



Staff Recommendation

April 24, 2023

Item 9 - *Revised*

Action Item:

**Consideration and Approval to Disburse Funds for Offshore Wind
Environmental Monitoring Guidance**

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Recommended Action: Authorization to disburse up to \$450,000 to develop comprehensive environmental monitoring guidance to support offshore wind development in California.

Location: Statewide

Strategic Plan Goals and Objectives: Goal 4: Support Ocean Health Through a Sustainable Blue Economy; Objective 4.4: Guide Sustainable Renewable Energy Projects

Equity and Environmental Justice Benefits:

Comprehensive environmental monitoring guidance can help ensure the collection and evaluation of relevant and accurate data, which in turn can improve our understanding of the potential environmental impacts of offshore wind (OSW) development. As a result, the guidance can deliver equity and environmental justice benefits in several ways. For example, a better understanding of environmental impacts can inform decision-making to avoid, minimize, and mitigate negative impacts on marine ecosystems, as well as local communities, including California Native American tribes and communities already burdened by environmental and social injustice. Additionally, the guidance can promote public participation by inviting input from stakeholders, which help ensure the concerns and needs of local communities, particularly those most affected, are considered.

Findings and Resolution:

Staff recommends that the Ocean Protection Council (OPC) adopt the following findings:

“Based on the accompanying staff report and attached exhibit(s), OPC hereby finds that:

1. The proposed projects are consistent with the purposes of Division 26.5 of the Public Resources Code, the California Ocean Protection Act;
2. The proposed projects are consistent with the Budget Act of 2022 which included a \$1 million Offshore Wind General Fund appropriation for OSW research to improve understanding of impacts on ecosystems, fisheries, and cultural resources; and
3. The proposed projects are not ‘legal projects’ that trigger the California Environmental Quality Act (CEQA) pursuant to Public Resources Code section, section 15378.”

Staff further recommends that OPC adopt the following resolution pursuant to Sections 35500 *et seq.* of the Public Resources Code:

“OPC hereby approves the disbursement of up to \$450,000 to a competitively or discretionarily selected grantee to develop comprehensive environmental monitoring guidance to support offshore wind development in California.

This authorization is subject to the condition that prior to disbursement of funds, the selected organization shall submit for the review and approval of the Executive Director of the OPC detailed work plans, schedules, staff requirements, budgets, and the names of any contractors intended to be used to complete the project, as well as discrete deliverables that can be produced in intervals to ensure the project is on target for successful completion. The project will be developed under a shared understanding of process, management, and delivery.”

Executive Summary:

Staff recommends disbursement of up to \$450,000 to administer a competitive solicitation to develop comprehensive environmental monitoring guidance tailored to OSW development in California. The guidance will provide specific long-term monitoring recommendations across various spatial scales, ranging from project levels to regional/statewide levels, to provide a framework for monitoring and evaluating potential local impacts by individual wind farms and cumulative impacts by multiple wind farms. An advisory committee structure comprised of subject matter experts will advise and support the development of the monitoring guidance, as appropriate. Development of the guidance will occur in close coordination with OPC and state partner agencies to ensure that monitoring needs of the state are effectively met. Additional collaboration with federal agency partners, the offshore wind industry, tribal governments, environmental nonprofit organizations, and other stakeholders, will occur, as appropriate, to support a transparent and coordinated process.

The primary goal of this guidance document is to provide a clear and practical resource for regulators, developers, and other stakeholders involved in OSW projects in California to ensure that environmental impacts of OSW development are properly monitored, evaluated, and

mitigated throughout the project lifecycle, in accordance with best practices and relevant regulations. The project's outcome will facilitate environmentally responsible OSW development in California, supporting the state's ambitious OSW goals while safeguarding its unique marine ecosystems and coastal communities.

Project Summary:

Background:

California is committed to carbon neutrality by 2045, which will require unprecedented changes to our energy portfolio and infrastructure. To meet these bold renewable energy targets, California's offshore waters have emerged as a prime location for floating OSW projects, and OSW development in California has rapidly progressed in recent years. On August 10, 2022, the California Energy Commission adopted ambitious OSW energy goals of 2-5 GW by 2030 and 25 GW by 2045. On December 7, 2022, the Bureau of Ocean Energy Management conducted the first-ever OSW energy lease sale along the Pacific coastline for five wind energy areas, including two off the Northern California Coast near Humboldt Bay and three off the Central California Coast near Morro Bay. Provisional lease winners have been announced with lease awards anticipated in April 2023. Once leases are awarded, lessees will enter the site assessment phase. Site assessment allows lessees to collect project area specific information to inform their construction and operation plans, and the entire assessment phase could take up to five years to complete. Simultaneously, California is developing a strategic plan, as required by [AB 525 \(Chui, 2021\)](#) that will identify new sea space to accommodate additional OSW development sufficient to meet the goal of 25 GW by 2045.

