



COUNTY OF HUMBOLDT

Legislation Text

File #: 22-1584, Version: 1

To: Board of Supervisors

From: Supervisor Mike Wilson

Agenda Section: Consent

SUBJECT:

Resolution Regarding Support for Sustainable Offshore Wind Development (Supervisor Mike Wilson)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Adopt the attached resolution regarding the county's proactive efforts to ensure that offshore wind development occur in a sustainable manner, to maximize environmental and economic benefits to the region, and to minimize or mitigate unavoidable impacts.

SOURCE OF FUNDING:

Economic Development (1120-275), General Fund (1100)

DISCUSSION:

Summary

On May 24, 2022, your Board received a report on offshore wind (OSW) activity occurring in the state and the Humboldt County region. At that meeting, your Board directed staff to engage with local community partners to explore and vet opportunities and obligations surrounding the development of local supply chains and the preparedness of the workforce for offshore wind, and authorized the County Administrative Officer to submit, on behalf of the county and Board letters of support and requests for funding related to the development of local supply chains and the preparedness of the workforce for OSW. On Oct. 18, 2022, your Board also approved a legal services agreement with the Law Office of Julian Gross to advise the county regarding various OSW and community benefits-related issues.

Since then, staff have remained engaged with community partners, Tribal Nations, state and federal agencies, potential project developers, local businesses and others on OSW development and potential community benefits. In August, the county signed on to a letter submitted to the Department of Interior's Bureau of Ocean and Energy Management (BOEM) by the Redwood Region Climate and Community Resilience Hub (CORE Hub) regarding the proposed sale notice, bid credits and the eventual lease of the Humboldt Wind Energy Area, located 21 miles off the coast of Humboldt County (Summary of the letter, its requests and a comparison of BOEM's final sale notice are included as

Attachments 3 and 4). Several key issues continue to drive these discussions including but not limited to the need for port infrastructure development, transmission upgrades, workforce readiness, supply chain and local economic development, fishing and environmental impacts, housing, road and wastewater improvements, health care and childcare. A central aspect of these issues has been an often-stated need to ensure that local Tribal Nations, disadvantaged communities, fisheries, and local workers and businesses are positioned to not only avoid and have OSW development-related impacts mitigated, but to also ensure those communities are able to take part in the industry and the project's associated benefits. It is evident that there is a significant local need and desire to ensure the OSW industry is developed in a sustainable and inclusive way, and as such, the attached resolution aims to begin formalizing a path forward for the county to pursue those goals.

Background

California remains committed to a carbon neutral vision for 2045, to ensure sustained prosperity for future generations and to protect the state's interests. Reaching these goals will require deep investments in offshore wind, likely including development off the coast of Humboldt County.

Federal and state agencies have continued to take steps towards accommodating OSW development:

- In August 2022, the California Energy Commission set planning goals of 2-5 gigawatts (GW) of OSW by 2030 and 25 GW by 2045.
- In October 2022, the Biden-Harris Administration set deployment goals of 30 GW of offshore wind by 2030 and 15 GW of floating offshore wind energy by 2035.
- Also in October, the Department of the Interior's Bureau of Ocean Energy Management (BOEM) published the Pacific Wind Lease Sale 1 (PACW-1) for Commercial Leasing for Wind Power on the Outer Continental Shelf in California - Final Sale Notice, which outlines the auction and leasing process for the Humboldt and Morro Bay Wind Energy Areas (WEAs).
- Looking forward, the auction for leases in the Humboldt WEA will take place on Dec. 6, 2022, with issuance of leases expected after March 31, 2023.

The extent of OSW development in the Humboldt WEA remains subject to transmission constraints. With current capacity, possible near-term build out of the Humboldt WEA is approximately 150 megawatts (MW) or 10-15 turbines. A full build out of the Humboldt WEA would take significant transmission upgrades, and would produce approximately 1.6 GW through 100-160 turbines.

The state and federal governments are also investing in port and supply chain development as critical to the success of the OSW industry. In March 2022, the California Energy Commission approved a \$10.5 million grant to the Humboldt Bay Harbor, Recreation, and Conservation District for the new Humboldt Bay Offshore Wind Heavy Lift Marine Terminal. More recently, the district announced that it will be partnering with Crowley Wind Services to develop the terminal, which will serve as a west coast hub for the industry.

The State of California is in the process of developing a strategic plan for OSW, which is slated for approval in June 2023 by the California Energy Commission. The plan includes gigawatt goals, identification of future potential sea sites, port planning and development, workforce and supply chain development, the permitting process, and transmission scoping. Meanwhile, the Department of Energy's Floating Offshore Wind Energy Shot program seeks to reduce the cost of floating wind energy by at least 70% by 2035 to support the national transition to offshore wind as a viable key green energy source.

