



California Wind Energy Association

September 17, 2021

Governor Gavin Newsom
1303 10th Street, Suite 1173
Sacramento, CA 95814

Via email to: leg.unit@gov.ca.gov

RE: AB 525 (Chiu) – Requesting your signature *and immediate action*

Dear Governor Newsom,

The California Wind Energy Association urges you to sign AB 525 (Chiu), which would direct the California Energy Commission to establish 2030 and 2045 planning goals for offshore wind (OSW) development and, in coordination with specified agencies, develop a five-part strategic plan for offshore wind development. That plan is to be submitted to the Natural Resources Agency and the Legislature by June 30, 2023.

In the nearly two years before that plan is issued, however, important steps must be taken to ensure that the promises of offshore wind translate into real, tangible economic benefits. Intense global competition from offshore wind markets in both Europe and Asia mean that California must take action before the June 2023 submission of California's offshore wind strategic plan. Specifically, two critical issues require immediate attention:

- (1) Port of Long Beach.** The May 25 announcement of the Biden Administration to move forward with leasing federal waters off the coast at Morro Bay as well as Humboldt has a key limitation – the current lack of any suitable port facilities for construction of the floating platforms and final assembly with the turbines. While the current state budget included some funds for developing the Port of Humboldt Bay for these purposes, there is no suitable site in the Morro Bay area. The only existing port on the South-Central Coast with available space to accommodate floating offshore wind construction and assembly is the Port of Long Beach, and there is a very limited window of opportunity to secure that port space for OSW. Your Administration should do everything possible, as soon as possible, to ensure that this acreage is made available for OSW. Without this space, it is highly likely that any Central Coast development in the 2030s and beyond will depend on imports from Asia and Europe, thus losing thousands of high-paying California jobs.
- (2) Development of California OSW supply chain.** While securing port space is a linchpin for enabling development of an OSW supply chain in California (as well as neighboring and other U.S. states), the state must take additional, aggressive steps

to foster in-state industrial capability and workforce development for this supply chain. The East Coast states that are leading the U.S. offshore wind market have benefitted significantly from concerted and strategic state-level leadership, and states like New Jersey and New York, who have made key investments, are now reaping the rewards. The port facilities those states are establishing are emerging as hubs of the East Coast offshore wind industry. We strongly recommend the State of California embark on a focused and well-funded economic development campaign, and/or advocacy with the Bureau of Ocean Energy Management to use mechanisms in next year's auction to explicitly reward in-state sourcing, workforce development, and targeted community hiring.

We urge you to sign this legislation and immediately use your executive power to embark on these other steps. I stand ready, along with CalWEA's offshore wind members, to discuss and support your action on these important issues.

Sincerely,



Nancy Rader
Executive Director

cc: Ana Matosantos, Cabinet Secretary, Office of Governor Newsom
Alice Reynolds, Senior Advisor for Energy, Office of Governor Newsom
Hazel Miranda, Deputy Legislative Secretary, Office of Governor Newsom
Wade Crowfoot, Secretary of Natural Resources
Matt Baker, Deputy Secretary for Energy, Natural Resources Agency
Chair David Hochschild, California Energy Commission
Commissioner Karen Douglas, California Energy Commission
