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County of Humboldt comments on AB 525 Draft Strategic Plan

Additional submitted attachment is included below.



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

Submitted via electronic mail to docket@energy.ca.gov.

RE: County of Humboldt Comments on the AB 525 Offshore Wind Strategic Plan

Dear Chair Hochschild and Commissioners,

[Background on County of Humboldt and Summary of Comments](#)

On behalf of the Humboldt County Board of Supervisors, I write to respectfully submit the county's comments on the Draft AB 525 Offshore Wind Strategic Plan. The county has continued its engagement in offshore wind, working with community partners and stakeholders, and a variety of local, state, federal and tribal agencies and officials on the many aspects of this new industry. The county is optimistic about the development of floating offshore wind both for the broader state, national and global benefits it promises, and also for the potential local benefits in terms of energy reliability and access, as well as economic benefits, especially for disadvantaged and Tribal communities. At the same time the county is cautious, and wants to ensure everything possible is done to mitigate potential negative impacts, including on the environment, local resources, fisheries, and cultural resources, to name a few. The work of the Draft AB 525 Strategic Plan brought together a wide range of partners to develop its recommendations and discusses many of these concerns, and the county is thankful for the opportunity to submit these comments.

Broadly, Humboldt County's Legislative Platform on offshore wind is to support or seek the following:

- Efforts to develop OSW collaboratively with local partners, to mitigate impacts of development, and to provide compensation and support regarding unavoidable impacts.
- Efforts to improve energy reliability for Humboldt County communities, increase regional capacity, engagement and planning around OSW, provide community benefits, increase local workforce and supply chain development, investment in necessary infrastructure, including housing, port development and infrastructure, transmission, roads, health care, childcare, and efforts to ensure development benefits Tribal and underrepresented communities.
- Efforts to provide ongoing benefits, including revenue sharing and lower energy prices for local communities hosting offshore wind operations.
 - Where possible, rate reductions should be designed to promote efficiency and resiliency efforts.
- Support procurement solicitation criteria that clearly outlines the need for investments into local communities impacted by offshore wind.
- Support funding for transmission research and planning processes, with emphasis on local public participation and local engagement. Support for transmission to serve and/or benefit local communities, including underserved communities and Tribal Nations.

Regarding the AB 525 Draft Strategic Plan, Humboldt County's comments generally are:

- Capacity building for local governments requires greater emphasis.
- The Strategic Plan should incorporate clear timelines and respective lead agencies.
- Offshore wind and related infrastructure provide an opportunity to correct energy infrastructure constraints and inequities on the North Coast.
- The Strategic Plan should better coordinate the planning and development of offshore wind transmission infrastructure with other large energy projects.
- The potential impacts of procurement and transmission costs of offshore wind are not adequately addressed while Californian's struggle with energy affordability.
- Committing to Green Port Development, Fishing, Commercial Shipping and Recreational Considerations

[Funding is Required for Capacity Building for Local Governments to Engage in Community Benefits Agreements and Regulatory Processes, and Provide Long-Term Services](#)

The CEC's consideration of workforce development in the North Coast lacks an emphasis on the necessary capacity building for local governments in host communities that are participating in the development of offshore wind. This project requires an early push from local governments in host communities to engage residents and interested parties, and will need ongoing expanded services and funding for which there is currently no mechanism to provide – the leases for offshore wind are in federal waters, which prevents collection of property taxes, and there are no payment in lieu or revenue share regulations, the latter of which is typical of offshore oil leases. Due to the scale of the project, this work benefits not only local communities, but also, the entire state. This has, and will continue to require, significant capacity building and expanding internal efforts related to offshore wind.

