Comments by *Offshore Wind California* for California Energy Commission Workshop on Assembly Bill (AB) 525 Strategic Plan for Offshore Wind Energy Planning Goals
March 11, 2022

Offshore Wind California (OWC) is a business group of developers and technology firms dedicated to the responsible development of offshore wind power for our state. We want to thank the California Energy Commission (CEC) for hosting this important workshop as well as all the other state and federal agencies who are participating.

Several decades of offshore wind industry experience and academic study have demonstrated conclusively that "going big" is one of the most important keys to achieving success with this remarkable clean energy technology – in California and other U.S. and global energy markets.

For offshore wind, economies of scale will be essential for driving down costs, delivering competitively priced clean power, and encouraging industries and jobs to locate in our state.

We're seeing it on the U.S. East Coast, where states have made commitments to well over 30 gigawatts (GW) of fixed-bottom offshore wind. And we're seeing it in Scotland, which in January concluded lease auctions that will put 15 GW of floating offshore wind turbines in the water in the coming decade.

These successes are all being driven by economies of scale and advances in wind turbine technology that are dramatically reducing costs, which can save ratepayers money while also cleaning up our environment. The National Renewable Energy Laboratory (NREL) projects that costs for floating offshore wind in California will decline to $53–$64/MWh by 2032.[1] By 2050, DNV reports that floating wind will reach a levelized cost of energy of less than $40/MWh.[2]

That's why OWC is encouraging California to set bold but realistic goals to generate a minimum of 3 GW of offshore wind by 2030, at least 10 GW by 2040, and – looking ahead – at least 20 GW by 2050. This aligns well with the Biden Administration's national goal of achieving 30 GW by 2030 and 110 GW by 2050.

These goals are also supported by last year's joint agency report, which concludes that for California to reach 100% clean energy by 2045, it will need a diverse portfolio of renewable energy including offshore wind.[3] The study's "SB 100 Core Scenario" calls for 10 GW of offshore wind by 2045, or as much as the model would allow. In its first-ever 20-year outlook, the California Independent System Operator (CAISO) has included 10 GW of offshore wind for transmission planning.[4]

Remarkably, 10 GW is just a fraction of California's 200 GW technical offshore wind potential.[5] Yet its benefits are huge. Ten GW of offshore wind would supply almost 15% of our current electricity needs, complementing the state's solar and other renewable resources, and helping keep the lights on around the clock. It would create thousands of good-paying jobs, save ratepayers $1 billion or more for installed clean power capacity,[6] drive new domestic supply chains, and help California to meet its clean energy goals and manage its climate risks.

OWC believes that offshore wind should be a big part of California's new clean energy economy. To make this a reality, we urge the CEC to set ambitious goals for offshore wind in 2030 and 2045. We're off to a good start with the planned auctions for the Morro Bay and Humboldt Wind Energy Areas this fall. We are committed to working

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[1] National Renewable Energy Laboratory 2019 Offshore Wind Technology Data Update, November 2020.
[2] DNV, Floating Offshore Wind: The Next Five Years, February 2022.
[3] SB 100 Joint Agency Report: Charting a Path to a 100% Clean Energy Future, March 15, 2021.
[4] California ISO Draft 20-Year Transmission Outlook, January 31, 2022.
[5] NREL 2020 Offshore Wind Resource Assessment for the California Pacific Outer Continental Shelf, October 2020.
[6] SB 100 Joint Agency Report.

with the CEC and other state agencies to provide the best available industry insights and data to make California a leader in floating offshore wind power – much as it is in other renewable energy resources.