MARCH 22, 2024

Massachusetts Lobsterman's Association Annual Weekend



MassCEC - Offshore Wind Program

Reduce project risk, increase market confidence, and support the economic development and workforce opportunities of the offshore wind sector

PLANNING, ANALYSIS & ENGAGEMENT

Advance technical projects and stakeholder engagement on marine wildlife, fisheries, habitat, metocean, and transmission.

SECTOR DEVELOPMENT

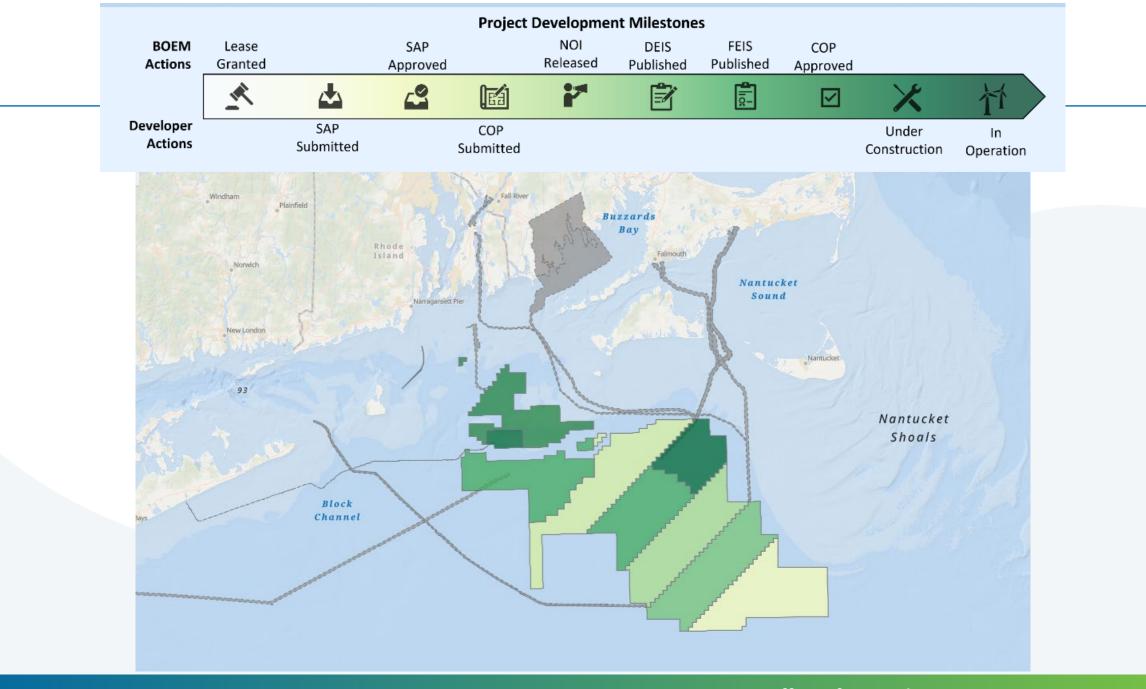
Expand manufacturing, suppliers, services, infrastructure and grow a well-trained, highly-skilled and diverse workforce.