The Draft Strategic Plan stresses in several sections the importance of Community Benefits Agreements (CBAs) to community buy-in and successful development of offshore Wind. In Humboldt County, we have seen a clear desire from wind and potential port developers to negotiate certain CBAs (excluding fisheries and tribal CBAs) with a public agency, and the county government the logical entity to execute those agreements on behalf of the community. The County of Humboldt is a small, rural county with limited funding and expertise in complex renewable energy negotiations of this magnitude, and we need additional funding in order to ensure we can provide the staff and professional capacity to conduct a CBA process that fits our community and provides the critical link in the development process noted in the Draft Strategic Plan. The final strategic plan should provide more consideration for this dynamic.

We find ourselves in a similar situation regarding participation in regulatory processes, and looking ahead to long-term service impacts on our community. As entities that will be required to provide services to support and deal with many of the impacts of offshore wind, it is essential that local governments provide input into

the rules and guidance being developed that will affect this industry. We also know that there will be an increase in ongoing services required by this development for law enforcement, housing, child care, healthcare, social services, transportation, roads, emergency services and more. These processes are of a size and scope, and of such importance to Humboldt and the entire state, that we need to stand up additional functions and add staffing capacity and professional expertise. It is necessary for the state to further consider how to empower and fund these local efforts for offshore wind to be successful.

The Strategic Plan Should Incorporate Clear Timelines and Respective Lead Agencies

As stated in comments submitted by the Redwood Coast Energy Authority and the Redwood Region Partners (CORE Hub), the Draft Strategic Plan presents a compelling vision, with promising concepts for the effective development and deployment of offshore wind across the state. To capture the innovative ideas into actionable next steps, an additional layer of specificity that clearly defines the responsibilities of respective agencies, along with established timelines for the execution of tasks, is crucial. Moreover, the Strategic Plan can also serve as a guide for interagency coordination and community engagement in establishing the offshore wind industry. The additional specificities can provide the clarity and accountability necessary for successful collaboration.

The Strategic Plan's recommendations should provide greater clarity on process and commit to ensuring procedural justice for host communities facing direct project impacts, with a focus on Tribal Nations and communities facing energy injustice. Each recommendation should include responsible state agencies, and opportunities for further collaboration, coordination, leadership, decision making, and engagement with relevant state agencies, local governments, Tribal Nations, constituencies of interest, and federal partners.

Offshore Wind and Related Infrastructure Provide an Opportunity to Correct Energy Infrastructure Constraints and Inequities on the North Coast

We appreciate the Strategic Plan's recognition that the North Coast's transmission system is limited and relatively separate from California's major transmission networks that run north and south. We agree with the recommendations outlined in the Strategic Plan relating to large investments needed for new or existing electrical infrastructure to deliver electricity across the state and to local communities.

Electrical infrastructure capacity in the region is strained and underdeveloped, particularly in more rural parts of the region, reinforcing the socioeconomic gaps faced by rural communities and Tribal Nations. Parts of the region consistently lose power due to natural disasters, extreme weather, and public safety power shutoffs (PSPS), particularly those on transmission spurs, located at the remote end of the existing electrical grid, which imposes challenges on energy access and reliability. In addition, the region's power infrastructure now faces additional risks from the increasing frequency and intensity of extreme weather events caused or exacerbated by climate change.

As the region becomes a central component to the offshore wind industry and a net-energy exporter, the North Coast has an opportunity to correct energy infrastructure constraints and inequities.

We suggest that the Strategic Plan include greater consideration for equity in resource planning, siting OSW transmission and distribution infrastructure to allow local access to this new power source, and planning OSW transmission and distribution infrastructure to allow for the interconnection of new loads, storage, and other renewable resources such as small hydro and solar.

Equity in Resource Planning

There must be early, meaningful, and frequent local rural, low-income, and Tribal engagement to guide how this development is designed, planned, and deployed.

Local communities are more likely to benefit, and conflicts may be mitigated with greater coordination on transmission projects between developers, utilities, Tribal Nations, and local, state and federal agencies in planning processes, particularly to ensure “dig once” execution, expanding existing transmission right of ways, and sharing a common analysis and understanding of economic and social costs and potential benefits of transmission build outs.

