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County of Humboldt comments on Preliminary Assessment of Economic Benefits of OSW

Please see the attached comments from the County of Humboldt regarding the Commission's preliminary assessment of economic benefits of offshore wind.

Additional submitted attachment is included below.



COUNTY OF HUMBOLDT

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Feb. 8, 2023

Chair Davis Hochschild
Vice Chair Siva Gunda
Commissioner Patricia Monahan

Commissioner Kourtney Vaccaro
Commissioner J. Andrew McAllister
Paul Deaver, Jim Bartridge, Authors

Re: Docket # 17-MISC-01 – Preliminary Assessment of Economic Benefits of Offshore Wind – Related to Seaport Investments and Workforce Development

Dear Commissioner Hochschild, Committee Members and Authors,

The County of Humboldt (County) appreciates the opportunity to comment on the California Energy Commission's (CEC) Report, "Preliminary Assessment of Economic Benefits of Offshore Wind: Related to Seaport Investments and Workforce Development." The County is deeply committed to ensuring that the offshore wind industry in the Humboldt Bay region generates robust and sustainable economic benefits for the region's communities, including through seaport investments and workforce development. The CEC's Report is an important initial step towards recognizing and quantifying these potential benefits.

In order to improve the utility of the report and the CEC's ongoing analysis, the County recommends the following:

- **First**, greater detail is needed concerning specific local and regional workforce impacts. The CEC should collaborate with existing local workforce planning entities to conduct more detailed analysis of workforce impacts and needs.
- **Second**, the CEC's Report only partially accounts for offsetting investments that impact the industry's overall potential economic and workforce benefits. Subsequent analysis should more comprehensively account for the investments and benefits associated with offshore wind development, thus allowing local communities to better avoid negative impacts, tailor any mitigation measures, and guide community benefits.

The County looks forward to partnering with the CEC and other state, local, and Tribal entities as we collectively work towards developing a sustainable and equitable offshore wind industry.

I. Greater Specificity Concerning Workforce Impacts.

The County understands that CEC's assessment of economic benefits is preliminary. AB 525 requires the CEC to "complete and submit . . . a preliminary assessment of the economic benefits of offshore wind as they relate to seaport investments and workforce development needs and standards."¹ However, the CEC's Report lacks meaningful specificity concerning which markets are likely to be affected by offshore wind development, or the existing workforce development pipeline—thus limiting the Report's utility. For instance, the CEC's workforce analysis lacks any baseline assessment of existing training and education infrastructure. Without an adequate baseline, the workforce training and education benefits cannot be realistically assessed.

To address these shortfalls, the County urges the CEC to collaborate with existing regional workforce planning entities, such as the Humboldt County Workforce Development Board (WDB). The Humboldt WDB is one of 49 the Local Workforce Development Boards in California, and represents a wide variety of organizations, agencies, and businesses in the development of workforce development policy.² The Humboldt WDB works to align investments in workforce, education, and economic development with regional demand for jobs, including through the creation of regional labor market analyses and workforce plans.³

Both AB 525 and CEC's Report recognize the importance of local collaboration.⁴ Indeed, the legislature clearly envisioned that CEC planning for port and offshore wind development efforts would take place in partnership with local communities.

"[T]he [CEC], in coordination with relevant state and local agencies, shall develop a plan to improve waterfront facilities that could support a range of floating offshore wind energy development activities, including construction and staging of foundations, manufacturing of components, final assembly, and long-term operations and maintenance facilities."⁵

1 Cal. Pub. Resources Code § 25991.3(d).

2 See California Workforce Development Board, <https://cwdb.ca.gov/>; see also Humboldt County Workforce Development Board, <https://www.gohumco.com/162/Humboldt-County-Workforce-Development-Bo>.

3 Humboldt County Workforce Development Board Bylaws 2021-2023, Articles III – III.

4 CEC Report at 8 ("This report is the second of four work products that AB 525 directs the CEC to prepare . . . in coordination with federal, state, and local agencies and a wide variety of stakeholders.").

5 Cal. Pub. Resources Code § 25991.3(a).

To date, the County is unaware of any outreach by the CEC to the Humboldt WDB.

The County recommends that, through collaboration with entities such as the Humboldt WDB, additional analysis assess the classifications needed to support offshore wind's development using Standard Occupational Classification coding. By using this standardized coding tool, communities will be better able to develop curriculum and educational tools needed to train a qualified offshore wind workforce. Such analysis should also evaluate the potential strengths, weaknesses, opportunities, and threats (SWOT) associated with the available training, education, and related resources for the development of the offshore wind workforce. By creating a clear baseline assessment of the opportunities and risks associated with existing workforce pipeline tools, impacted communities can seek to maximize the benefits and minimize the risks associated with offshore wind development in our region.

The County looks forward to collaborating with the CEC and other state, local, and Tribal entities to better refine our understanding of offshore wind's economic and workforce impacts, and to help ensure that there is a robust local foundation for the industry's sustainable and equitable development.

II. Accounting for Investments by Local Communities.

The County believes that the offshore wind industry will yield important economic and workforce benefits for the Humboldt Bay region. Yet any accurate measure of these benefits must naturally account for the investments necessary to obtain them. The CEC's Report recognizes some of these necessary investments, such as the need for capital investments in port and waterfront facilities,⁶ and "a combination of federal and state investment" to ensure the necessary port infrastructure and workforce.⁷ However, the CEC's Report does not account for crucial investments by public entities, local communities and stakeholders, and Tribal Nations.

As noted above, the legislature recognizes that the successful development of an offshore wind industry requires ongoing collaboration with local governments and impacted communities. Such collaboration requires significant investments of time, human, and financial resources by a wide range of public, private, and Tribal entities—investments that are particularly significant for communities already strained for resources. Indeed, while the County is committed to partnering in the development of offshore wind in the Humboldt Bay region, the County recognizes that this participation entails considerable local investment through the dedication of taxpayer, private and Tribal resources.

Thus, to accurately account for the benefits of offshore wind, the County recommends that the CEC expand its assessment of the investments necessary to achieve this nascent

⁶ CEC Report at 35-37 ("Necessary Seaport and Waterfront Facility Investments to Realize Economic Benefits").

⁷ CEC Report at 19.

industry's economic and workforce benefits to include local community investments. A comprehensive and nuanced assessment of such investments would not merely be more accurate, but would help the region's planning efforts. As the County and other regional and local entities work to ensure that offshore wind's benefits are maximized and equitable, accounting for the investments required by local entities could help to (a) minimize negative impacts, (b) guide needed mitigation efforts, and (c) tailor proactive benefits measures for such communities.

The County welcomes more collaboration with the CEC as it works to refine its analysis of the benefits of—and predicate investments in—offshore wind.

III. Conclusion

In sum, the County respectfully requests that the CEC (a) refine its workforce impact analysis in collaboration with local workforce planning entities, and (b) account for necessary local investments in future assessments of offshore wind's economic and workforce benefits.

Sincerely,



Elishia Hayes
Humboldt County Administrative Officer

CC: California State Association of Counties
Rural County Representatives of California
Shaw / Yoder / Antwih / Schmelzer / Lange