DOCKETED	
Docket Number:	25-AB-03
Project Title:	Assembly Bill 3 California Offshore Wind Advancement Act
TN #:	265580
Document Title:	Schatz Energy Research Center AB 3 Scoping Comments
Description:	N/A
Filer:	System
Organization:	Schatz Energy Research Center
Submitter Role:	Public
Submission Date:	8/13/2025 9:56:01 AM
Docketed Date:	8/13/2025

Comment Received From: Schatz Energy Research Center
Submitted On: 8/13/2025
Docket Number: 25-AB-03

Schatz Energy Research Center AB 3 Scoping Comments

Additional submitted attachment is included below.

August 13, 2025

California Energy Commission
Docket No. 25-AB-03: Assembly Bill 3 (Offshore Wind Advancement Act)
California Energy Commission
715 P Street
Sacramento, CA 95814

Submitted via electronic commenting system

Re: Comments on Assembly Bill 3 Scoping Document – Docket 25-AB-03

This comment letter is submitted in response to the California Energy Commission's Assembly Bill (AB) 3 (California Offshore Wind Advancement Act) Scoping Document and Request for Comment. We encourage the Commission to consider the findings of two recent reports prepared by the Schatz Energy Research Center: *California Floating Offshore Wind: Evaluating Workforce Analyses and Assessing Professional Labor* (April 2025), and *Permitting for Port Infrastructure to Support Offshore Wind in California* (May 2025). Together, these reports provide California-specific analysis directly relevant to multiple AB 3 requirements that can help the Commission develop AB 3 recommendations that are implementable and aligned with statutory timelines, environmental protections, and workforce goals.

California Floating Offshore Wind: Evaluating Workforce Analyses and Assessing Professional Labor (April 2025)
This April 2025 workforce report provides an assessment of university-level labor demand across the floating offshore wind (FOSW) sector and associated port infrastructure in California. It evaluates professional occupations required under various in-state supply chain investment scenarios, identifies key workforce development challenges, and outlines educational pathways at California institutions of higher education. The analysis may be particularly relevant to Criteria 2-2, 2-3, and 2-4 of the AB 3 framework, as it offers insight into workforce gaps, job estimates in supporting activities, and areas for investments in engineering, life and physical sciences, and management career pathways.

Job Estimates and Placement
The April 2025 workforce report found that existing studies have produced a wide range of job estimates for California's FOSW sector – ranging from 2,375 to 8,280 jobs by 2030 – primarily

due to differences in assumptions related to project scale and the level of in-state supply chain investment (Section 2 & Appendix A). Based on the report's Sensitivity Analysis (Section 3 & Appendix B), more than 60 percent of total jobs are tied to component supply chain activities, with 76 percent of these attributable to the manufacturing of subassemblies, subcomponents, and materials (Tier 2–4). Staging, assembly, and installation account for roughly 10 percent of total jobs, with 44 percent of those linked to specialized vessel operations. These findings underscore that investment decisions regarding domestic manufacturing and contracting will directly influence the number and geographic distribution of jobs; without transparency in these assumptions, job numbers can be easily misinterpreted, leading to overstated local benefits, misaligned training investments, and unrealistic expectations for economic impact.

Professional Jobs

The report further finds that 37–41 percent of FOSW industry jobs and approximately 20 percent of port development jobs will require a university degree – professional jobs – and be concentrated in engineering, management, and life and physical sciences (Section 4). The remaining majority will be skilled trades positions across construction, fabrication, maritime operations, and operations and maintenance. While workforce readiness planning has often focused on the skilled trades, the projected scale and timing of professional labor demand highlights the parallel need to grow California's professional workforce to meet industry requirements and to develop future leaders in this emerging sector. Given the specialized nature of floating offshore wind, strategic investment in universities to expand programs aligned with FOSW career pathways will be critical to building the professional capacity needed for long-term industry success.

