



July 29, 2022

Submitted via: <http://www.regulations.gov>

Bureau of Ocean Energy Management
U.S. Department of the Interior

Re: BOEM-2022-0017, Proposed Sale Notice
Pacific Wind Lease Sale 1 (PACW-1) for Commercial Leasing for Wind Power on the
Outer Continental Shelf in California—Proposed Sale Notice

To whom it may concern:

The National Ocean Industries Association (“NOIA”) appreciates the opportunity to provide comments on the above-referenced Proposed Sale Notice (“PSN”) of the Bureau of Ocean Energy Management (“BOEM”) for offshore wind leasing in the waters off California. A 50-year-old organization, NOIA represents all segments of the offshore energy industry. Our members include not just energy developers, but also the businesses large and small that do the work of building, supplying, and maintaining these projects. In other words, we represent thousands of blue-collar and white-collar employees stretching from New England to the Gulf Coast and across the nation. In fact, NOIA members have been critical in building out not only the pioneering turbines off the coasts of Northern Europe, but also the limited yet growing number of turbines in U.S. waters.

CALIFORNIA WIND IS VITAL

The support of national leaders for offshore wind is well-known to BOEM, including positive comments from President Biden in just the last few weeks. Critically though, we have witnessed similarly strong support at the state level. California has adopted a Renewable Portfolio Standard, greenhouse gas reduction policies, and a cap-and-trade program to accelerate renewable energy development. California’s targets include use of 100% zero-emission energy sources for its electricity by 2045 and reduction in GHG emissions by 40% from 1990 levels by 2030 and 80% by 2050. Rapidly advancing floating turbine technology in the deep coastal waters offshore California offers substantial untapped renewable energy capacity toward meeting those goals. In September 2021, California Governor Gavin Newsom signed Assembly Bill 525 into law, which directs California to establish specific 2030 and 2045 goals and a strategic plan for offshore wind production. To that end, in the last two weeks the Governor established¹ new targets for offshore wind of 20GW by 2045—a pivotal step for offshore wind on the west coast.

Quite simply, neither the goals set by President Biden and Secretary Haaland, nor those set by state and regional leaders, can be realistically met without West Coast leasing and development

¹ https://www.gov.ca.gov/2022/07/22/governor-newsom-calls-for-bold-actions-to-move-faster-toward-climate-goals/?utm_content=buffer11ac8&utm_medium=social&utm_source=linkedin.com&utm_campaign=buffer



of offshore wind. There is clear local and national support for offshore wind in this region and an economic opportunity ready to be seized.

Offshore wind projects are key to the economic growth of this country and efforts to meet climate goals for the 21st century and beyond. According to a recent report co-sponsored by NOIA, the market for wind energy—including off the California coastline—is currently estimated at over \$120 billion² off America’s coasts. As detailed in that report, in the Morro Bay area alone, forecasted potential lease sales may raise as much as \$212.5 million in auction revenue and yield as much as 3.5 gigawatts (GW) of wind power. Additional capacity is available elsewhere offshore California and the remainder of the West Coast. There exists an incredible opportunity to seize upon the strong momentum at both the state and federal levels for West Coast wind power generation.

These comments are provided on the heels of a sweeping announcement for Wind Energy Areas in the Gulf of Mexico, the Carolina Long Bay sale, and amidst ongoing work to review individual projects from prior sales. We applaud the Bureau for this pace and we encourage BOEM to work toward a final sale later this year with a lease sale shortly thereafter. A disciplined schedule of lease sales will drive the certainty and the market signal needed to spur the scale of domestic investments.

OFFSHORE ENERGY CAN BE REALIZED FAIRLY AND RESPONSIBLY

As reflected in BOEM’s recent National Environmental Policy Act (“NEPA”) documents for offshore energy leasing, plans, and permits, offshore energy development results in minimal negative impacts. This is based upon the real-world experience of the offshore wind sector in planning, constructing, and implementing projects. For example, while there has been no shortage of focus on subjects like marine mammal protection, we remain proud of the notable coordination between developers, their contractors, and the environmental community.³

Regarding viewshed issues, it has become clear that even fixed-bottom projects can be accomplished without impacting onshore communities. For example, BOEM has concluded for the Vineyard Wind project that even on a day with excellent visibility “offshore wind projects would appear relatively small to an observer, appearing to be less than 0.1 inch (0.25 centimeter) tall on the horizon.”⁴ Floating turbines far off the shore of California are likely to be invisible to the naked eye. Regardless of project design, we expect that any local concerns with project visibility offshore California can be alleviated. For example, the Morro Bay WEA is located approximately 20 miles from shore, whereas Vineyard Wind 1 is, at its closest, 15 miles south of Martha’s Vineyard. More broadly, on the west coast by the time a wind project there is underway

² See American Clean Power Association, et al., *Federal Revenue and Economic Impacts from BOEM Offshore Wind Leasing* (December 2021), <https://cleanpower.org/resources/federal-revenue-and-economic-impacts-from-boem-offshore-wind-leasing/>.

³ <https://www.nrdc.org/experts/francine-kershaw/landmark-offshore-wind-agreement-protects-right-whales>

⁴ <https://www.boem.gov/sites/default/files/documents/renewable-energy/Vineyard-Wind-1-Supplement-to-EIS.pdf>



we will likely have significantly more experience with U.S. offshore wind construction and operations.

Likewise, decades of experience have shown that multiple end-users can readily co-exist. Mitigation measures such as proper layout, adequate surveys, and active coordination will further minimize potential impacts from offshore wind. Our members already are conducting such steps for first-mover projects.⁵ Even before securing a lease, we have member companies drafting plans⁶ for best practices to work with local communities, such as a designated point of contact for fishermen.

