

May 17, 2022
6:04 P.M.
Newport, OR

PORT OF NEWPORT COMMISSION WORK SESSION MINUTES

This is not an exact transcript. The video of the session is available on the Port's website.

The Port of Newport Commission met on the above date and time at the South Beach Activity Room, located at 2120 SE Marine Science Dr. In attendance were Commissioners Burke, Lackey, Sylvia, Retherford, and Chuck. Also in attendance were General Manager Paula Miranda, Finance Director Mark Brown, Administrative Assistant Gloria Tucker, Commercial Fishing Users Group Chair Heather Mann, and PR Consultant Angela Nebel.

PUBLIC COMMENT

Burke read the submitted public comments into the record.

NEW BUSINESS

Discussion on offshore wind energy. Burke introduced the agenda item. Retherford declared a potential conflict of interest. Lackey noted his ties to the fishing industry. He stated he would look into the correct language he will declare at the next meeting. Miranda added she will check any conflicts with the attorney. Discussion ensued on potential and actual conflicts of interest and the purpose of work sessions. Retherford noted the call areas include not just fishing grounds, but also scientific research areas. Chuck added two of the call areas are within shipping lanes.

Mann reported the letter from the Commercial Fishing Users Group was supported by the whole committee. She stated they are all concerned about the current process for developing offshore wind. She explained right now, BOEM (Bureau of Ocean Energy Management) has issued two call areas off of Coos Bay and Brookings for offshore wind development. She noted they are very large areas capable of generating 17 gigawatts of energy. She indicated last year the Legislature passed HB 3375, authored by Representative David Brock Smith, to look at planning opportunities and challenges for 3 gigawatts offshore energy by 2030. She added, theoretically, these areas need to be whittled down to generate 3 versus 17 gigawatts.

Mann reported before BOEM came out with formal call areas, there were three spots, and the third one included a spot off of Bandon. She stated they have since dropped that one. She noted the Port of Bandon has been taking credit for that through its meeting with BOEM. She explained user groups have been meeting with BOEM for months and said don't include Bandon, but they still did. She added it is her personal opinion, it never should have been included and they dropped it to say, "Look, we're listening to the fishing industry."

Mann reported people have until June 28 to provide comments to BOEM through the federal register on those call areas. She stated the comments will then be considered by BOEM based on their internal process, which is not public. She explained the Bureau of Ocean Energy Management is part of the Department of the Interior, and it is their job to lease land on the continental shelf for energy development. She noted they are also involved with offshore oil, gas, and mining.

Mann reported at the same time, HB 3375 is going through the process of taking feedback, and there have been three stakeholder meetings talking about challenges and opportunities with offshore wind. She explained a report based on these comments is due to the Legislature on September 15. She noted BOEM said they are going to wait until that information comes out before they announce areas for leasing. She indicated BOEM's process is not clear, while the fishery management process is very transparent. She added they take feedback, but they don't have public discussion or come to decisions in the public; everything is behind closed doors.

Mann reported there was a big turnout in Coos Bay's roundtable, 24 out of 25 speakers were in opposition. She explained this is not just fishermen; there are marine scientists, environmentalists, and a lot of concerned citizens. She noted because of that, Smith decided to hold more listening sessions; there is one in Newport at the Best Western tomorrow. She indicated it will be recorded, and Representative David Gombert will be the facilitator. She added the others will be in Astoria and Brookings next week.

Mann reported those sessions are intended to inform a Coastal Caucus letter that will go to BOEM before June 28, as well as the Oregon Department of Energy and HB 3375 report. She stated the Legislature will be taking public comment until May 27. She stated the Commercial Fishing Users Group want the Port of Newport to recognize the negative impacts that could occur depending on how this is sited. She noted it's not just about fishing. She indicated these two areas are in prime fishing grounds for whiting, sable fish, crab, and shrimp. She added whiting has been hundreds of millions of pounds in this area and delivered into Oregon and Newport.

Mann reported some people have said just move, which shows a complete lack of knowledge of fishing and regulations. She stated these grounds have been very productive for multiple years for many fisheries. She noted fisheries are providing that information to BOEM, but whether that makes a difference with BOEM is unclear. She indicated these call areas would disrupt long-term surveys that have been going on. She added there is an unknown risk to marine mammals.