While we appreciate the CEC’s leadership in this effort, it is likely that many rural, low-income, and Tribal communities would not be able to participate in a new regulatory process given capacity constraints and other barriers. Regulatory processes relating to siting, permitting, planning, and development must start with Tribal Nations, who have fundamental rights as sovereigns, and local communities. They should have the information and resources they need to be able to meaningfully participate and be a part of the regulatory and decision-making process.

It also must be noted that transmission developer selection has been based on technical capability alone. For this project to proceed in the most equitable way, we recommend that developer selection criteria include a proven history of community development, engagement, Tribal relations, and providing meaningful community benefits, or that the developer forms a consortium with partners who have these strengths.

Siting OSW Transmission and Distribution Infrastructure to Allow Local Access

We cannot decarbonize our grid without renewable energy access. This can be achieved through holistic upgrades to the transmission grid, in which the state would seek to maximize benefits from OSW grid infrastructure in or near Disadvantaged Communities, outlying communities on spurs or poor reliability circuits, and areas of Affordability Concern.

The scenario that most aligned with this prioritization is Alternative 7.2b. This is reflected by two key projects: a 500 kilovolt (kV) transmission line from Humboldt to Fern Road, and a high-voltage direct current (HVDC) line from Humboldt to Collinsville. This is aligned with the California Independent System Operator’s (ISO)

recommendation in its 2023-2024 Draft Transmission Plan.¹

However, for many rural and Tribal regions, it may be structurally and financially difficult for them to be directly served by offshore wind generated electricity due to terrain and other complexities. Including complementary renewable infrastructure solutions, such as microgrids and battery storage, as part of the transmission planning process is critical to a just transition and in alignment with the CEC's Tribal energy sovereignty resolution.²

As part of the planning process and to ensure host communities experience benefits, the Strategic Plan should analyze and discuss potential opportunities for energy revenue sharing with host communities and Tribal Nations. This could include direct funding to Tribes and local communities, investments in local infrastructure from annual revenue generated, and reduced rates for local ratepayers, especially as any potential rate reduction seeks to encourage climate-friendly behaviors.

In addition, to maximize the potential benefits from offshore wind development, the CEC must include distribution system planning in its Strategic Plan. In the North Coast, many communities lack electricity access, broadband, and other necessities that may impact quality of life; many more have inadequate distribution system infrastructure, and therefore face outages during extreme weather events. Distribution system planning must also be considered in tandem with distributed energy resources, such as local solar, storage, and microgrids to minimize costly local grid upgrades and foster localized community benefits. Without distribution system planning for the Redwood Region and its local communities, there is a high risk that the offshore wind generation will leave the region through the transmission system, ultimately maximizing benefits for the bulk system rather than the people most impacted by the development.

Planning OSW Transmission and Distribution Infrastructure to Allow for the Interconnection of New Loads, Small Hydro, Solar, Storage, and Other Renewables

Offshore wind and transmission deployment must be designed and sited intentionally to enhance energy resilience, reliability, affordability, and access; provide for the infrastructure necessary to support the incoming economic development through new loads (e.g. vehicle charging, essential services, data centers) and the development of local clean energy resource interconnection (e.g. microgrids, solar, storage technologies) to enable communities to affordably meet their energy needs through local generation.

The Strategic Plan Should Better Coordinate the Planning and Development of Offshore Wind Transmission Infrastructure with Other Large Energy Projects

In order to ensure a least regrets planning scenario, we encourage the state to assess how OSW transmission

¹ California Independent System Operator (ISO). April 2024. *Draft 2023-2024 Transmission Plan*. https://www.aiso.com/InitiativeDocuments/DRAFT_2023-2024_TransmissionPlan.pdf

² California Energy Commission (2023). *Resolution Committing to Support California Tribal Energy Sovereignty*.

could be developed in conjunction with other large largescale renewables, such as the Sonoma Geothermal Opportunity Zone, which represents a potential 600 MW of new renewable base load power.³