Further, we appreciate the PSN's continued recognition of historic efforts to avoid conflicts with the Department of Defense pursuant to last year's announced efforts⁷ to accelerate renewable energy development on the west coast. BOEM is clearly mindful of this potential, however we would encourage the Bureau to continue to work diligently to advocate for offshore wind's place in this region, including through the inclusion of the most minimal site-specific stipulations necessary in final leases. NOIA members have decades of experience with navigating concerns and working compatibly with the Department of Defense.

It is critical to note that the areas open to energy production have already been pared back and represent only a tiny fraction of the Outer Continental Shelf. In short, BOEM is already limiting energy resources and investment opportunities to accommodate the fishing community as well as the U.S. Department of Defense. These waters are a public resource—America's federal waters—that can and should be shared in a way that allows diverse stakeholders to compatibly thrive, and that continues to preserve the region for future generations.

CHUMASH MARINE SANCTUARY REMAINS A CONCERN

As BOEM is aware, there is a proposal to include a 7,000 square mile area off the central coast of California, adjacent to Morro Bay, as a part of the Chumash Heritage National Marine Sanctuary. NOIA and its members support the critical goal of marine resource protection, and we understand the importance in balancing protection of the ecosystem with energy production needs. However, a national marine sanctuary designation is not a simple act of protection, but rather a major legal step that prioritizes preservation and casts a broad reach in doing so. The goals of marine sanctuaries include to “[f]acilitate to the extent compatible *with the primary objective of resource protection*, all public and private uses of the resources of these marine areas not prohibited pursuant to other authorities[.]” 15 C.F.R. § 922.2(b)(5) (emphasis added). This designation, as the PSN notes, “have implications for development of OCS leases for commercial wind energy.”⁸ NOIA commented⁹ in the Chumash docket, and raised concerns

⁵ <https://www.vineyardwind.com/fisheries-science>

⁶ https://www.enbw.com/media/enbw_us/docs/fisheries-outreach.pdf

⁷⁷ <https://www.doi.gov/pressreleases/biden-harris-administration-advances-offshore-wind-pacific>

⁸ <https://www.boem.gov/sites/default/files/documents/renewable-energy/state-activities/california/2022-11537.pdf>

⁹ <https://www.regulations.gov/comment/NOAA-NOS-2021-0080-1050>



around the ill-defined borders, the lack of flexibility for offshore energy production and transmission, and insufficient proposed exclusions (among other points). We would strongly encourage BOEM to continue engagement with NOAA and other actors to ensure that leasing is not unreasonably stymied in pivotal sale.

We would direct you to our comments in that docket, within which we suggested that NOAA must make clear that any designation will allow—or at a bare minimum, not prohibit or separately regulate—facilities or activities needed for offshore energy development and transmission. Any Chumash sanctuary regulations and management plan must allow for energy development from existing and future facilities inside and outside of the Morro Bay WEA, including allowing transportation rights of way or easements to shore. These clarifications may be included in a sanctuary designation itself, or in a concurrently proposed sanctuary-specific regulation or management plan. For example, regulations specific to the neighboring Channel Islands marine sanctuary allow “the laying of pipeline pursuant to exploring for, developing, or producing hydrocarbons.” 15 C.F.R. § 922.72(a)(1). And as noted above, the Monterey Bay sanctuary allows for “commercial submarine cables.” Any Chumash sanctuary designation should feature similar, if not clearer, regulatory provisions.

Such clarity would work hand-in-glove with boundary adjustments to the proposed area to avoid as many of these potential overlaps as possible in the first place. For example, boundary adjustments could accommodate the space near the most likely interconnections along the California coastline. And of course, a Chumash sanctuary should not be designated as a vehicle intended to principally preclude domestic energy activities offshore California. Failure to provide these regulatory assurances upfront will introduce new risks for existing and would-be energy developers in the region and could render already-challenging federal and state energy goals nearly impossible to meet.

MULTI-FACTOR BIDDING

As NOIA commented in the Carolina Long Bay PSN, we appreciate the objectives of multi-factor bidding, despite the relative novelty of the approach and the introduction of measures such as the Community Benefit Agreement (CBA). We hesitate to comment directly on the factors in use given our various members’ interests in the sale, other than to say that BOEM should continue to take a broad approach to what defines community benefits, workforce training, supply chain developments, and contributions to the domestic workforce. Given the broad array of domestic offshore wind projects, state local content agreements, and other ongoing efforts, BOEM must provide flexibility so that companies can meaningfully contribute to the “onshoring” of the industry in ways that are practical and make economic sense for their projects.

However, we do appreciate BOEM’s efforts to incorporate relative specificity in the current PSN, including the clear enforcement mechanisms described for bidding credits. Any penalty should involve equivalent funds as opposed to any threat to the project or its lease, particularly given the learning curve which will be involved in a program such as this. To that end though, it



may be appropriate for BOEM to expand an enforcement track that creates an opportunity for BOEM to identify supposed or alleged deficiencies with an opportunity for leaseholder correction, prior to the “immediately due and payable to ONRR” stage. We likewise believe the Bureau should more fully explain references to unilateral authority to extend the documentation deadline for an unspecified length of time. This is part of a general belief that BOEM should work, wherever possible, to clarify expectations around multifactor bidding as early and explicitly as possible.

CONCLUSION

In sum, offshore wind leasing along the California coastline offers enormous economic and environmental benefits and is necessary to meet state and federal renewable energy goals. We encourage the Bureau to quickly move forward with wind leasing in this area, while affording sufficient flexibility and avoiding unnecessary restrictions on development.

Very respectfully,

A handwritten signature in black ink, appearing to read "Erik Milito".

Erik Milito
President
National Ocean Industries Association

//Submitted Electronically