

Oregon Department of Energy
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Oregon's Energy Strategy to include Offshore Wind Generation

Offshore wind energy along the U.S. West Coast was not an option until floating wind technologies were developed—an innovation adapted from proven floating oil and gas platforms.

Initial interest focused heavily on California driven by its; large energy market, potential for economies of scale, and long-term growth opportunities. For over a decade, the California Energy Commission actively promoted the merits of offshore wind, well before the federal government began to engage. Following California's successful offshore wind lease auctions, developers' interests naturally expanded northward to Oregon, drawn by its superior wind resources.

However, that early enthusiasm for Oregon began to wane due to several compounding challenges. Key obstacles included:

- **Lack of Political Support:** Unlike east coast states, Oregon's governors did not champion offshore wind, leaving the sector without strong state-level backing.
- **Transmission Constraints:** Delivering power to northern load centers depends on the Bonneville Power Administration (BPA), a federally directed entity operating on different planning timelines.
- **Community Resistance:** Some coastal communities expressed opposition, and a few coastal tribes showed concerns, partly influenced by misinformation campaigns from groups such as the Midwater Trawlers.
- **Broader Economic Headwinds:** Global supply chain disruptions from the Russia-Ukraine war, rising interest rates, and shifts in federal energy priorities under the new administration increased the perceived investment risks.

Collectively, these factors cooled developer interest in Oregon's offshore wind lease opportunities. Yet one constant remains: **Oregon's world-class wind resources.** If properly harnessed, offshore wind could significantly contribute to Oregon's and the broader Pacific Northwest's future energy mix.

If Oregon aims to participate in the electrotech revolution—transforming energy systems from fossil fuel dependency to an electricity-based framework—it will require bold infrastructure choices. The rapid growth of data centers, driven by demand for artificial intelligence (AI) in national security, manufacturing, transportation, healthcare, and education, will dramatically increase electricity needs.

Where will this power come from?

Sourcing electricity from out-of-state will likely require navigating complex negotiations over visually intrusive transmission corridors, while outsourcing job opportunities and economic benefits. By contrast, in-state generation—leveraging a mix of energy sources, including offshore wind—can support local economies and ensure more secure, scalable energy access.

Given these considerations, **offshore wind should be actively evaluated within Oregon's broader and future energy strategy.** While the current political environment may not

favor floating offshore wind, it is prudent to plan for future shifts. Fossil fuels are finite and prone to price volatility. Regions that rely exclusively on unstable energy sources risk undermining the resilience of their emerging electrotech industries.

Privately financed offshore wind projects require long lead times using various points in the development period to verify earlier assumptions and to ensure positive returns on investment . This preparatory period can be used to:

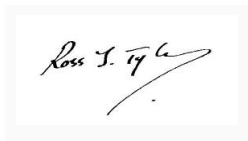
- **Validate environmental and technical data** through marine research buoys.
- **Engage with coastal communities and tribes, environmental organizations, and government agencies** to build trust and transparency.
- **Monitor and integrate technological advancements** that can lower project costs.

Supportive policies can also play a role. For example, executive actions such as President Trump's order to expand LNG exports could drive investment in U.S.-flagged, U.S.-built LNG vessels. Retooling U.S. shipyards for this purpose could, in turn, reduce the cost of producing floating wind platforms. Lower component costs from the outset would enable the development of smaller wind farms, for example, 500 MW each. This approach would create more competitive opportunities for projects in smaller sea areas and thereby support a phased growth schedule to meet Oregon's evolving energy demands. Developing eight sites of 500 MW each, spread over a number of years, would provide a total of 4 GW of new generation capacity for the state. Additionally, distributing smaller sites along Oregon's coast with adequate in between spacing could improve compatibility with other ocean users.

Uncertainty in today's energy policies and markets should not deter Oregon from exploring offshore wind. The northern winds will blow, and Oregon will need reliable, clean power. Offshore wind promises homegrown energy, climate benefits, and job creation—all financed by private capital, sparing Oregon and its citizens any risk.

Oregon should treat this opportunity not as a gamble, but as a strategic investment in its future.

Sincerely,

A handwritten signature in black ink, reading "Ross J. Tyler", enclosed in a light gray rectangular border.

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