

Establishing a Fisheries Fund Regional Administrator

Update

April 2024

11 States

(Original 9 plus 2 -
signatories to
Governor's Letter
to President Biden,
June 4, 2021)

1. Maine
2. New Hampshire
3. Massachusetts
4. Rhode Island
5. Connecticut
6. New York
7. New Jersey
8. Delaware
9. Maryland
10. Virginia
11. North Carolina

*Intent is to establish a fund
that is not only accessible to
fisheries porting from or
landing in these states, but all
affected fisheries along the
Atlantic Seaboard*

*Have also sought advice from
representatives of the fishing
industry and BOEM, NOAA & ACP*

States' Objective

To establish a credible regional administrator for managing and distributing fisheries compensatory mitigation funds for offshore wind for the US eastern seaboard

Mitigation to be used only when avoid and minimizing options exhausted

States' Objective

Consistency across projects and developers

Fairness for fisheries across port of origin or port of landings

Administrator with the same processes and procedures so that fishermen from different ports fishing in or near many projects can have a “one stop shop”

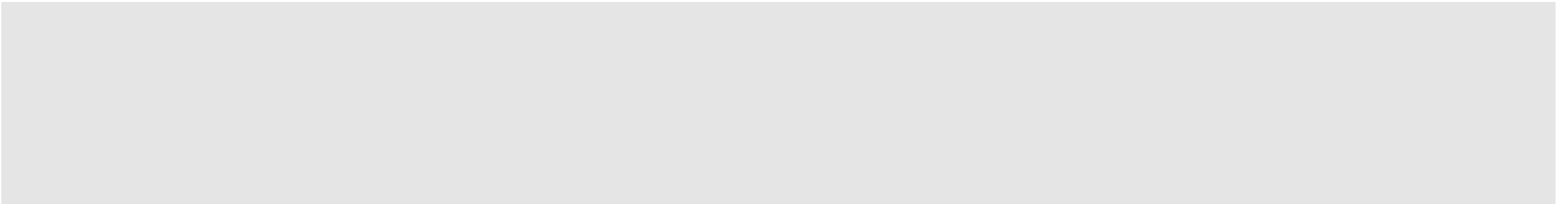
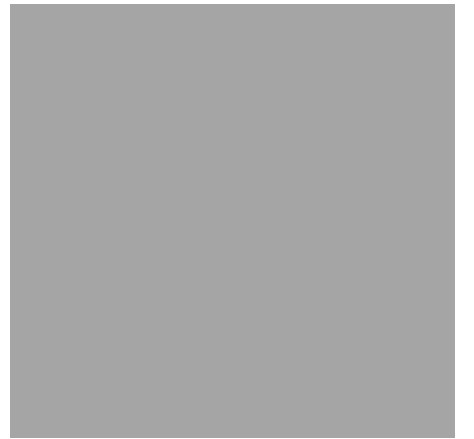
Scale large enough for building expertise and efficiencies of scale

States can gain efficiencies of scale, avoid duplication and re-creation, and ensure their fishermen have access to compensation regardless of the home port state

