



Oregon

Tina Kotek, Governor

Department of Land Conservation and Development

Director's Office

635 Capitol Street NE, Suite 150

Salem, Oregon 97301-2540

Phone: 503-373-0050

Fax: 503-378-5518

www.oregon.gov/LCD

February 7, 2024

TO: The Honorable Paul Holvey, Chair
House Committee on Business and Labor

FROM: Alexis Hammer, Legislative and Policy Coordinator
Andy Lanier, Marine Affairs Specialist
Jeff Burrigh, Federal Consistency Coordinator



RE: House Bill HB 4080 -1

February 7, 2024

Chair Holvey, Vice Chairs Elmer and Sosa, members of the Committee:

The purpose of this written testimony is to provide additional information regarding the Department of Land Conservation and Development's role in the potential development of offshore wind and to describe how HB4080 -1 would support the state's capacity to participate in this important conversation. HB 4080-1 directs DLCD to engage coastal communities, communities of practice, and tribal nations to create strategic policy recommendations regarding the potential of offshore wind development. It also directs DLCD to conduct an assessment of the enforceable policies that may be applied in the state review of offshore wind development proposals and the state's capacity to effectively perform these reviews.

It is important to emphasize that neither DLCD nor the state has taken a position on any particular offshore wind development opportunity. DLCD supports HB4080 -1 because it enacts a broad-based deliberative process to establish a vision for the state regarding offshore wind and to help prepare for proactive engagement with the federal government on these decisions in the years ahead. In the months leading up to this legislative session, the Governor's Office has recognized the opportunities and the potential risks of offshore wind energy development and led work to understand how other states have managed these risks and leveraged opportunities. This proposed legislation would further the informal conversations that have already taken place and formalize a framework for engagement and offshore wind policy development via the generation of an Oregon offshore wind roadmap.

ORIENTATION TO OFFSHORE WIND ENERGY

Offshore wind is a renewable energy technology being deployed in shallow waters across the world and is advancing into deeper waters by affixing wind turbine technology to floating platforms. This floating technology is necessary to develop offshore wind in the deep ocean waters along the Oregon and California coast, which have some of the strongest wind resources in the world. Technical modeling shows the

potential to develop dozens of gigawatts of offshore wind in these areas, which could play a critical role in helping Oregon and the region achieve mid-century clean energy and decarbonization policies.

Based on current technologies and siting efforts to date, offshore wind for Oregon would be most likely to occur in deeper waters 20-40 miles offshore, involving potentially hundreds of floating platforms moored to the seafloor and supporting wind turbines that are much larger than the ones seen on land. For example, a 15-megawatt offshore wind turbine has a hub that is over 500 feet tall and blades that reach over 1,000 feet high, with multiple anchoring lines and inter-array electrical cables and cables that come to shore.

In addition to offshore development, the growth of this industry will require massive investments in port infrastructure to support the fabrication, integration, transportation, and installation of floating platforms, plus a fleet of support vessels and maintenance crews and more. All of these development actions would also pose reasonably foreseeable effects to the people and resources of the coastal zone.

Offshore wind energy is regulated and managed by the federal government, specifically the Bureau of Ocean Energy Management. In Oregon, HB 3375 (2021) established a state planning goal of 3 gigawatts of offshore wind energy serving Oregon by 2030. This planning goal was not a target or cap on the amount of energy that could be developed.

Since 2019, the federal Bureau of Ocean Energy Management began a process of engagement with the state to identify locations in federal waters offshore Oregon that would be most suitable for leasing to offshore wind developers. The leasing process is the first step toward installing offshore wind projects, but a federal authorization to actually construct a project only comes after years of environmental analysis and project planning and design. The state has participated in the ongoing BOEM leasing process, but a decision to issue leases has not yet occurred.