Urban vs. Rural Workforce Development

Although not directly addressed in the report, accurate and transparent job estimates are especially critical for rural coastal regions, where labor markets are smaller and the economic stakes of workforce planning are high. For host communities, precise data on job timing, duration, and location is essential for designing training programs that align with actual employment opportunities and for mitigating potential challenges from worker in-migration. To improve accuracy, the Commission could consider requiring developers to produce standardized workforce estimates and commitments and conduct ongoing job tracking as a condition of procurement or contracting. Similar approaches have been implemented in East Coast offshore wind procurements, where developer bids for power purchase agreements have included Workforce/Jobs or Economic Benefits Plans and subsequent reporting requirements.[1] These mechanisms have provided state agencies with consistent, project-specific data to guide decision making.

Permitting for Port Infrastructure to Support Offshore Wind in California (May 2025)

The *Permitting for Port Infrastructure to Support Offshore Wind in California* report (May 2025 permitting report) identifies the numerous federal, state, and local permitting processes required

[1] Examples of offshore wind solicitations requiring developer-submitted workforce and economic benefits plans include: Rhode Island OSW RFP (2023) (Section 14, Appendix A); NYSERDA ORECRFP22-1 (2022) (Appendix H); and NYSERDA ORECRFP24-1 (2024) (Section 11, Appendix G)

to build staging and integration port infrastructure to support offshore wind in California. It analyzes recent legislative and regulatory changes to the applicable environmental review and permitting processes and identifies the Tribal consultation and public engagement requirements for environmental review and key permitting processes.

Permitting Pathways and Requirements

Although the California Offshore Wind Advancement Act (AB 3) does not explicitly require the Commission to consider permitting requirements or timelines, numerous AB 3 criteria depend on whether a port project can be successfully sited, minimize impacts to cultural and natural resources, and provide for meaningful Tribal and community engagement. Relevant criteria include: Criteria 1-1 (identification of feasible seaport locations), Criteria 1-2 (site control within five years), Criteria 1-4 (minimize impacts to cultural and natural resources), Criteria 1-6 (transportation and other infrastructure investments needed), Criteria 1-7 (collaboration with Tribal governments), Criteria 1-8 (consultation with stakeholders), and Criteria 1-9 (consultation with vessel operators and commercial maritime industry).

Federal, state, and local permits required for port development establish the regulatory requirements that will govern project siting, design, mitigation, and protection of environmental and cultural resources. To ensure recommendations are actionable, the Commission should assess whether proposed siting and impact minimization measures align with these requirements. In some cases, regulatory agencies may have the authority to adopt and implement Commission recommendations; in others, agencies may lack jurisdiction or face legal constraints that limit their ability to enforce them.

The May 2025 permitting report identifies the permits likely required for staging and integration facilities, outlines a representative permitting timeline, and analyzes both existing pathways and recent legislative changes affecting offshore wind port projects. The report concludes that such projects may require over 20 authorizations from four to six federal agencies, three to five state agencies, and two or more local agencies—each with distinct regulatory processes and requirements (Section 2 and Appendix A). It also identifies the agencies likely to issue required authorizations and summarizes applicable standards of review (Sections 3 - 4 and Appendices A - B). The report particularly analyzes the key permit processes that will consider staging and integration projects holistically: public trust review (Section 3) and review under the California Coastal Act and federal Coastal Zone Management Act (Section 4).

While the report focuses on staging and integration projects, much of its permitting analysis also applies to manufacturing and fabrication projects and operations and maintenance projects. For example, these facilities are also likely to be located on public trust lands and require authorization from the California State Lands Commission or a local public trust grantee (Section 3). There are likely to be some jurisdictional differences as well. Manufacturing and fabrication projects located in the San Francisco Bay Area, for instance, would generally fall under the jurisdiction of the San Francisco Bay Conservation and Development Commission (BCDC) rather than the California Coastal Commission (Section 4.2).

In sum, consideration of permitting pathways and regulatory requirements can inform the Commission's recommendations on siting, design, and resource protections. Regulatory requirements will ultimately govern whether a project can proceed, how it is designed, and the measures adopted to avoid, minimize, or mitigate environmental and cultural resource impacts.