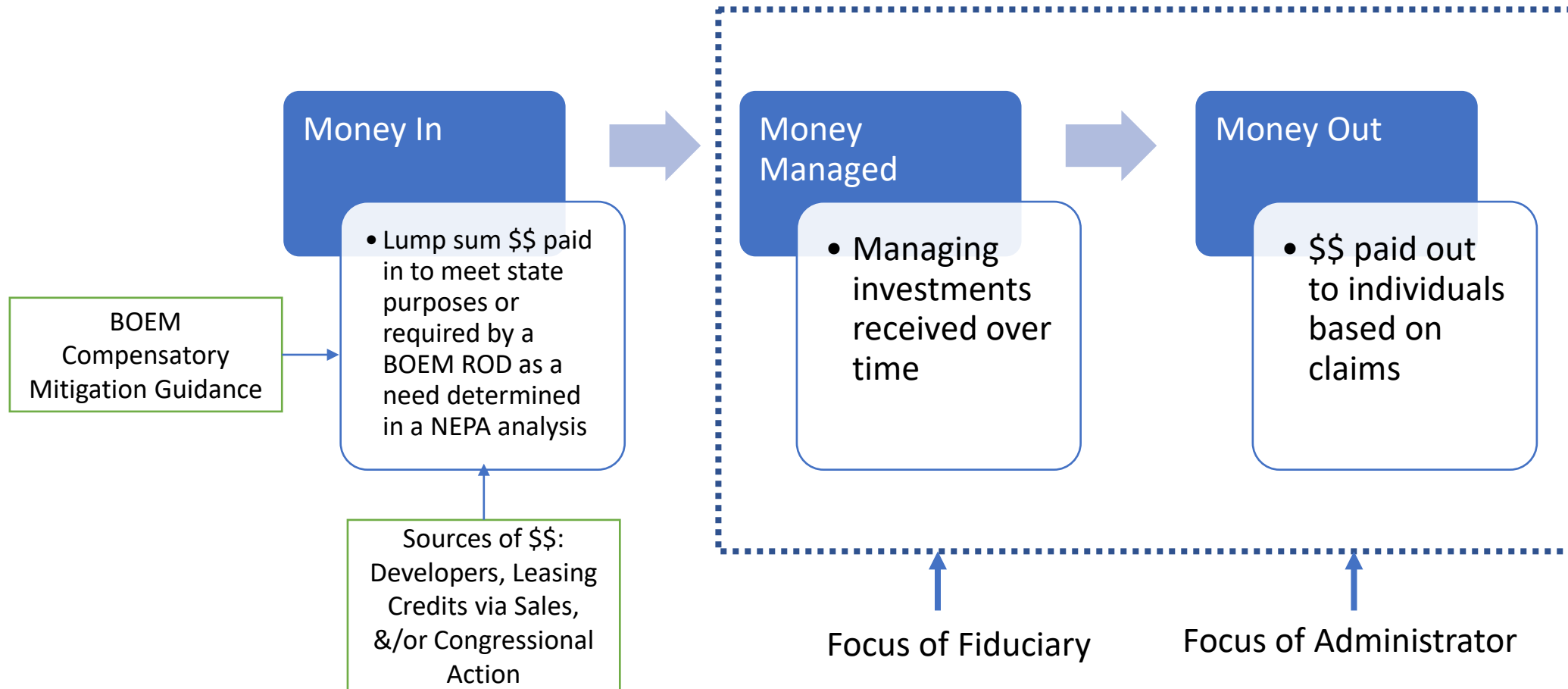
Value Proposition

A Regional Fund and Regional Fund Administrator will provide fisheries an accessible, equitable, and consistent one-stop shop for filing and receiving claims for individual costs and losses imposed on fishing enterprises by one or more offshore wind projects regardless of homeport.

