawatts of the 2030 and 2045 offshore wind energy developments by 2040 goals determined in Section 25991 (b).

Laura Shybut Assembly Utilities and Energy Committee 04/14/2021 Page 5 of 6 Commented [SL1]: Flag for Leg Counsel – everything in this section is intended to be included in the strategic plan for offshore wind pursuant to Section 25991 (a). Clean up to make (b)-(e) reflect inclusion in the overall strategic plan of 25991 (a) is needed and welcome.

(b) The assessment undertaken pursuant to subdivision (a) shall include consideration of eligible renewable energy resource technologies, including, but not limited to, offshore wind energy, as a resource for achieving the policy described in subdivision (a) of Section 454.53 of the Public Utilities Code.

(e) The Public Utilities Commission, in consultation with the commission, shall include offshore wind energy as a resource for full consideration in the Public Utilities Commission's integrated resource planning process.

25991.4. (a) (1) The commission shall convene a working group that includes all relevant *local*, state, *and federal* agencies, *and interested California Native American tribes*, to collectively develop and produce guidelines, timeframes, and milestones for a coordinated, comprehensive, and efficient permitting process for offshore wind energy facilities and associated electricity and transmission infrastructure off the coast of California.

(2) The working group shall meet no less than once per month to develop a comprehensive and efficient *local*, state and federal permitting program for floating offshore wind energy developments in federal waters, to be incorporated into the strategic plan. The program shall include a goal for the permitting timeframe, clearly define *local*, state *and federal* agency roles, responsibilities, and decisionmaking authority, and include interfaces with federal agencies, including timing, sequence, and coordination with federal permitting agencies, and coordination between reviews under the California Environmental Quality Act (Division 13 (commencing with Section 21000)) and the federal National Environmental Policy Act of 1969 (42 U.S.C. Sec. 4321 et seq.). *The working group shall provide an opportunity for stakeholder input in development and communication of this program*.

(b) The commission, in coordination with the State Air Resources Board, shall explore and identify how offshore wind energy development, to the scale identified in the strategic plan, could provide environmental and air quality benefits to the state and to disadvantaged communities.

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