Permitting Timeline and Cost

Several AB 3 criteria require consideration of project development timelines and costs, including: Criteria 1-2 (site control within five years), Criteria 1-10 (assessment of estimated cost and potential funding and financing strategies), and Criteria 2-7 (evaluation of impacts to project development timelines and costs of in-state assembly and manufacturing). Permitting timelines for port infrastructure will also influence the State's ability to meet its offshore wind planning goals of deploying 2–5 gigawatts (GW) by 2030 and 25 GW by 2045.[2]

The type and number of permits required, the time needed to obtain them, and the potential for coordination or streamlining directly affect development schedules for port projects. Delays in port readiness, in turn, can delay the construction and commissioning of offshore wind farms. Permitting requirements also influence project costs, including expenses for environmental studies, design modifications, mitigation measures, and the cost of financing during the pre-operational period.

As noted above, the May 2025 permitting report found that staging and integration projects may require over 20 federal, state, and local authorizations. Based on statutory and regulatory deadlines, the report estimates that securing these authorizations is likely to take three to four years after the start of environmental review (Appendices C and D), with potential extensions or appeals further lengthening the process. Recent federal policy changes may also affect permitting timelines, introducing additional uncertainty.

Incorporating realistic permitting timelines into the Commission's evaluation of development schedules and cost estimates will be important to ensure that recommendations under AB 3 are achievable within statutory and policy targets.

Tribal Consultation and Shared Decision Making in Permitting

As relevant to Criteria 1-4, 1-7 and 1-8, the May 2025 permitting report identifies Tribal consultation requirements during environmental review and the key permitting processes for port infrastructure projects (Section 5). In light of recent changes to federal environmental review requirements, which have created uncertainty around the scope and application of federal Tribal consultation obligations (Section 5.1), it may be particularly important for the Commission to consider opportunities for early and meaningful Tribal engagement as part of the AB 3 process.

[2] California Energy Commission. 2022. Offshore Wind Energy Development off the California Coast: Maximum Feasible Capacity and Megawatt Planning Goals for 2030 and 2045; Assembly Bill 525 (Chiu, Chapter 231, Statutes of 2021).

The report also examines policy options enhancing Tribal participation and authority in environmental review, permitting, and project management, including:

- Designating federally recognized Tribal Nations as joint lead agencies or cooperating agencies under the National Environmental Policy Act (Section 5.1)

- Co-management or co-governance agreements between California natural resource agencies and federally recognized Tribal Nations for resource management and conservation of a Tribe's ancestral lands and waters under the Tribal Cogovernance and Comanagement of Ancestral Lands and Waters Act (section 5.2 and Appendix B).

It may be helpful for the Commission to consider regulatory Tribal consultation requirements and policy options for sharing decision making when developing recommendations on seaport siting, minimization of impacts to natural and cultural resources, and ways to maximize economic and workforce benefits to Tribal governments. Co-management or co-governance arrangements can, for example, strengthen the Commission's AB 3 recommendations and the permitting process by integrating Tribal expertise, cultural knowledge, and resource stewardship priorities into project planning early on.

Community Engagement Permitting Requirements

As relevant to Criteria 1-8 and Criteria 1-9, the May 2025 permitting report identifies public engagement requirements during environmental review and the key permitting processes for staging and integration port projects (Section 6). Federal, state, and local agencies conducting environmental review or considering permits for these projects are generally subject to public notice and engagement requirements under various laws. Ports and harbor districts often have their own public noticing requirements, though hearings or other engagement opportunities may not always be required for port projects (Section 6.2). Additionally, recent changes to federal environmental review requirements leave some uncertainty about public engagement obligations during National Environmental Policy Act review (Section 6.1). This uncertainty may affect when and how stakeholders and the public are able to provide input on port projects. AB 3 consultation has the opportunity to supplement and inform public engagement during environmental review and permitting. Additionally, public engagement processes can influence both the timing and the level of community support for port projects. Building in early, meaningful community engagement can assist the Commission in developing recommendations that avoid delays in the seaport entitlement process while addressing community concerns.

We respectfully submit these comments regarding development of the AB 3 reports and welcome the opportunity to discuss or provide additional information as needed.

Sincerely,

Tanner Etherton
Economic Analyst
Schatz Energy Research Center

Awbrey Yost
Senior Policy Analyst
Schatz Energy Research Center