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WCP Comments AB 525 Strategic Plan Docket-NO 17-Misc-01

Additional submitted attachment is included below.

Chair David Hochschild
California Energy Commission
Docket Unit, MS-4 Docket No. 17-MISC-01
715 P Street Sacramento,
California 95814

Re. comment letter on California Energy Commission AB 525 Strategic Plan
Docket NO-17-Misc-01_AB525

Submitted electronically

Dear Chair Hochschild:

West Coast Pelagic Conservation Group (WCP) appreciates the opportunity to comment on California Energy Commission AB 525 Strategic Plan Docket NO-17-Misc-01_AB525 (hereafter "the AB525 Plan").

WCP's membership is composed of commercial fishermen and processors. Our organization's present focus is on cooperative research with the Southwest Fisheries Science Center (SWFSC) and work with the Pacific Fishery Management Council, (Council) through the Council advisory bodies. Our members harvest, process, and market all major species of seafood on the West Coast and Alaska. Our processors service over one thousand fishermen and our fishermen and processors employ over 5000 people. Our members buy, sell, and distribute fresh and frozen seafood from every major West Coast and Alaska fishery across the U.S. and globally.

WCP supports and incorporates by reference comments on the AB 525 Strategic Plan Docket NO-17-Misc-01, from the Council, and by Oceana[1] as a germane summation of the marine environmental, ecological, fishing, endangered species statutory protections , and other related protections as regulated by the National Marine Fisheries, US Fish and Wildlife, and other agencies under the Magnuson Stevens Act, the Endangered Species Act, the Marine Mammal Protection act and other environmentally related protections..
WCP also states that Floating Offshore Wind Energy (FOSW) and fixed structure Offshore Wind Energy (OSW) development should not go forward until obvious and serious

[1] RE: Assessing Sea Space for Offshore Wind Development (Docket No. 17-MISC0-01) dated 11/19/2022

hydrological and ecological data gaps surrounding FOSW/OSW impacts on marine ecological function, the marine environment, protected and endangered species, food security, and socioeconomic welfare etc. are thoroughly vetted through independent research and analysis.

A partial list of the potential affected physical and or hydrological variance that may occur that could radically alter ecological systems includes wind wakes, anchor scouring, water temperatures, currents, stratification, upwelling, downwelling, and the material impediment of the turbines to both avian and marine species.

The base of the ocean food web itself, phytoplankton and algae, (which also naturally sequesters huge amounts of carbon) may be modified as to variety of species or type and quantity. This in turn may be an aversive factor for different planktons and successive layers of forage which are foundational to the welfare of all upper trophic level marine species. It has been stated by The Bureau of Ocean Energy Management (BOEM) and other agencies that it is most likely that upwelling and phytoplankton variations will remain within pre-FOSW natural parameters. Assuming it is the same species mix as before FOSW/OSW it is still an open question as to whether the percentages of biomass for each species would remain the same or if there would species mix and quantity differences for either on temporal and/or geographic scales. Differences of forage mix percentages and the timing of Blooms may have profound impacts on a species at different phases of their life cycles.

In addition, it is probable that maximum scale build out of FOSW/OSW will create different ecological results (cumulative impacts) as opposed to several well-spaced industrial wind projects. There is no empirical data without testing the effects of a single or several industrial wind projects.

Following is partial inventory of characteristics and reasons why building FOSW/OSW as quickly as possible without going through a full environmental review process, before leasing, and at any cost, is a negative construct that will lead to a painful outcome.

Following, are two primary attributes of FOSW/OSW that have received little if any measure of scientific, socio economic or open public review, and of which BOEM denies they have any knowledge. These are the fundamental questions, informational based decision points, and large-scale coordination constructs of any large business that is multilayered and operates in a large spatial and temporal profile.

Two of these constructs are universal tenants as they are critical to profitability, function, achievement of stated goals, and the venture's success.
Number one is Costs, which are pervasive at every layer, from initial planning to delivery of electricity to the customer. Costs are negative profit. If not fully understood they can sink a business or even a government.

The second construct is a carefully written and analyzed Business Plan. This has several parts. (a) A working "Blueprint" business plan for a muti-layered supply chain, financing, labor, administrative structure, raw materials acquisition, are a few. The business plan needs to be tightly coordinated and seamless in execution at every level: (b) is markets that can afford your products and are satisfied with the merchandise.