Mann reported this is in critical habitat for killer whales and humpbacks. She noted the government closes down crab fisheries if there is an entanglement with a whale, but BOEM is getting a free pass on this. She stated there are studies that show impacts from electromagnetic waves that come from the structures and transmission lines to crab. She indicated there is an impact to birds as well. She added the fleet that fishes for sable fish, if they kill two of a certain kind of albatross over a certain period, the fishery can be shut down, triggering the Endangered Species Act. She emphasized the regulations fishermen face do not seem to apply in the same way to this type of activity.

Mann reported the committee wants to put a line in the sand. She stated they are not against renewable energy. She noted Oregon right now has 68 percent of its energy as renewable, which comes from hydro, solar, and terrestrial wind farms. She stated in order to make this something that is closer to a win-win, the fishing industry has asked to place these turbines outside 1300 meters. She indicated there is no fishing that happens in those depths, so it doesn't displace fishermen. She added that doesn't do anything to solve the other issues though.

Mann reported the energy could be unaffordable, since the further out it is put to avoid conflicts, the more expensive it will be to get it to shore. She stated to be proactive, the Port needs to prioritize current ocean users and stakeholders, ask BOEM to put these installations outside 1300 meters, and ask to slow down the process. She noted when she asked BOEM if the result of HB 3378 is to slow down the process, if it can be slowed, that BOEM said yes. She indicated

requiring a programmatic EIS (Environmental Impact Statement) before the leases go out would be proactive as well. She added there is a lot of money behind these offshore wind companies.

Mann reported the fisheries want to have a seat at the table. She stated BOEM has never rejected a project after the Environmental Assessment at the end, even if it shows significant harm to fisheries or the environment. She noted for BOEM, significant impacts are the cost of getting renewable energy out there. She indicated California is further along in this process, and another company has submitted an unsolicited lease in Washington. She emphasized the committee would like the Port to stand up and state it cares about the local recreational, commercial, ecosystem, and marine environment and wants to prioritize those existing users over offshore wind companies.

Flaxen Conway, Oregon State University Director of Marine Resource Management Graduate Program, reported getting some revenue figures that are spatially oriented will be really important. She noted the same is true of jobs. She stated when these companies throw out figures like 80,000 jobs across America, people need to ask where, what kind, how many locally, and what wages. She indicated the fishing community wages stay in the area. She added fishery science and collaborations with climate science are important. She emphasized the importance of being at the table and working together.

Conway asked if the Ports could write a letter together. Miranda replied she brought up the issue to OPPA (Oregon Pacific Ports Association), and it's too political. She noted when different ports have different opinions, they prefer to stay neutral. She stated Newport can still collaborate with the Ports that think this does not bring enough benefit. She added as far as the combined association, they will not weigh in.

Conway explained PacWave as a good example of collaboration. She stated the more the fishing community can stay together on this, the better. She noted the shipping industry could also be divided, with some people in favor because it will build up infrastructure on the West Coast, but others who are opposed. Chuck noted it will add more fuel costs to shipping. Conway added there are primary, secondary, and tertiary economics involved.

Mann stated when value is put on the fish coming out of those areas, the conversation turns to compensation. She noted there are some fishermen in smaller fisheries in northern California that are looking to retire, and they accept compensation. She emphasized there could never be a value placed on the trawl fleet; it's deeply offensive. She indicated beyond the value of the business to young owners and skippers, there have also been a lot of sacrifices by the fleet to get to this point. She explained they have had to give up grounds, close areas to rebuild stocks, and reduce capacity. She added that was with the expectation of being able to fish into the future.

Mann reported there have been a lot of sacrifices to maintain these sustainable fisheries. She stated fishermen, for the most part, are not interested in compensation. She noted there is a new study that these wind farms do interfere with navigation and radar, which poses a safety issue. She indicated PacWave was a success in part because it was a test area. She added BOEM is not looking to test here; they are looking 200-400 turbines that are twice as tall as the Statue of Liberty that will be floating, tethered to the bottom.

