





MEMORANDUM OF UNDERSTANDING BY AND AMONG THE CALIFORNIA STATE LANDS COMMISSION, PORT OF LONG BEACH, AND HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT ON A CALIFORNIA FLOATING OFFSHORE WIND STAGING AND INTEGRATION PARTNERSHIP

The California State Lands Commission, the City of Long Beach, a municipal corporation, acting by and through its Board of Harbor Commissioners ("Port of Long Beach"), and Humboldt Bay Harbor, Recreation, and Conservation District ("Port of Humboldt Bay"), each herein sometimes referred to individually as a "Party" and, collectively, as the "Parties" enter into this Memorandum of Understanding ("MOU") on this 17th day of December, 2024 ("Commencement Date") to coordinate and collaborate regarding floating offshore wind turbine staging and integration port facilities to enable the development of floating offshore wind in California.

RECITALS:

WHEREAS, offshore wind is a renewable energy resource that can help transition the State of California (State) to a clean energy economy and reduce the emission of greenhouse gases and other harmful air pollutants;

WHEREAS, under Assembly Bill 525 (AB 525) the Legislature found that developing and deploying offshore wind energy at scale can provide economic and environmental benefits to the State and the nation by helping California meet its renewable energy and climate goals; contribute to a reliable and affordable energy portfolio to serve California's electricity needs; improve air quality, particularly in disadvantaged and underserved communities; and create job opportunities, including a skilled long-term construction workforce;

WHEREAS, the AB 525 Offshore Wind Energy Strategic Plan (AB 525 Strategic Plan), adopted by the California Energy Commission on July 10, 2024, and the AB 525 Port Readiness Plan identified staging and integration (S&I) sites for the assembly of floating offshore wind turbines as the most critical port infrastructure required to enable the development of offshore wind in California;

WHEREAS, no single port site in California can serve all the needs of the floating offshore wind industry, and the development of S&I sites must be prioritized as they

are an essential foundation to the implementation of a coordinated multiport strategy to floating offshore wind development;

WHEREAS, the California State Lands Commission provides the people of California with effective stewardship of the lands, waterways, and resources entrusted to its care based on the principles of equity, sustainability, and resiliency, through preservation, restoration, enhancement, responsible economic development, and the promotion of public access, as well as overseeing the management of sovereign public trust lands and resources granted in trust by the Legislature, including many of the major ports and harbor districts that manage tide and submerged lands on behalf of the state;

WHEREAS, the Commission views collaboration and successful partnerships with ports and harbor districts as foundational to equitably serving the people of California and achieving the state's strategic goals;

WHEREAS, the Port of Long Beach is a trustee of the sovereign tide and submerged lands located in the Long Beach Harbor District; an international gateway for the reliable, efficient, and sustainable movement of goods for the benefit of the local and global economies; a leader in sustainable port development and operations, establishing landmark environmental policies, including the 2005 Green Port Policy, the Clean Air Action Plan, and the Zero Emission, Energy Resilient Operations Policy; and has developed a plan for a new 400-acre purposebuilt S&I and floating foundation assembly facility named Pier Wind;

WHEREAS, the Port of Humboldt Bay is a trustee of the sovereign tide and submerged lands located in and adjacent to Wigi (also known as Humboldt Bay), including all rivers, sloughs and estuaries, and tide and submerged lands in the bay; is a recipient of several state grants to develop a new 180-acre offshore wind S&I heavy lift terminal; and has adopted Resolution No. 2024-01 committing the Port of Humboldt Bay to developing and adopting a green terminal strategy and roadmap for the Heavy Lift Terminal;

WHEREAS, the AB 525 Strategic Plan and the Port Readiness Plan describe how the Port of Long Beach and Port of Humboldt Bay are uniquely suited to provide the necessary S&I sites to assist the State in meeting its offshore wind energy production goal of 25 gigawatts by 2045;

WHEREAS, studies by the Bureau of Ocean Energy Management and the National Renewable Energy Laboratory independently corroborate the findings of AB 525 and associated plans in describing how the Port of Long Beach and the Port of Humboldt Bay are uniquely suited to provide the necessary S&I sites to assist the State in meeting its offshore wind energy production planning goal of 25 gigawatts by 2045 and the immediate needs of the lessees that secured five sites in the PACW-1 lease sale auction:

WHEREAS, the Parties agree the responsible development of S&I sites at the Port of Long Beach and Port of Humboldt Bay will have a positive impact on the competitiveness, cost-effectiveness, and success of California's offshore wind energy development, and will be critical in attracting investment capital to establish

a robust and sustainable domestic offshore wind supply chain throughout California and the West Coast, including manufacturing, floating foundation assembly and operations and maintenance facilities, which will unlock new jobs and wider economic benefits for the State and the West Coast:

WHEREAS, offshore wind energy development off of California's coast is poised to create significant opportunities to advance electrification and zero emissions projects at the Port of Long Beach and Port of Humboldt Bay to meet the broader climate goals of decarbonization and electrification;

WHEREAS, the California Energy Commission has funding programs for supporting the preparation of ports for offshore wind development. The Port of Humboldt Bay is a current recipient of funds through the California Energy Commission (CEC) to support development of their S&I terminal. The CEC is administering a \$42.75 million grant funding opportunity to fund projects that plan for the development and operation of floating offshore wind projects. The CEC is directed in Proposition 4, the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024, to administer a \$475 million funding program for offshore wind activities at ports and harbors.

WHEREAS, the CEC is implementing Assembly Bill 3, which establishes the California Offshore Wind Advancement Act and requires the CEC to prepare a second-phase plan and strategy that builds from the AB 525 Strategic Plan for seaport readiness and a study on the feasibility of achieving 50 percent and 65 percent in-state assembly and manufacturing of offshore wind energy projects.

WHEREAS, coordinated, comprehensive, efficient, and expeditious permitting and authorization processes for developing S&I sites, founded on robust and meaningful public outreach and engagement and coupled with stringent environmental stewardship to address potential adverse impacts on marine and coastal ecosystems, tribal cultural resources, fishing communities, and disadvantaged and underserved communities are critical to developing the necessary port infrastructure to meet the State's offshore wind energy goals;

WHEREAS the Parties recognize that with the emergence of zero emission strategies, the electrification of ships, and increased electrified traffic onshore (e.g., drayage) and in shipping, ports may require significant clean power, necessitating landside, electrical service, distribution grid, or transmission upgrades at California ports;

WHEREAS, the Parties recognize the importance of transparency and public engagement in environmental protection efforts and will ensure that all permitting and authorization processes include opportunities for meaningful, early, and consistent public input so that decision-makers understand the important perspectives, priorities, and values of those communities most affected; and

WHERAS, the Port of Humboldt and Port of Long Beach have separately conducted, and continue to promote, extensive outreach and engagement regarding their respective projects, and have been coordinating on various offshore wind related issues with State Lands Commission and other state and federal

agencies, and the Parties recognize these efforts would be enhanced as they advance their projects through a strong partnership, close collaboration, and a whole of government approach;

WHEREAS, the Newsom Administration has prioritized equity in decisions regarding infrastructure investments and, through the publication of the <u>Equity</u> <u>Foundation Checklist</u>, has identified actions to work toward this goal of ensuring all communities are clean, green, and safe;

WHERAS, the Parties recognize and acknowledge there has been historical crisis of Missing and Murdered Indigenous People (MMIP), that development projects on or near Tribal communities have led to increased incidents of MMIP, and the importance of working with local Tribes to elevate awareness, prevention, and response, such as: the Port of Humboldt Bay's Resolution 2024-04 directing staff and developers and contractors to take specific action to help prevent MMIP, violent crime, drug abuse, and sex trafficking; the State's Budget Act of 2022 establishing the MMIP Grant Program to support efforts to identify, collect case-level data, publicize, and investigate and solve cases;

WHEREAS, Governor Newsom issued a <u>Statement of Administration Policy on Native American Ancestral Lands</u> to encourage State entities to seek opportunities to support California tribes' co-management of and access to natural lands that are within a California tribe's ancestral land and under the ownership or control of the State of California, and to work cooperatively with California tribes that are interested in acquiring natural lands in excess of State needs;

WHEREAS, the Parties recognize that marginalized, disadvantaged, and underserved communities, which are predominantly low-income, residents of color, and Indigenous communities, have experienced disproportionate impacts such as air pollution related to industrial facilities, including oil and gas operations, power plants, refineries, and port operations, and offshore wind offers unique opportunities to prioritize infrastructure projects that have co-benefits to communities while avoiding and minimizing contributions to existing impacts;

NOW THEREFORE:

SECTION I PURPOSE

This MOU is to confirm the intent of the Parties, through mutual collaboration, communication, and coordination, to support the responsible, equitable and sustainable development of offshore wind energy in California to advance our climate goals, improve public health, increase energy independence, advance energy equity, and support a clean energy economy.