Recommendation

At this crucial juncture in development of the offshore wind industry, it is critically important that the county work collaboratively with stakeholders to prepare for this unique opportunity-to ensure local communities experience the full scale of potential benefits of hosting this industry, to lower risk for vulnerable communities, to shift old patterns of harmful boom-and-bust natural resource extraction, and to prepare local communities, governments, and economies for the transition.

Therefore, staff recommends that the Board of Supervisors adopt the attached resolution, which would direct the County Administrative Office and staff to continue or undertake the following activities related to offshore wind development:

- a. work collaboratively with local stakeholders in creating a regional vision and roadmap for offshore wind development to prepare our community for sustainable and equitable development of the offshore wind industry;
- b. collaborate and engage with Tribal Nations on offshore wind development and its effects on and opportunities for Tribal Nations and their citizens;
- c. partner with CORE Hub and the Offshore Wind Community Benefit Network in pursuing community benefits agreements with offshore wind development leaseholders and other developers;
- d. support and/or participate in negotiations of community benefits agreements or similar agreements related to community benefits, workforce development, procurement, and mitigation of impacts, with offshore wind development leaseholders and other project developers, participants and affected stakeholders;
- e. engage in outreach and stakeholder input efforts to ensure that all affected and interested members of the Humboldt County community and region are aware of offshore wind development activities and can participate in public processes regarding such activities;

- f. coordinate with the Humboldt Bay Harbor, Recreation, and Conservation District regarding community benefits opportunities regarding District activities related to offshore wind;
- g. coordinate with other state, federal, Tribal, and local government entities to shape offshore wind development to maximize environmental and economic benefits, and minimize adverse impacts;
- h. assist in planning and advancing onshore infrastructure upgrades that are essential for development of the industry, and are needed to minimize adverse impacts;
- i. on behalf of the County and the Board of Supervisors, submit letters of support and requests for funding and regulatory or legislative frameworks related to regional agency and growing regional capacity to facilitate sustainable development of the offshore wind industry in the region; and
- j. take all reasonable additional steps to support offshore wind development in a manner that maximizes the benefits to the region, while minimizing and mitigating any unavoidable impacts, as described herein; and
- k. report to the Board of Supervisors as needed regarding negotiations, initiatives, and efforts as described herein.

FINANCIAL IMPACT:

Actual costs are unknown at this time. This action would result in staff time incurred by the County Administrative Office, its Economic Development Division and staff from other departments to participate in meetings and discussions with offshore wind community partners and local stakeholders, as well as related research, planning and advocacy. Staff recommends that your Board approve staff time for this activity until staff can return with an updated report on associated costs and potential revenue sources or funding requests.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by advancing local interests in natural resource discussions ; encouraging new local enterprise; supporting workforce development and creation of private-sector jobs; building interjurisdictional and regional cooperation; engaging in discussions of our regional economic future; and engaging new partners.

OTHER AGENCY INVOLVEMENT:

Includes and is not limited to the Redwood Region Climate and Community Resilience Hub, Members of the North Coast Offshore Wind Community Benefit Network, County of Humboldt Local Workforce Development Board, Humboldt County Workforce Coalition, Cal Poly Humboldt, College of the Redwoods, Humboldt Bay Harbor District, Schatz Energy Research Center, Redwood Coast Energy Authority, Humboldt Area Foundation and Wild Rivers Community Foundation, The Northern California Tribal Chairmen's Association, Humboldt Fishermen's Marketing Association, California Center for Rural Policy, Humboldt State University Sponsored Programs Foundation, Humboldt County Office of Education, Redwood Region Economic Development Commission, Arcata Economic Development Corporation, North Coast Small Business Development Center, Building and Construction Trades Council of Humboldt, Operating Engineers Local #3, California Department of Fish and Wildlife

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to adopt the attached resolution.

ATTACHMENTS:

1. Resolution Regarding Support for Sustainable Offshore Wind Development
2. Bureau of Ocean and Energy Management Pacific Wind Lease Sale 1 for Commercial Leasing for Wind Power on the Outer Continental Shelf in California - Final Sale Notice
3. CORE Hub Community Benefits Recommendations
4. Final Sale Notice Matrix: Illustrating Proposed Sale Notice, CORE Hub Asks, and Final Sale Notice

PREVIOUS ACTION/REFERRAL:

Board Order No.: D-12; D-15

Meeting of: May 24, 2022; Oct. 18, 2022

File No.: 22-615; 22-1399