RESEARCH & INNOVATION

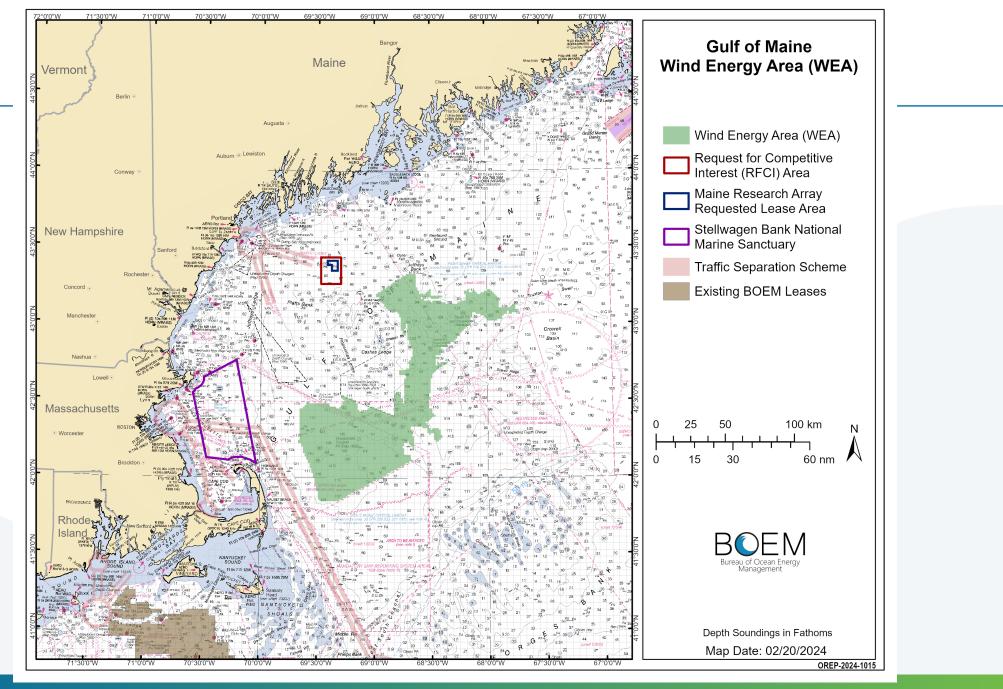
Support and collaborations for technology innovations, learn from early deployments, and expand offshore energy research.







Source: MA Office of Coastal Zone Management | 4



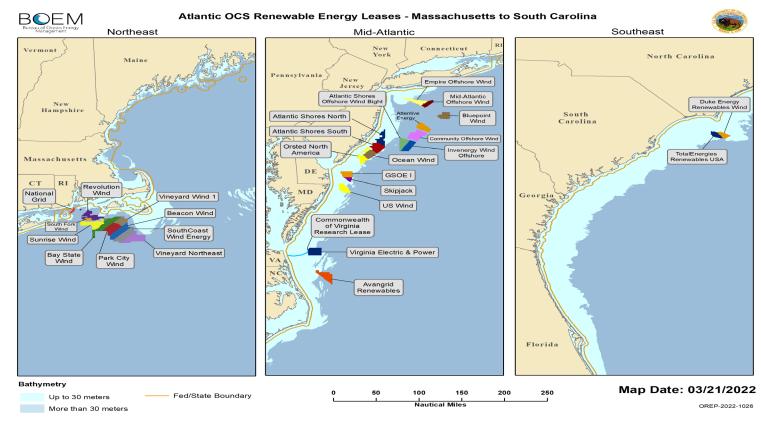
Source: BOEM | 5



Establishing a Regional Compensatory Mitigation Claims Process for Offshore Wind Impacts on Fishing

Fisheries Compensation Mitigation

- Commercial and recreational fishermen are concerned about the <u>displacement</u> from fishing grounds due to multiple projects and the potential ecological impacts to fisheries
- Fishermen desire a consistent structure that could provide <u>financial</u> <u>compensation to offset potential impacts</u>