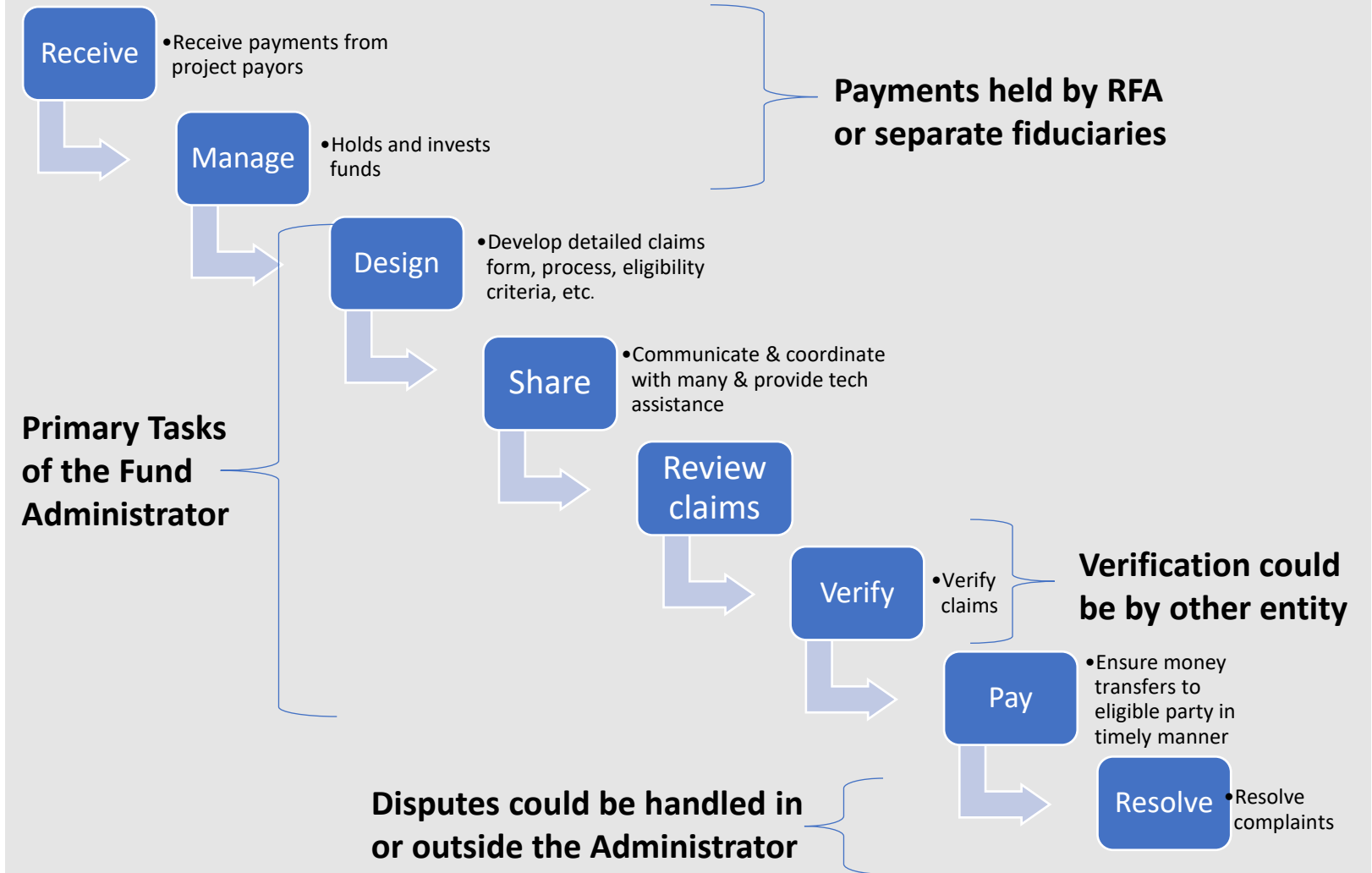
FUND ADMINISTRATOR SCOPING



Compensatory Mitigation & Role of Fund Administration



Potential Fund Administrator Tasks



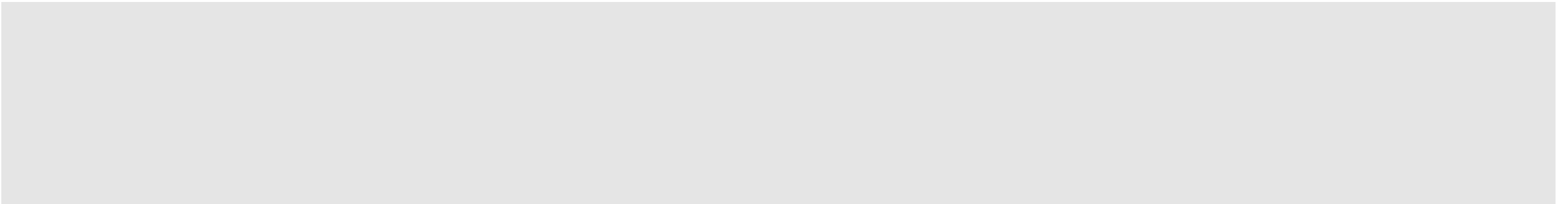
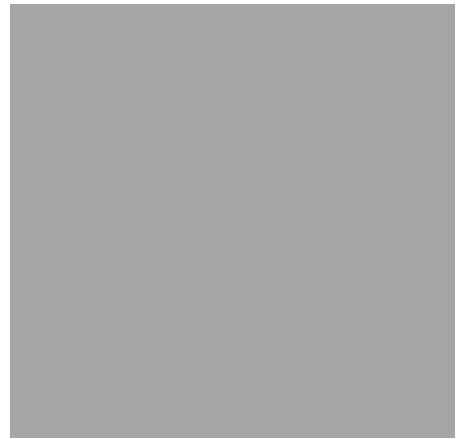
Key Qualities of an Administrator