Mann reported this technology does not exist anywhere except Portugal in completely different conditions. She stated why not put one turbine out there and see what it does. She noted the Coast Guard has been trying to figure out how to keep a tethered weather buoy in place for years; they break free all the time. She indicated some of the people in wind energy and Coos Bay have said, "If you lose your job, you can get a job ferrying people to these devices or bringing supplies to them." She added that is deeply offensive; that is taking family wage, good jobs, and creating something else. She emphasized that shows a lack of understanding and respect. She

stated the committee would like everyone who benefits from the fishing industry and the marine system to take a stand.

Conway explained BOEM looks at five levels of mitigation, and compensatory is the last one. She stated it's important to not even go there. She emphasized it hasn't worked anywhere. She noted she would send Sylvia literature on compensatory results. She indicated a lot of people would view current ocean users as NIMBY, not in my back yard. She added that's not it at all; what current ocean users have is attachment to place. She noted she could provide literature on that as well.

Chuck stated the Port of Newport has good standing to be strong on this issue because he has been involved in OPAC (Oregon Ocean Policy Advisory) meetings for 14 years. He explained as far as the BOEM process, the only way to get onto it was to be an elected official even though the Governor's office asked BOEM to have an open membership. He noted OPAC had BOEM at four meetings, but it's become a box checking exercise for BOEM. He indicated they said they got all this input and comment from OPAC, and then they released the call areas. He added OPAC thought, "How can they put a third of the south coast up for grabs after going through those meetings?"

Chuck stated there is a lot of anger from elected officials who sat in these meetings for two and a half years, telling them what to consider. He noted this was a big slap in the face. He explained the meetings did have a time for public comment, but at the end of the meeting after it had adjourned, so public comment was made to an empty room. He indicated as far as the Port of Newport is concerned, the Port needs to support the fishing industry and Port users. He added the law needs to be applied fairly as far as environmental.

Chuck stated it's very apparent environmental regulations are not going to be applied. He explained the area one turbine takes up. He noted OPAC asked the Coast Guard how much access will be allowed to these sites since they produce power, and the Coast Guard said it would be up to the developers. He emphasized the Port is in a good position to make a stand because it has been a part of this for a long time.

Retherford recommended watching Conway's video on the topic. She stated there needs to be understanding. She noted current users are not trying to convince anyone that they don't need wind energy. She indicated the Port, industry, user groups, and scientists need to be willing to work with BOEM, and BOEM needs to be willing to work with them. She emphasized there is a lack of knowledge on what is happening as a whole with BOEM, and there's a lot to learn.

Lackey stated when these call areas were put out, he couldn't believe them. He noted it's also if they said, "Where is the best fishing spots, the most pounds, the most sustainable, the least carbon footprint." He emphasized these areas are probably some of the best fishing spots in Oregon and the West Coast. He indicated around the world energy security and food security are becoming more on people's radar. He added while looking at energy security, people can't forget food's impact.

Lackey stated fish are a sustainable resource. He noted some people say, fishermen can just move, but they can't. He indicated it's a huge deal, and if these areas are lost, they could be lost forever. He added compensatory is nothing more than a bribe.

Lackey stated those call areas made him think the process was a box checking exercise and made him feel like there wasn't collaboration. He noted if this is something the state of Oregon and United States wants to look at, there is a better way. He recommended testing it and making sure due diligence is done. He emphasized this is serious.

Sylvia stated a lot of the frustration is from a lack of a pluralistic, transparent process by BOEM. He noted it is so different than other federal agencies and fisheries that it is bizarre. He said he wonders how they get away with it legally since NEPA (National Environmental Policy Act) is a federal law. He explained EIS and ESA (Environmental Site Assessment) are the results of NEPA. He asked how can anyone build these without knowing the impacts to the environment. He added this has got to have been challenged on the East Coast. He asked if there are any legal cases there. Mann replied there are ongoing cases. She noted in another case, an agency sued for an EIS upfront and lost. She explained BOEM performs the EIS after a construction plan is submitted, and the developer mostly likely pays for it. Sylvia noted when the developer pays BOEM, it's in their interest not to do a good job on the EIS.