ENGAGEMENT

As Oregon considers whether offshore wind should proceed, many critical conversations about the potential development of a new large-scale industry still need to take place. Other states on the east coast, and most recently California, have developed roadmaps or master plans that present standards, expectations, and strategies to help those states achieve their renewable energy goals in a responsible and equitable manner. So far, the federal government has led the planning and development process. However, Oregon communities have consistently stated that the federal engagement is not meeting their needs. In short, the state needs a more comprehensive conversation on this issue. HB 4080 –1 would provide our agency with the capacity to bring together state agencies, tribal nations, local governments, interest

groups, and all Oregonians to participate in offshore wind policy conversations the Oregon way.

DLCD understands that BOEM may issue its first lease of the outer continental shelf for wind energy development by the end of 2024, following a federal consistency review by the state. Assuming a lease is issued, we have heard from BOEM that a period of 5-7 years of project study and design are necessary before an application to construct an offshore wind facility would be submitted to the state for federal consistency review; however, our counterparts on the east coast are currently reporting only a 2-3 year timespan. Time is of the essence as the state's window of opportunity to review and potentially amend its policies to address the reasonably foreseeable effects of offshore wind development to state coastal uses and resources is shorter than suggested.

The work to develop a roadmap would start immediately, building on foundational work that has already begun amongst an informal group of interested and affected entities. A first step of formal roadmap development would be to convene and engage many affected groups and state/local government staff to inform the development of standards and strategies for the roadmap. We expect that a roadmap could be drafted within the funding period of the current biennium.

DLCD's ROLE

DLCD is the home of Oregon's federally authorized coastal management program under the Coastal Zone Management Act. The Oregon Coastal Management Program (OCMP) follows a networked model that consists of multiple agencies with authority in the coastal zone. In addition, several federal agencies contribute to managing Oregon's coastal resources and an additional 10 state agencies, 33 cities, and 7 counties have enforceable policies that complete the program. Four coastal tribes manage coastal resource lands and are critical partners in protecting the natural, cultural, and historic heritage of native people on the Oregon coast.

As the administrator of the OCMP, DLCD is the agency with the authority to review offshore wind project decisions against the state's policies that protect coastal uses and resources. This gives the state a powerful voice and a recognized seat at the table when federal agencies decide whether to authorize an offshore wind project to move forward off Oregon's coast.

Oregon's Federal Consistency reviews are only as powerful as the enforceable policies that the state can apply to the federal action in question. Oregon currently has policies that address potential effects to water quality, essential habitats, the protection of Oregon's food fish, and visual resource protection policies, estuary management and others, which we expect would apply to offshore wind projects. However, there is concern that our suite of enforceable policies may not cover all of the reasonably foreseeable coastal effects posed by offshore wind development, or that the policies

currently in existence may not reflect the current priorities of the state and its coastal users.

DLCD supports the provisions in the proposed bill that would require the performance of an assessment across the network of state and local enforceable policies to identify what gaps may exist and recommend potential actions to address them. We envision that this assessment would be closely integrated with the critical conversations underpinning a state roadmap for offshore wind and would incorporate the perspectives and interests of multiple communities of place and of practice.

The assessment would also evaluate the state's overall capacity to handle the coming tide of offshore wind projects that are on the horizon. We are hearing concerns from our agency partners that the state may not be prepared for this influx, so DLCD also supports the provision in the bill to evaluate and make recommendations about what capacity improvements may better enable the state to respond. Given the national goal of deploying 15 GW of floating offshore wind in the United States by 2035, it is reasonable to expect that the review of these projects will represent a persistent and growing capacity need for the state.

Take Aways

HB 4080 -1 would create two positions at DLCD. One position would lead the work of facilitating and drafting the roadmap and another would review the state's enforceable policies surrounding offshore wind. Additional funding would allow DLCD to convene a robust public engagement strategy to garner feedback on policy issues, concerns, and help inform future policy making on offshore wind at the state and local level. This investment would ensure that well informed, deliberative and conscious policy choices drive our state's approach to offshore wind.

Thank you for your consideration,

Alexis Hammer, Legislative and Policy Coordinator
Andy Lanier, Marine Affairs Specialist
Jeff Burrigh, Federal Consistency Coordinator