1. **Costs**. BOEM's West Coast Director, and other BOEM staff stated that if developers could not meet the contract prices in the Power Purchase Agreements (PPA's) for OSW energy the states would not purchase the power. That creates a conundrum. If the developer can't afford to operate and withdraws, who are you going to recruit? If you pay a higher price for the power what reaction will the consumer have?
    A. On the New York Bight OSW project three developers stated their costs went up dramatically due to supply chain and inflation issues. This drove their project costs up by about 50%. New York refused to pay developers' new price.
    B. The developers breached their contracts and work ceased. One problem with this is when costs rise for one developer, they usually rise for all. These industrial wind projects assets are owned by US Limited Liability Corporations (LLCs) which are owned by foreign multi-national corporations which in turn may have national governments[2] as stockholders. The issue becomes who is going to replace the LLCs that breached the development contracts, and how much will they need to be paid? New York[3] would lose at least several years even if they can find a replacement immediately. Halting development adds more costs. US OSW businesses are not up to the task. Financing institutions such as JP Morgan are nervous. The bigger question is what effect this has ratepayer's rates? This was a predictable outcome and as world demand for OSW is high, and some minerals are in short supply and only available in international markets. WCP believes there will be further price increases.
2. FOSW/OSW Business Plans. There seems to be more propaganda involved with selling the concept of FOSW/OSW than fact. Case in point: It was stated at the highest level and by BOEM that there would be good paying union OSW manufacturing and assemblage jobs in small ports that lost fishing industry jobs. WCP questioned how many small shallow harbors that support fishing fleets would be suitable as for FOSW manufacturing and assembly centers. BOEM staff made public statement that these FOSW related jobs would come to the West coast. We now know what, WCP espoused years ago that it is

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[2] Orsted which was the largest OSW in the world is owned 50.1% by the Danish national government.

Share Prices and Other Information | Ørsted

[3]

Major offshore wind projects in New York canceled in latest blow to industry

more cost effective, and more environmentally compatible to use large existing deep-water harbors such as Seattle-Tacoma, and Long Beach, CA. These venues are already designed for heavy industry and might efficiently handle FOSW manufacturing and assembly at a much cheaper monetary and environmental cost. Humboldt Bay is stated to be an exception but as it is one of the foremost wildlife refuges in the world and is a sanctuary for juvenile out-migration Chinook salmon it remains to be seen how this will play out. A number of Tribes on the West Coast have also registered concerns about FOSW industrialization of coastal estuarine zones.

A. this is only one example but what it demonstrates is that BOEM has no connection to anything with FOSW/OSW except leasing out properties. They know nothing about cable transmission, cost of power etc.
B. Listening to engineers and administrators it would seem no one knows the destination for the power or what is needed to transfer it to shore, or the consumer. In one Reuters webinar the engineers said the cost for infrastructure would be $108 billion to increase to a transmission capacity of 10-15 GW. They stated they thought that some of the costs would be covered with IRA money and would include 2 natural gas plants for back-up

Not adequately and meticulously plotting out Costs and Planning on mega projects can ruin the prospect of success. The following are related areas of concern that have been expressed many times. Each of these has an unknown cost factor and has no role in the hierarchy of FOSW/OSW Planning.

1. Critical Minerals. There is high international demand. The Administration has shut off US mining. WCP expects prices will go up as India, China, and Europe wrestle with the supply side.
2. US licensed and constructed FOSW/OSW work and service vessels. These ae in very short supply.
3. Labor. The latest news WCP heard is that there is interest by the labor pool but they cannot establish the method by which you can be hired. Some states and small-scale ports still believe there will be coastal hiring. To date it appears you will need to move to Seattle-Tacoma, Long Beach, CA or perhaps Eureka, CA.
4. Transmission plans. From Industrial Wind Project to shore and then to the consumer. What are they? We have many contrary scenarios.
5. Will Taxpayer and Ratepayers be satisfied with the billions, perhaps trillions in subsidies going largely to foreign multinational corporations and as a result their tax dollars and electric bill payments are channeling into large dividends for foreign investors and Wall Street Investment companies?
6. Food Security: BOEM plans to cut off US produced seafood through displacement. They no longer argue this fact. We will become even more dependent on imported seafood, which honors none of the US. environmental or sustainable fishery protections.
7. The US fishing industry in 2020 supported 1.1 million jobs and contributed $138 billion to the Gross National Product. Can we afford to lose that contribution? At the least it should be listed as a cost to FOSW/OSW. The fishing industry should be fully compensated for loss of income, depreciated assets, and stranded capital. (Present plans

to compensate the fishing industry through the developers or other menas are next to worthless)

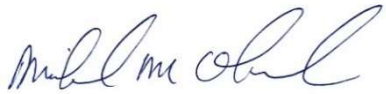
8. FOSW/OSW marine environmental and ecological harm from industrialization of our oceans: There is a huge data gap surrounding what will happen to the US Economic Exclusion Zone when the US government has a fully scaled industry of FOSW/OSW turbines and cables in place. What is ironic is that in 2022 China began building 106GW of coal- burning-electrical generation plants. These were to take several years to build. The US is hoping to reach a lower GW number by 2045. We export millions of tons of coal to China, India etc. The rush to construct US FOSW/OSW is not necessary. What is necessary is to halt all activity and find a solution that employs common sense, not a match game with Europe. We have some of the world's best scientists. There are better ways to slow climate change. Even then it will not do any good if other countries go a direction opposite ours.

Halt FOSW/OSW development now. Put up a few test wind farms and find out what effects it is has on the Marine and Human Environment. Let's understand what we will be doing to our oceans and fishermen before we go any farther than that. There are cheaper, less complex, less impactful solutions that do not require all the raw natural resources,

Offshore wind energy will be the new problem, not the solution.

Thank you,

Respectfully.



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