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

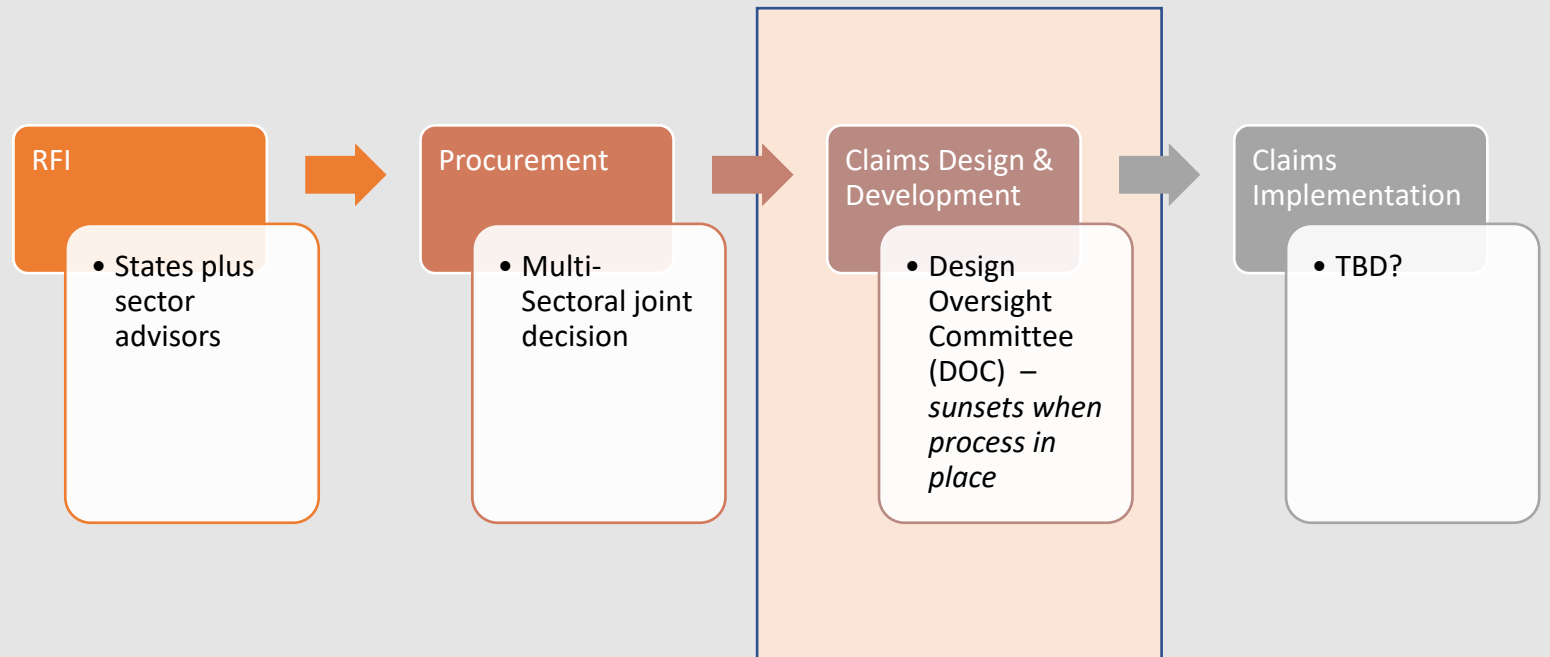
Design & Development Phase: Funding and Participation

- NYSERDA serving as the procurement agent for all 11 states
- States, offshore wind developers, AND some fishermen have been involved in the development of an RFI, the RFP, and a NYSERDA committee of all 3 will select the winning bidder
- Funding to date for process provided by NH, NY, NJ, VA
- Estimated cost for design and development: \$2+ million
- 11 of 11 states signed a support letter to ACP and SLOW to help fund this process by January of this year
- Share of Funding
 - ACP members: \$1 million
 - Foundation support: \$650,000
 - State Support: \$760,000