SECTION II AREAS OF COOPERATION

The Parties will confer, cooperate, and exchange information, to the extent that each Party in their sole discretion deems appropriate and consistent with the AB 525 Strategic Plan, on subjects including, but not limited to:

2.1 <u>S&I Site Planning and Permitting</u>:

- i. Pursuing a coordinated, efficient, and expeditious multi-agency permitting and decision-making approach for each S&I port terminal at the Port of Long Beach and Port of Humboldt Bay.
- ii. Developing a site specific permitting strategy and roadmap for each Party's S&I port terminal, consistent with the AB 525 Strategic Plan frameworks, goals and objectives, that: clearly sets forth the various permitting activities associated with the specific S&I port terminal development to be integrated: identifies the permitting agencies associated State and their responsibilities, and jurisdictions; and establishes shared timelines, anticipated processing times for review, communication protocols, and coordination and dispute resolution processes in order to facilitate expeditious review processes to meet the State's offshore wind energy production planning goals in a timely manner.
- iii. Designating one or more points of contact among the Parties to coordinate implementation of this MOU. The points of contact will (1) assist with identifying knowledgeable and experienced staff with decision-making authority and responsibility, (2) be knowledgeable of which decisions need to be made at what level and when within each Party's organization, and (3) assist in ensuring that responsibilities and timelines are satisfied.
- iv. Participating in initial and regular meetings at a frequency to be determined by the Parties with key regulatory agency staff and subject matter experts.
- 2.2 <u>Green Port Strategies:</u> Collaborating on the planning and development of green port infrastructure, sharing experiences and lessons learned, and providing suggestions and considerations on each other's policies, programs, and CARB regulations. This collaboration encourages businesses and organizations operating in the Port of Long Beach and Port of Humboldt Bay to strengthen their efforts in promoting research, development, and deployment of green port maritime technologies, as well as facilitating exchanges and further collaboration related to other relevant green technologies and green infrastructure development.

- 2.3 <u>Clean Energy Infrastructure:</u> Collaborating on sustainable energy solutions such as grid and electrical service upgrades, microgrids, hydrogen fuel options, and energy storage to support the ports' operations and resilience, promoting affordable, reliable renewable energy in surrounding communities, enhancing their capacity to handle future energy demands in line with emerging technologies and regulatory frameworks.
- 2.4 <u>California Native American Tribes and Meaningful Consultation:</u>
 Coordinating and collaborating on early, frequent, and meaningful government-to-government consultation to identify and maximize tribal community benefits consistent with applicable federal, state, and local laws, including but not limited to the public trust doctrine.
- 2.5 <u>Meaningful Community Engagement:</u> Coordinating and collaborating early and frequently to meaningfully engage community members, including fishing communities and other interests to maximize community benefits consistent with applicable federal, state, and local laws, including but not limited to the public trust doctrine.
- 2.6 <u>Environmental Justice:</u> Coordinating and collaborating early and frequently on local community benefits programs, clean energy infrastructure, and promoting an inclusive decision-making process that integrates environmental justice considerations into the planning, permitting, and operation of the S&I sites consistent with applicable federal, state, and local laws, including but not limited to the public trust doctrine.
- 2.7 <u>S&I Funding and Financing:</u> Collaborating and sharing information related to existing and potential funding and financing strategies for the development of S&I sites in California, and jointly advocating for the investment of significant federal funding in S&I sites at the Port of Long Beach and Port of Humboldt Bay.
- 2.8 Assembly Bill 525 Offshore Wind Energy Strategic Plan: Supporting the ongoing evolution and implementation of the comprehensive Strategic Plan for offshore wind energy production in California that aligns the delivery of S&I sites with the broader offshore wind market formation activities, such as transmission, power purchasing, workforce development, wind turbine manufacturing, floating foundation design and manufacturing, vessel manufacturing and other supply chain developments, ecosystem adaptive management strategies, science, research, and technology innovations, and sea space leasing, which will attract private investment in California that will maximize jobs and economic benefits as California transitions to a clean energy economy.
- 2.9 <u>Workforce Development:</u> Coordinating on joint advocacy to attract and train the skilled and diverse workforce to meet the varied and specific demands of the offshore wind industry and related sectors (e.g., electrical transmission) and ensure sustained and equitable economic development benefits through regional economic and workforce development planning partnerships with industry, educational and training institutions, labor organizations, apprentice programs, government entities (state, federal,

