



## **Comments by *Offshore Wind California* to the Bureau of Ocean Energy Management on Expanding the Morro Bay Call Area to Advance Offshore Wind Power off the California Coast**

**September 13, 2021**

We want to begin by thanking the Biden Administration – in particular, the Bureau of Ocean Energy Management (BOEM) and the Departments of Interior and Defense – as well as other federal and Congressional leaders, Governor Gavin Newsom, California state agencies, and local and tribal leaders who helped resolve important sea-space issues to open up the state’s Central coast to offshore wind power development and operation. These combined governmental efforts were essential to advance next steps in the leasing process for the BOEM-designated Morro Bay call area and enable utility-scale development of an offshore clean energy resource for the Golden State.

We also want to express thanks for the continued coordination between federal and state agencies that will be required to launch and build a new offshore wind industry in California and realize its full potential and benefits for the state’s residents and businesses.

The National Renewable Energy Laboratory (NREL) reports that California has [200 GW](#) (gigawatts) of technical potential for generating offshore wind power. A recent [Joint Agency SB 100 report](#) concluded that California will need to develop a massive and diverse renewable portfolio, including at least 10 GW of offshore wind, to achieve its 100% renewable and zero-carbon goals cost-effectively by 2045. Ten GW of offshore wind power represents a small fraction of California's full technical potential, yet its potential benefits are huge.

Ten GW of offshore wind power would supply almost 15% of the state’s current electricity needs, providing clean, reliable energy that complements the state’s solar and other renewable resources, and helps keep the lights on for Californians around the clock. Moreover, building out 10 GW of offshore wind power generation would create thousands of good-paying jobs, save ratepayers [\\$1 billion or more](#) for installed clean power capacity,<sup>1</sup> generate billions for the state’s economy, enable California to cost-effectively meet its 100% clean energy goals, and also help the state to manage its growing climate risks.

Bringing offshore wind to market will require scale, speed, and federal and state support. Economies of scale will be key to drive down costs, deliver competitively priced clean power, and encourage key industries to locate in our state. That’s one reason Offshore Wind California (OWC) and our member companies strongly support the East and West extensions to the Morro Bay call area. As proposed by the [Biden/Newsom announcement](#) in May, these additions will increase the Morro Bay call area by 141 square miles to a total of 399 square miles, significantly expanding capacity in this call area and helping to drive economies of scale.

Along with scale, the Morro Bay call area offers another important attribute that will contribute to speed to market. That is access to existing transmission interconnection capacity – up to 5-6 GW according to an analysis

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<sup>1</sup> [2021 SB 100 Joint Agency Report: Achieving 100 Percent Clean Electricity in California: An Initial Assessment](#), March 2021; [California’s Offshore Wind Electricity Opportunity](#), by Adam Rose, Dan Wei, and Adam Einbinder, USC Schwarzenegger Institute for State and Global Policy, August 2021.

by the California Independent System Operator (CAISO)<sup>2</sup> – available from a retired gas plant at Morro Bay and two nuclear generators at the Diablo Canyon Power Plant due for retirements in 2024 and 2025.

That's why we were encouraged to see both the expanded Morro Bay call area and the Humboldt call area in the initial California offshore wind plans announced by the Biden Administration and Governor Newsom in May 2021. This first phase of development, estimated to provide more than 4 GW according to [NREL projections](#), will contribute significantly to President Biden's 30 GW national goal for offshore wind by 2030. With its proximity to existing transmission infrastructure, the Morro Bay call area can lead the way in California's offshore wind development.

The challenges and potential obstacles to making this a reality are formidable. To reach these ambitious goals, we must get started now. Launching a new offshore wind industry in California will require thoughtful coordination among federal and state agencies to address lease sales, sea-space planning, environmental reviews and federal and state permitting, stakeholder engagement, interconnection and electric transmission, port infrastructure improvements, vessel logistics, supply chain build-out, and workforce training – all the while working to protect wildlife and cultural resources.

California is up to the challenge. Last week, the state Senate voted 38-0 to join the Assembly in giving overwhelming bipartisan approval to AB 525, legislation that directs the California Energy Commission (CEC) to establish offshore wind targets for 2030 and 2045, requires the CEC and other agencies to develop a permitting roadmap that involves all affected stakeholders, and works to strengthen marine and coastal protection and address other environmental concerns. The bill has received final approval by both houses of the California Legislature and has been sent to Governor Newsom for signature.

We look forward to engaging with members of BOEM's California Intergovernmental Renewable Energy Task Force to share our industry expertise and outline a path to achieve 3 GW of offshore wind for the Golden State by 2030 and at least 10 GW by 2040. This will require a dedicated and focused effort to advance development at the first two call areas (Morro Bay and Humboldt) through the necessary reviews and leasing process.

The urgency of this task is evident with the clear and present climate dangers facing our planet. The recent spate of wildfires and heat waves in California and the rest of the West, as well as extreme weather elsewhere in the U.S. and across the globe, underscore that the Earth is facing a climate emergency – not some time in the distant future, but now. We need to move with speed, scale, and federal and state support to advance the planning and deployment of offshore wind: our nation's clean energy and climate future depends on it.

California has an impressive mix of renewables, primarily solar and onshore wind. But when the sun goes down, we still rely on gas-powered peaker plants for as much as 60% of our electricity. More solar and storage will help, but they are unlikely to scale fast enough to close the gap at an affordable price. Unless procurement of renewables like offshore wind dramatically accelerates, planned closure of the Diablo Canyon nuclear generators in 2024-2025 will temporarily make the situation worse. Offshore wind can deliver clean, reliable, utility-scale power for California's grid night and day, from proven technology that is deployed out at sea and minimizes visual impacts.

To realize offshore wind's promise and reach these multi-gigawatt goals, we must move forward with the leasing process to sale in 2022, complete environmental reviews, upgrade transmission and port infrastructure expeditiously, support development of offshore wind's supply chain, and streamline federal/state permitting while protecting wildlife and cultural resources. Offshore wind can be a key part of our new clean energy economy, in California and America. OWC stands committed to working with BOEM to provide the best available industry data and science to inform the leasing process as it advances, including extensions of the Morro Bay call area.

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<sup>2</sup> [2020-21 Transmission Plan](#), California Independent System Operator, March 24, 2021, p. 28.