Sylvia stated normally with an EIS, economics are looked at upfront. He explained if these areas are closed, the fishing industry will go elsewhere, they will not totally close down. He noted there will be adjustments, and during a technical analysis, economists look at what happens during the adjustment. He explained it is assumed there will be a net loss of revenues and profits because they can't fish in traditional areas. He noted the question is what is that difference, and how much is that. He indicated if those questions aren't asked upfront, then they are never done in a technical way with peer review. He added instead, economists do stories that talk about fishing revenue that may have been lost, but it's never technical. He explained this also true for environmental impacts.

Chuck stated fishermen are not against renewable energy, but people need to ask renewable at what cost. He noted that's why there should be investment in test areas. He explained he has been in classes with developers and brought up concerns about environmental impacts, and the response is blank faces. He indicated this is being promoted as sustainable, renewable energy and that hooks people. He added the state has done a great job of mapping all those areas and making all that information available to them back in 2014, and BOEM just ignored it.

Chuck stated the issue has turned out to be a socioeconomic impact discussion with the fishing industry, and there has not been much study on the actual benefit to the environment. He noted that has been frustrating. He explained in the beginning they were talking 40-60 cents per kilowatt hour, and now they are saying it costs as low as hydro power. He indicated what's not taken into account, is these turbines are funded by grant money, so the public is paying for them. He emphasized the need to know what will be the actual cost to users.

Burke summarized the Commission is in agreement on this. He stated the system is a bit of a farce. He noted he does not know if there is anything the Port can do about that. He indicated what the Port can do is its best to try to slow the process down. He added the Port can write a letter and go to meetings, but this is going very fast. Retherford agreed. She added BOEM is trying to privatize an area that has always been open to everyone. She stated the turbines that are going up are as tall as the Eiffel Tower, so people are not talking about little areas, these are big areas. She noted they want 30 gigs of power eventually, and that means the areas will have to grow to sustain bigger equipment. She emphasized the public has until June 28 to slow things down. She recommended the Port do that.

Miranda stated she has a good understanding of the direction. She noted she will work with Mann on putting something together that the Commission can consider. She asked if there were any specific comments to be put into some form of Resolution, to get those to her before noon on Thursday. She explained the Resolution can also instruct the Port to reach out to BOEM.

Sylvia stated the phrase that bothers him is to prioritize existing ocean users. He noted as an economist, he lives in a dynamic world, where the value and benefit of technologies change over space and time. He indicated to prioritize anyone to utilize an ocean resource could last

forever, relative to all the other users that don't even exist today. He added while Mann tries to make it specific to offshore wind developers, the blanket statement is so strong.

Sylvia stated people have to negotiate, and BOEM may not be a valid group to negotiate with, and that's the problem. He noted there are statements about doing a test site first, changing the call area locations so they are further out. He explained those items are negotiations, not prioritizations. He indicated the fishing industry needs the ability to be able to negotiate as an equal partner, which it isn't, technically, and that is problematic and not ideal.

Mann stated seeing the evolution of what has happened, she tried to come up with positive steps that are different than prioritizing. She noted the statement is not prioritizing the fishing industry but stating the Port values them and explaining why. Miranda noted the all or nothing request will not go anywhere. She stated the concept of highlighting issues and being able to work with them at the same table is important. She added she has been in situations where folks wanted all or nothing, and they got nothing. She indicated if the Port makes a reasonable request, they have a better chance of being invited to the table. Mann replied that seems like wishful thinking because of her dealings with BOEM. She emphasized they are different than other government agencies. She explained they are under tremendous pressure to get these leases out. She noted there are a lot of concerns beyond displacing fishermen. She indicated she thinks it's OK to be aggressive, but not unrealistic. She added offshore wind may not be right off of Oregon period. She asked why solar panels aren't placed on every structure, and why aren't terrestrial wind farms at capacity first.

Chuck recommended looking at Oregon State Planning Goal 19 for language for the Resolution. He noted the Port needs to consider and avoid impacts to current sustainable uses.

Conway suggested sending the Resolution to BOEM, the Governor's Office and legislators. She added BOEM is going to have a harder time if this comes from others. Mann thanked the members of OPAC for their years of service.

ADJOURNMENT

Having no further business, the meeting adjourned at 7:20 p.m.



James Burke (Jun 29, 2022 15:08 PDT)

James Burke, President



Walter Chuck, Secretary/Treasurer


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Final Audit Report


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