- Mame
- New Hampshire
- Massachusetts
 Maryland

New York

• Delaware

• Virginia

North Carolina

• New Jersey

- Rhode Island
- Connecticut

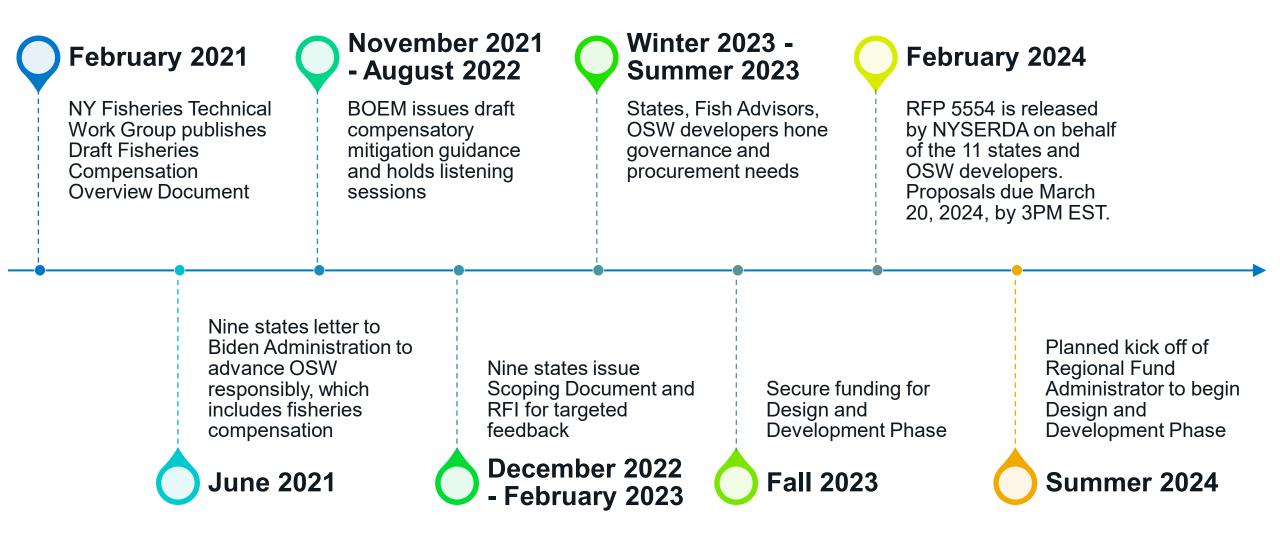
Fisheries Compensatory Mitigation

Objective: to establish a credible regional administrator for managing and distributing fisheries compensatory mitigation funds for impacts from offshore wind for the US eastern seaboard

- Consistency across projects and developers
- Fairness for fisheries across home and landing port
- Administrator with the same processes and procedures so that fishermen fishing in or near many projects can have a "one stop shop"
- Scale large enough for building expertise and efficiencies of scale
- Gain efficiencies of scale, avoid duplication and re-creation, and ensure fishermen have access to compensation regardless of the homeport, where they fish, or which state has contracted with the OSW developer

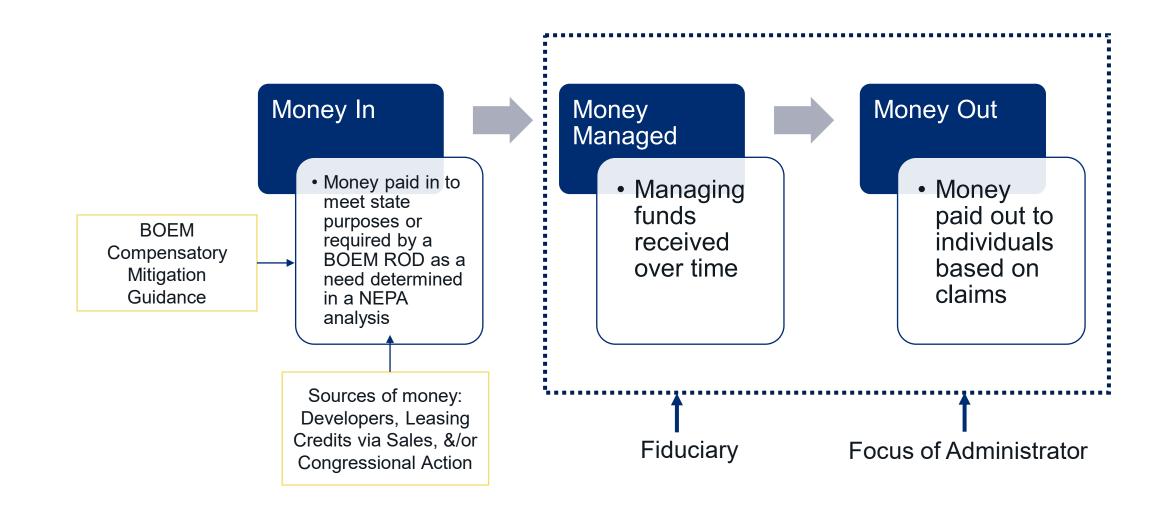
Avoid Minimize Mitigate

How did we get here...

