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Project Title:	California Offshore Renewable Energy
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Document Title:	2026 Letter to California Legislature regarding the Voluntary Offshore Wind Program - Capacity Funding
Description:	This 2026 Letter to California Legislature regarding the Voluntary Offshore Wind Program focuses on capacity funding activities supported by the program.
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Organization:	California Energy Commission
Submitter Role:	Commission Staff
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May 27, 2026

Honorable Members of the California Legislature
California State Capitol
10th and L Streets
Sacramento, California 95814

Dear Honorable Members of the California Legislature:

The California Energy Commission (CEC) is pleased to provide this update to our *2026 Letter to California Legislature for the Voluntary Offshore Wind Program* on the progress and status of capacity funding activities, pursuant to Assembly Bill (AB) 1417 (Stefani, Chapter 397, Statutes of 2025), as part of the Voluntary Offshore Wind Program (Program). The Program was established by AB 209 (Chapter 251, Statutes of 2022) and amended by AB 1373 (Garcia, Chapter 367, Statutes of 2023) and AB 1417.

The Program statutes are set forth in Public Resource Code [\(PRC\) Sections 25992 – 25992.22](#).

Voluntary Offshore Wind and Coastal Resources Protection Program

The Program's purpose is to support state activities that complement and are in furtherance of federal laws related to the development of offshore wind facilities, including federal laws providing for offshore wind lease conditions set by the Bureau of Ocean Energy Management (BOEM).

The Program statutes provide guidance on the authorized funding activities. Generally, eligible activities include coordination with agencies, environmental impacts monitoring and research, workforce development, and infrastructure readiness. AB 1417 adds capacity funding for local and tribal communities as eligible funding activities and establishes an annual capacity funding activities reporting requirement.

Voluntary Offshore Wind and Coastal Resources Protection Fund

The Program statutes establish the Voluntary Offshore Wind and Coastal Resources Protection Fund (Fund) and the Private Donations Account (Account) within that Fund. The purpose of both the Fund and Account is to accept donations from private and federal sources through use of an agreement between CEC and the donor to use the donation consistent with the Program statutes.



Pursuant to Public Resources Code section 25992.20, the Fund and Account are continuously appropriated without regard to fiscal year.¹ CEC staff are working to implement the Program; however, to date, no appropriation, donations, or other deposits have been made into the Fund or Account and the balances of each are zero.

AB 1417 Update: Capacity Funding Activities

AB 1417, effective January 1, 2026, amended the existing Program statutes to add capacity-building as eligible funding activities for eligible local communities and tribal communities.² AB 1417 also requires offshore wind entities to report quarterly to the CEC on their donations made directly to eligible entities.³ The records of these donations, as well as any capacity funding donations received directly by the CEC, will be posted annually on the CEC's website, as required by AB 1417.

Additionally, AB 1417 requires the CEC to report to the legislature on March 1 of each year on the implementation and effectiveness of the Program's capacity funding activities. The CEC must report the total amount of capacity funding activities and grant moneys awarded, a description of the activities and grants funded, and an assessment of the impact of the funding.

¹ Section 13340 of the Government Code provides that state funds are appropriated through the annual Budget Act and are not continuously appropriated unless a statute expressly authorizes it.

² Eligible entities are defined as a local community, local government, California tribe, or nonprofit organization selected by California tribes to represent their interests, if the entity is geographically, culturally, or economically impacted by the offshore wind industry. A coalition of more than one of these eligible entities is also an eligible entity if each coalition member is also an eligible entity. For purposes of this subdivision, "California tribes" means California Native American tribes identified on the contact list maintained by the Native American Heritage Commission or a federally recognized tribe, as defined in Section 11019.81 of the Government Code.

³ Offshore wind entities are defined as any entity engaged in offshore wind energy development that meets all of the following criteria:

- (1) Has a planned generation capacity of 50 megawatts or more.
- (2) Engages in development activities expected to impact the coastal environment, marine environment, or human environment, as those terms are defined by Section 1331 of Title 43 of the United States Code, of the California coast or submerged lands.
- (3) Will be required to obtain a lease, permit, or other authorization from the State Lands Commission, the California Coastal Commission, the Department of Fish and Wildlife, the State Water Resources Control Board, a California regional water quality control board, the State Air Resources Board, the Public Utilities Commission, the Independent System Operator, or another state agency or local government, in connection with its development activities.



At this time, there are no capacity funding activities to report. The CEC is currently developing the program guidelines and procedures for receiving reports from offshore wind entities. To date, no reports on voluntary donations have been submitted. Additionally, no donations or other deposits have been made into the Fund or Account. The CEC does not anticipate donations or deposits until Program guidelines are formally adopted.

As stated in our 2026 Letter to the Legislature on the Program's annual reporting, the CEC is developing these Program guidelines through a public process, with adoption expected by the end of 2026.

An electronic copy of this letter is available for download on the CEC's website at: <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=17-MISC-01>.

If you have any follow-up questions or to request additional printed copies of this letter, please contact Director of the Office of Governmental and International Affairs, Sarah Brady, at sarah.brady@energy.ca.gov or 916-664-1754.

Sincerely,

A handwritten signature in black ink, appearing to read "Drew Bohan".

Drew Bohan
Executive Director