Unlike most operating offshore wind projects worldwide, which have fixed-bottom turbines installed in oceans shallower than 60 meters, OSW projects off the California coast require floating turbines due to the deep water and steep slope. This technology relies on attaching a wind turbine to a floating structure that is tethered to the seabed. Currently, approximately 0.1 GW of floating wind turbines are operating worldwide, compared to over 50 GW of fixed-bottom turbines. Given the limited information available from existing projects and the unique features of the California Current System, the impacts of floating offshore wind development to wildlife and habitats in California are not well understood. Therefore, it is critical to collect long-term monitoring information, ranging from project to regional/statewide levels, and at all project phases.

Although some environmental monitoring guidelines for OSW development exist, they are designed for projects in other regions of the world with fixed-bottom structures and different marine ecosystems, for project levels that cannot adequately address cumulative impacts, or do not contain the level of detail required. Therefore, there is an urgent need to develop a

comprehensive environmental monitoring guidance document that is tailored specifically to OSW development in California.

Project Summary:

This project will accomplish the following objectives:

- Convene an advisory committee(s) consisting of subject matter experts with relevant expertise. Examples of expertise should include, but not limited to: marine mammals and sea turtles, birds and bats, oceanographic processes, marine ecology and habitat, and fisheries. The committee(s) size and role should be appropriate for the project’s needs.
- Develop monitoring guidance specifically designed for OSW development in California. The guidance should include but not limited to the following:
 - Priority environmental monitoring questions and needs identified for key and/or vulnerable species and habitats, oceanographic processes, and fisheries that may be impacted by OSW development.
 - Specific monitoring design recommendations to address priority monitoring questions and needs, that include technology, methodology, scale, timing, rationale, and leveraging of existing monitoring programs when feasible. Recommendations should include evaluation of project to regional scale feasibility, including beyond lease areas to consider the full range of potential impacts from OSW infrastructure and development, as well as specific needs relative to project phases from baseline data collection through project operation and maintenance.
 - Evaluation of monitoring data necessary to comply with permitting requirements and relevant policies.
 - Recommended protocols for data sharing, data analysis and interpretation to ensure consistency, comparability, and robustness of monitoring efforts across projects.
- Facilitate a coordinated and transparent process with state, federal, tribal partners, the offshore wind industry, and environmental nonprofit organizations, as appropriate. Additionally, this project should also be coordinated and integrated into any larger environmental coordinating efforts.
- Conduct broad stakeholder and/or public outreach activities.

About the Grantee:

OPC staff will administer a competitive solicitation, in close coordination with our agency partners, to identify an appropriate grantee for this project. If a suitable grantee is not selected through the competitive solicitation, a grantee may also be selected discretionarily. The selected

entity will assemble an advisory committee, develop guidance, coordinate efforts, and conduct outreach activities. The grantee will be selected based on the following criteria: expertise in environmental monitoring, experience in facilitating coordination and collaborating with subject matter experts, capacity to administer the project, and ability to effectively manage grants and provide progress reports.

Project Timeline:

Timelines for project tasks will be identified during the competitive solicitation and selection process, which is expected to occur in Summer 2023. The project is expected to start no later than Fall 2023, with the guidance development completed within two years, as there is an urgent need for this information.

Project Financing:

Staff recommends that the Ocean Protection Council (OPC) authorize encumbrance of up to \$450,000 to develop comprehensive environmental monitoring guidance.

Ocean Protection Council	\$450,000
TOTAL	\$450,000

The anticipated source of funding will be from the FY2022-2023 Offshore Wind General Fund appropriation, which included a \$1 million General Fund appropriation for OSW research to improve understanding of impacts on ecosystems, fisheries, and cultural resources. The recommended project will develop a comprehensive environmental monitoring guidance for OSW development in California. This guidance can help ensure the collection and evaluation of relevant and accurate data, thereby further improving our understanding of the environmental impacts of OSW development.

Consistency with California Ocean Protection Act:

The proposed project is consistent with the Ocean Protection Act, Division 26.5 of the Public Resources Code, because it is consistent with trust-fund allowable projects, defined in Public Resources Code Section 35650(b)(2) as projects which:

- Improve the management of fisheries and/or foster sustainable fisheries.
- Improve management, conservation, and protection of coastal waters and ocean ecosystems.

- Provide monitoring and scientific data to improve state efforts to protect and conserve ocean resources.
- Provide funding for adaptive management, planning coordination, monitoring, research, and other necessary activities to minimize the adverse impacts of climate change on California's ocean ecosystem.

Compliance with the California Environmental Quality Act (CEQA):

The proposed project is categorically exempt from review under CEQA pursuant to 14 Cal. Code of Regulations Section 15306 because the project involves only data collection, research and resource evaluation activities that will not result in a serious or major disturbance to an environmental resource.