- tribal, and local), California Native American Tribes, and community members.
- 2.10 <u>Climate Ready Design</u>: Exploring and identifying opportunities to integrate climate ready strategies into the design, development, and planning of the new port elements and upgrades and workforce training. Sea level rise, intensifying storms, and other climate change related impacts may threaten port activities and associated offshore wind development. Integrating climate ready strategies into design and planning elements will enhance the climate resilience of port infrastructure and activities and help better safeguard investments into offshore wind related infrastructure and workforce developments.
- 2.11 <u>Data and Knowledge Sharing:</u> Sharing knowledge and exchanging data and information on subjects of shared interests to improve port businesses and the environment for the benefit of the surrounding communities and ecosystems at the Port of Long Beach and Port of Humboldt Bay, including but not limited to: technical, regulatory, and engineering information; green port policies and sustainability practices; zero emission port equipment and vessel technology advancements and supporting port infrastructure; professional expertise; and best practices.

SECTION III COOPERATION FRAMEWORK

- 3.1 The Parties shall discuss cooperation activities as set forth in this MOU as needed.
- 3.2 The Parties may expand or focus the scope of this MOU through amendments based on the mutual written consent of all Parties, signed by their authorized representatives, including through the inclusion of additional ports and harbor districts in California and nationwide.
- 3.3 The Parties acknowledge that specific projects and programs requiring financial or staff commitment may require approval by their respective governing authorities.
- 3.4 Nothing herein shall prohibit any Party from entering into separate collaborations with other entities or partners of a similar or identical nature or otherwise.

SECTION IV TERM OF MOU

4.1 This MOU shall commence on the Commencement Date and shall automatically lapse and cease to have any further effect after 5 years from the Commencement Date ("Expiry Date") unless the Parties mutually agree

- in writing, signed by their authorized representatives, to extend the Expiry Date to such date as may be agreed by the Parties.
- 4.2 Any Party may terminate its involvement in this MOU, without the need to assign any reason by giving the other Parties thirty (30) days prior written notice.
- 4.3 The termination of this MOU shall not affect any cooperative efforts undertaken or any agreement executed pursuant to this MOU prior to the effective date of such termination.

SECTION V GENERAL

- 5.1 This MOU only serves to set out the broad principles of cooperation intended between the Parties with the view of promoting and achieving the objectives and activities detailed herein. This MOU does not represent an exhaustive statement of the Parties' scope of cooperation and does not prohibit the Parties from extending the same. The Parties acknowledge that this MOU does not create any legally binding rights or enforceable obligations.
- 5.2 This MOU does not constitute approval or other commitment to any specific project or program, and thus is not subject to the California Environmental Quality Act (CEQA). The Parties acknowledge that, unless and until environmental review is completed in compliance with the CEQA, each Party retains the full discretion to approve, deny, or condition their respective projects. Further, the Parties acknowledge that this MOU does not constrain any Party's ability to consider or adopt particular mitigation measures or alternatives, including the alternative of not proceeding with a project or component thereof.
- 5.3 All notices, notifications, and other correspondence shall be directed to the Parties at the addresses set out in this MOU.
 - (a) If to the State Lands Commission:

STATE LANDS COMMISSION 100 Howe Avenue, Suite 100 South Sacramento CA 95825

(b) If to the Port of Long Beach:

PORT OF LONG BEACH

415 W. Ocean Blvd. Long Beach, CA, USA 90802 (c) If to Port of Humboldt Bay:

HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT

601 Startare Drive Eureka, CA USA 95501

THE PARTIES HERETO have caused this MOU to be duly executed on the day and year first above mentioned.

Signed For and on behalf of STATE LANDS COMMISSION

Signed For and on behalf of PORT OF LONG BEACH Signed
For and on behalf of
HUMBOLDT BAY
HARBOR,
RECREATION, AND
CONSERVATION
DISTRICT

Jennifer Lucchesi Executive Officer Mario Cordero Chief Executive Officer Chris Mikkelsen Executive Director