Additional consideration and study should be given to connecting the transmission network between Southern Oregon and the North Coast. In many of the Alternatives, there are few transmission projects being considered to provide greater connectivity between Southern Oregon and the Redwood Region. Moreover, the few examples that do, such as Alternatives 12.4b and 25.8a, connect Simi Valley with Del Norte and deliver power to the corridor between Humboldt and Fern Road. In addition to these projects in both Alternatives, we would suggest further consideration and study for other projects and would urge the ISO to collaborate with PacificCorp. An alternative to be considered and studied could be an on-land transmission project between Humboldt and Del Norte, with particular attention to increasing electrical capacity of regions along the route, which could spur potential collaboration with local communities and Tribal Nations that reside between both areas and face challenges relating to resilience, reliability, and access.

The Potential Impacts of Procurement and Transmission Costs of Offshore Wind Are Not Adequately Addressed While Californians Struggle with Energy Affordability

Californians are struggling to afford energy costs, with 21% of Investor-Owned Utility (IOU) customers in arrears on their electricity bill and energy rates grossly outpacing inflation.⁴

The majority of Humboldt County, as a low-income area compared to rest of state, is classified as an Electric Area of Affordability Concern.⁵ It is imperative that as part of the planning process, residents in the region have not only the infrastructure needed to physically access renewable energy, but also that this power is affordable for them to access.

Committing to Green Port Development, Fishing, Commercial Shipping and Recreational Considerations

The Humboldt Bay Harbor, Recreation and Conservation District recently adopted a resolution committing to green port development practices in developing offshore wind facilities. The Strategic Plan should support this effort and seek to replicate this type of commitment in all California port facilities supporting offshore wind.

The county affirms the importance of fishing and aquaculture for commercial, cultural, and sustenance purposes in our communities. Locally, the Humboldt Bay's robust commercial fishing and aquaculture industries and prolific recreational opportunities provide an economic resource for the community. Most critically, though, the Bay provides a relatively inexpensive, local and high-protein food source, and local

³ Sonoma Clean Power. *About the GeoZone*. [GeoZone | Sonoma Clean Power](#)

⁴ Public Advocates Office. *March 6, 2024. Affordability Concerns in the Electric Sector, Assembly Energy Affordability Hearing*. [Affordability Concerns in the Electric Sector PowerPoint Presentation \(ca.gov\)](#)

⁵ California Public Utilities Commission. *October 2023. 2021/2022 Annual Affordability Report*. [2021-and-2022-annual-affordability-report.pdf \(ca.gov\)](#)

residents and Tribal Nations rely on natural resources in Humboldt Bay and rivers fed by (and immediately to the north and south of) the Bay for commercial, cultural, and sustenance fishing. Hmong and Lao fishers also depend on sustenance fishing and clamming on Humboldt Bay.

We agree with the Strategic Plan that there is an imminent need to preserve local Tribal, commercial and recreational fishing, and aquaculture. We also support comprehensive avoidance, mitigation, minimization and monitoring measures for impacts on fisheries, aquaculture, subsistence fishing, and low-income recreational opportunities.

Moreover, we are pleased to see the Strategic Plan's acknowledgment of cumulative impacts on the existing maritime and fishing industries, including Tribal fisheries in the Bay and rivers within Indigenous and Tribal lands in the greater region. Other potential cumulative impacts include increased congestion from additional shipping and hauling in the transportation channel in Humboldt Bay. Potential Bay closures during transit of infrastructure may impact commercial shipping in and out of Humboldt County. We encourage CEC to work with relevant federal, state, and local agencies and interested parties to fully assess the cumulative environmental, economic and workforce impacts of development.

If done correctly, the development of transmission for OSW in the North Coast presents an opportunity to deliver more affordable and reliable energy to our most economically challenged residents and businesses.

Sincerely,



Elishia Hayes
Humboldt County Administrative Officer