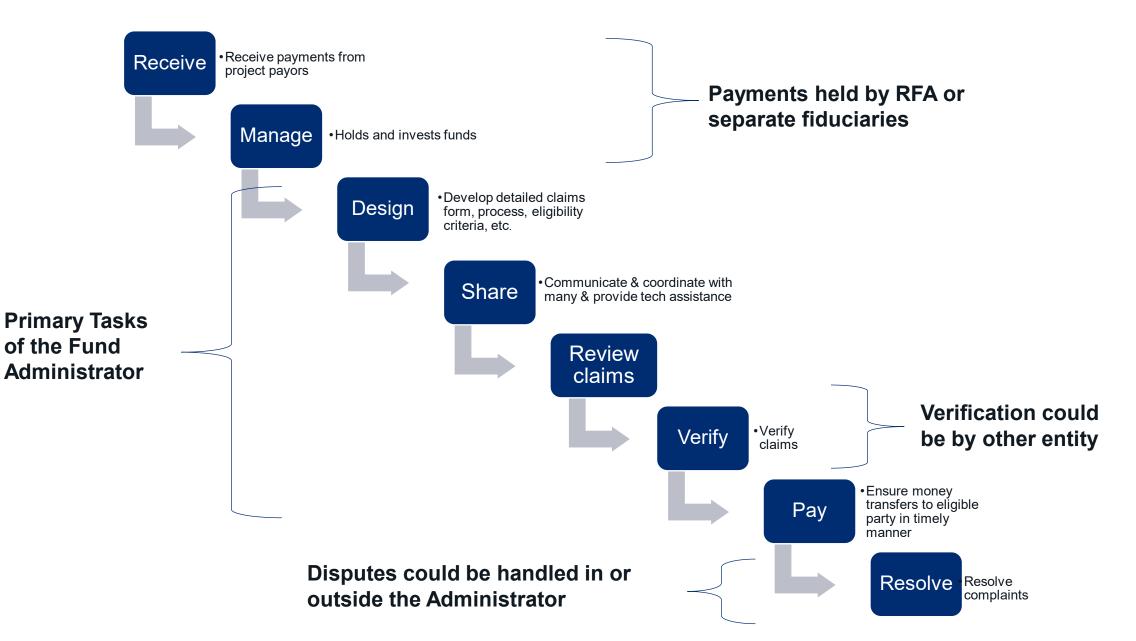


How to Scope for a Regional Fund and an Administrator?

Compensatory Mitigation & Role of Fund Administration



Potential Fund Administrator Tasks



Key Qualities of an Administrator

- Effective collaboration skills with stakeholders
- Legitimate in the eyes of stakeholders such as state or federal government agencies, the fishing industry, and OSW developers
- Strong fiduciary controls
- Free of bias and rigorous conflict of interest policies
- Prevents waste, fraud, and abuse
- Demonstrated competency and efficiency in reviewing claims
- Minimizes administrative costs and burdens
- Sustainable for the foreseeable future
- Demonstrate timeliness and maximization of funds paid out
- Holds extensive fishery industry experience, knowledge, and understanding, or partnered with the fishing industry





Key Design Oversight Committee (DOC) Elements to Advise On

- Eligibility
- Evidence of Impacts and Burden of Proof
- Compensable Costs and Losses
- Multipliers and processor compensation
- Data Sources and verification
- Simple, verifiable, efficient claims process
- Other TBD



From the Bottom-up Design and Development Stakeholder Approach

Broad engagement of Fisheries (species/gear type, etc.) similar to the bottom-up Fisheries Management Council process

> Ad hoc workshops, interviews, and meetings as needed

> > Design Oversight Committee (DOC)

Request for Proposals and Next Steps

February 2024: NYSERDA issued Request for Proposals (RFP) 5554 Regional Fund Administrator for an Offshore Wind Fisheries Mitigation Fund

Proposals due March 26, 2024 by 3:00 p.m. ET

See RFP 5554 details here: <u>https://www.nyserda.ny.gov/Funding-Opportunities/Current-Funding-Opportunities</u>

Late Spring 2024: **Select and contract** for design and development phase Early Summer 2024: **Commence** Regional Fund design and development phase

For more information on the Regional Fund Administrator and BOEM efforts, visit:

- <u>https://offshorewindpower.org/fisheries-mitigation-project</u>
- <u>https://www.boem.gov/renewable-energy/request-information-reducing-or-avoiding-impacts-offshore-wind-energy-fisheries</u>



Executive Office of Energy and Environmental Affairs | Executive Office of Housing and Economic Development | Massachusetts Office of Business Development | Executive Office of Labor and Workforce Development | MassDevelopment | Commonwealth Corporation



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