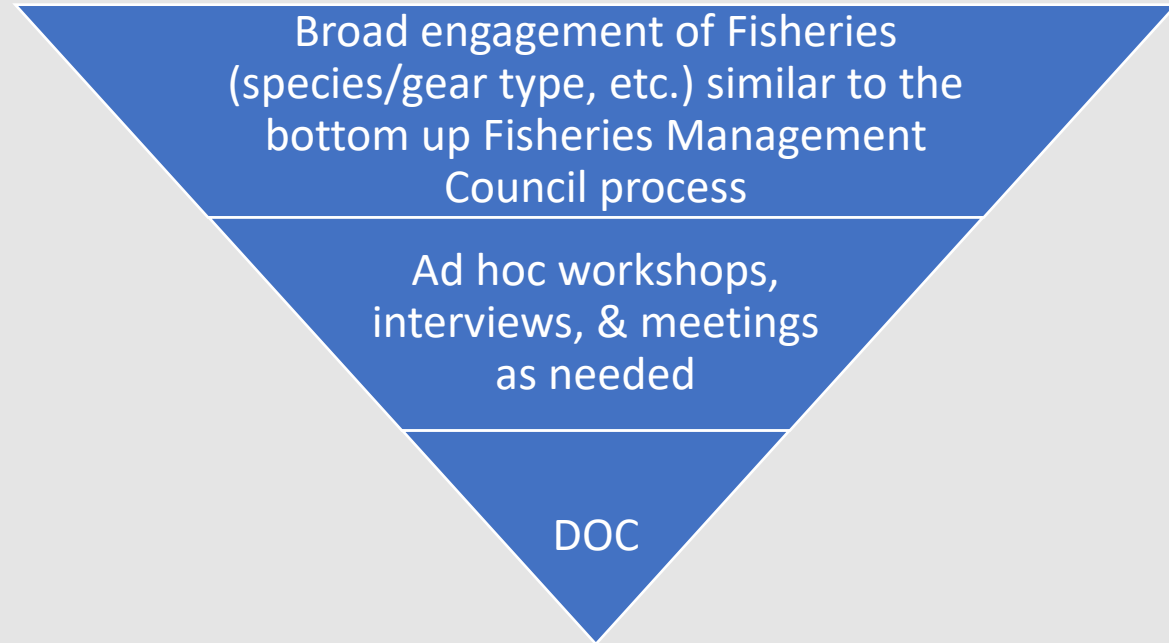
RFA DESIGN & DEVELOPMENT



Design & Development Phase



From the Bottom-up Design & Development Approach



DOC Composition

- A. 3 States**
 - By region (NE, Mid, Southern Mid)
 - Across CZM, fisheries, energy offices
- B. 3 Developers with One or More Leases**
 - By region (NE, Mid, Southern Mid)
 - Some other criteria?
- C. 6 Fishermen (complex industries, beneficiaries, legitimacy, etc.)**
 - 2 per region
 - By gear type of fishery (scallops, clams, lobster/fixed gear, groundfish/mixed trawl, HMS & other, trade association) – type of operator, diversity of industry, not just gear (processors)?
 - Will be paid for their participation (like the Councils)
- D. *Ex-Officio Members***
 - NMFS
 - ASFMC (or ACCSP)
 - BOEM
 - FMCs (?)
- E. *Liaison***
 - RFA Procurement State (role in RFA performance only, not an ex-officio, and if state is in this role, cannot also be a DOC member above)

DOC Selection

Each caucus selects its own DOC members

RECREATON FOR-HIRE FISHING

Because recreational fishing is likely 10% or less of total estimated lost revenues and costs AND any commensurate representation would cause them to be outvoted at most turns, options are:

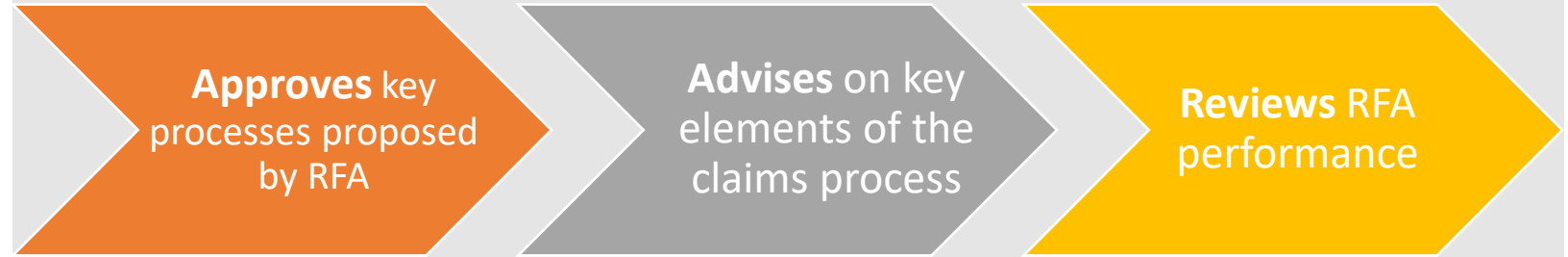
ROBUST WORKING GROUP WITH LIAISON TO DOC OR “REC-DOC” FOR REC FISHING

RFP Proposers must Propose Approach

Key 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

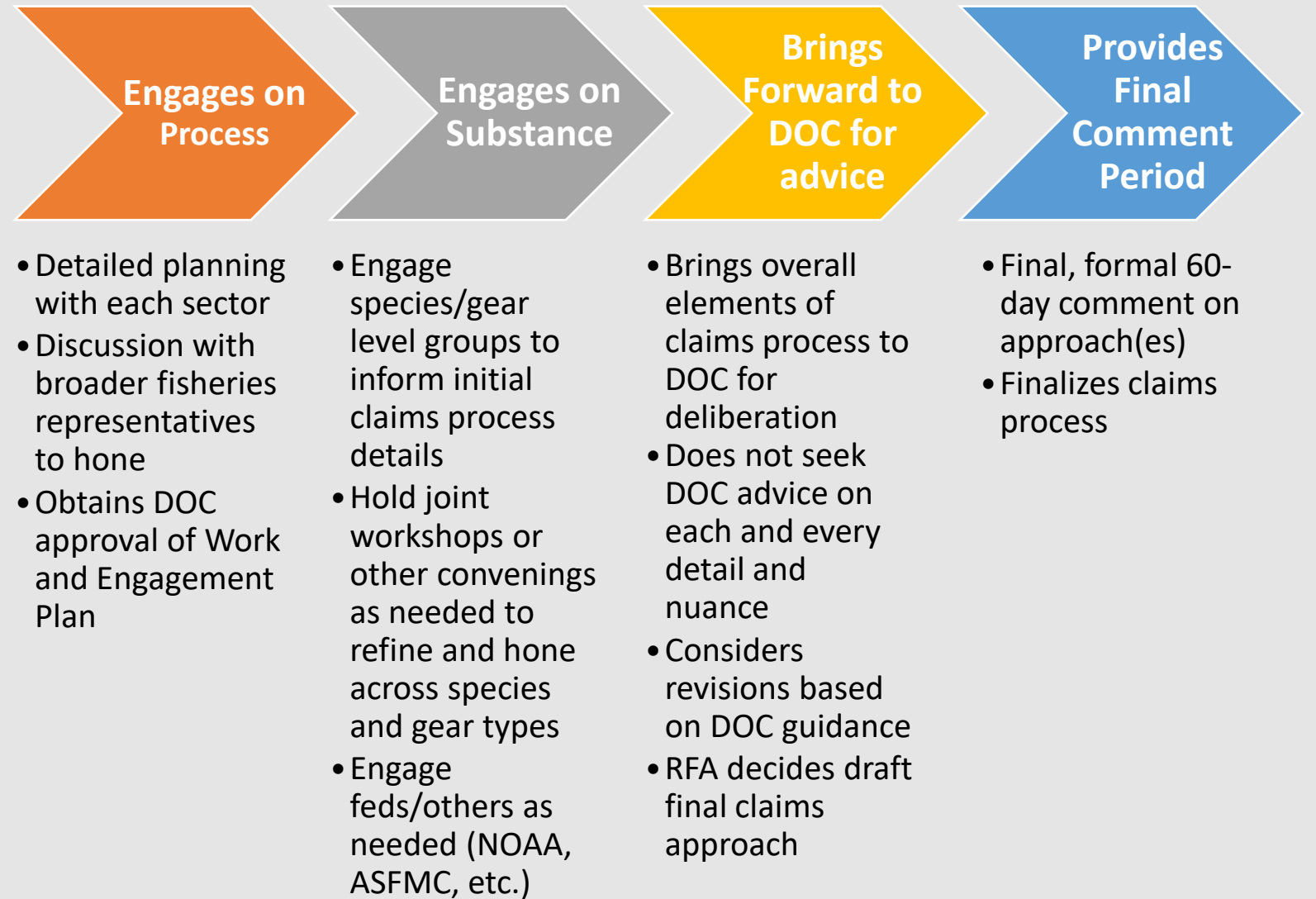
DOC Tasks & Authorities



- Work Plan & Refined Scope
- Stakeholder Engagement Plan

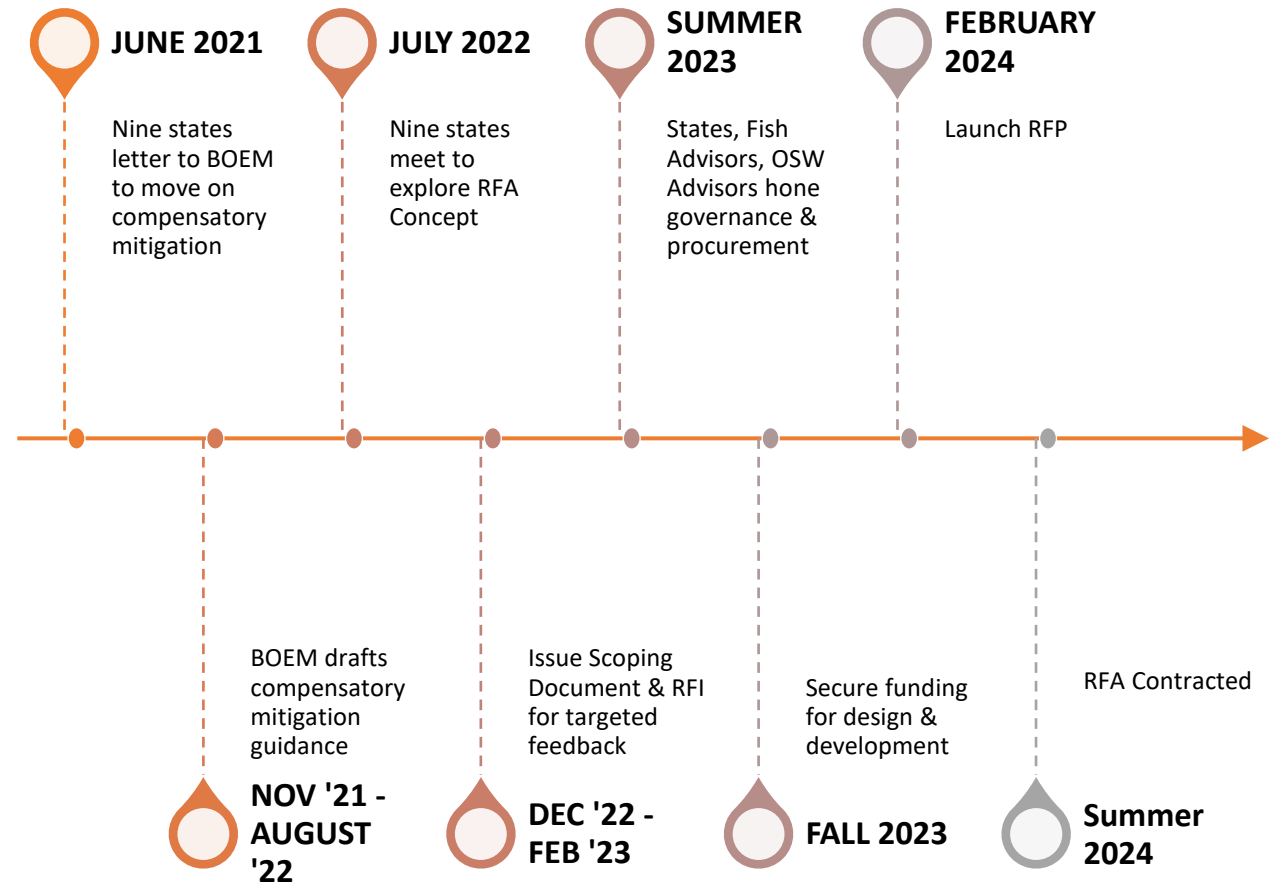
- Advises on the key elements of the draft final claims process built from the robust fisheries engagement process
- DOC seeks to ensure overall a legitimate claims process and RFA that can effectively implement
- There is no formal appeals process to the RFA decisions BUT developers and states retain their individual rights regarding their agreements (states) and monies (developers)

RFA Stakeholder Engagement Overall



TIMELINE & NEXT STEPS

Timeline



Questions



Questions?