Summary of RFA's discussions with individuals in the wider sectors

<u>June - July 2025</u>

Number of meetings: During this period, we held 1 DOC meeting and 1 FHC meeting and began holding regular DOC and FHC 'caucus' meetings; a total of ten caucus meetings were held across the four sectors (state agencies, developers, commercial fisheries and for-hire fisheries). We held 4 online calls with state and developer stakeholders, including one call to update officials from all 11 participating state governments, and regular meetings with NOAA and BOEM. We worked with DOC and FHC members to identify potential in-person, port-side meetings across the region. As a result, we engaged with 34 stakeholders through small group or one-on-one meetings in New Bedford, MA; Point Pleasant, NJ; Barnegat Light, NJ; Cape May, NJ; and Ocean City, MD. Fishing industry stakeholders we engaged with represented a range of fisheries, including scallop, surf clam, monkfish, dogfish, skate, lobster, conch, black sea bass, herring, mackerel, squid, menhaden, among others. In august, the RFA received an extensive written comment (dated July) from active permit holders from the Atlantic Surfclam and Ocean Quahog Fishery. This will be discussed with DOC members and within caucus meetings.

Objectives of these meetings: DOC and FHC meetings served to progress understanding and consensus around guiding principles for the regional fund, eligibility and loss. The caucus meetings focused on potential definitions of claimant eligibility and began to introduce critical threshold questions around loss. In our in-person meetings with commercial fishing stakeholders, objectives varied by whether participants were new or re-engaging. With new stakeholders, we focused on introductions; an overview of the RFA project scope; the roles of the DOC and FHC; upcoming activities and schedule; and a general discussion of guiding principles, eligibility, types of loss, and experience with prior compensation funds. With returning stakeholders, we provided updates on DOC/FHC deliberations to date on draft guiding principles and claimant eligibility, and began discussing how loss should be defined and addressed within the regional compensation funds.

Summary of emerging themes: Summaries of the DOC and FHC meetings are available separately to the RFA website [https://www.rfainfo.com/Home/ResourceDocuments] This memo primarily reflects feedback received from in-person, port-side non-DOC and FHC members during this particular period, the majority of whom represented the commercial fishing industry and shoreside businesses. The following topics emerged as key discussion points throughout this phase of engagement (focusing on claimant eligibility and initial principles of loss). These topics will help guide discussions and option development for the structuring of the fund. This summary is not exhaustive and complements the previous stakeholder memo. This summary is intended to provide context and direction for the initial phase of fund development.

1. General

- DOC membership and representation: Fishing industry stakeholders expressed mixed views
 about the DOC's composition. Some questioned whether members represent the broader
 fishing community and asked whether DOC members actively seek wider input beyond just
 the member and alternate groups.
- Transparency and Outreach: Some stakeholders asked for greater transparency in the RFA Project, recommending, among other activities: opening DOC/FHC meetings and webinars to the public, considering a Council-style process with more formal comment periods and draft releases. One stakeholder shared that not all fishermen are familiar with the RFA Project and that additional outreach methods, like sending quarterly email updates or publishing announcements in other fishing industry media, could be explored.

- Lessons from other compensation programs:
 - Some stakeholders from the commercial fishing industry described negative experiences with the implementation of the CARES Act, citing shifting rules and retroactive paybacks. They emphasized their preference for a stable, predictable compensation framework without changing conditions.
 - Some stakeholders from the commercial fishing industry criticized some of the
 underlying assumptions in an economic analysis conducted by WHOI to determine
 level of total compensations as flawed, leading to an underestimation of impacts.
 Additionally, these stakeholders indicated that there was no or limited engagement
 with active fishermen to inform the assumptions in the analysis.
 - Some stakeholders from the commercial fishing industry referenced the use of legal waivers in existing offshore wind compensation funds. These stakeholders opposed broad waivers that could block any future legal action on unrelated or unknown issues and suggested that any legal waiver for the regional compensation fund should be tailored narrowly to specific claims.
- Local Support and Accessibility: Many stakeholders supported appointing local contacts to help fishermen apply for compensation and navigate the process, ensuring that eligible individuals can participate.
- Unused Funds: Stakeholders from the commercial fishing industry strongly supported redirecting unused funds to a general mitigation or fisheries resilience program. They opposed returning funds to developers or state agencies.
- Simplicity of Process: Stakeholders urged the RFA to keep the process simple.

2. Eligibility

- Active Participation Criteria: As in previous rounds of engagement (see <u>Stakeholder Memo March-May 2025</u>) several, but not all, stakeholders from the commercial fishing industry program emphasized that the program should prioritize active fishermen and directly related businesses.
- Permit and Ownership Complexities: Most stakeholders recommend keeping compensation
 with the vessel, even after ownership changes. They reasoned that this approach reflects
 ongoing impacts and avoids potentially devaluing permits.
- Crew Compensation: As in the previous round of engagement (see Stakeholder Engagement Memo, March-May 2025), there was widespread agreement among most of the stakeholders engaged that crew are generally at lower risk of impacts from offshore wind compared to vessel owners because they often have more flexibility to replace lost income. Vessel owners usually have large expenses and are heavily dependent on a vessel's ability to access catch to pay for expenses like insurance, dockage, and vessel maintenance. There was inconsistency in opinion as to whether crew compensation should be an express and direct carveout of a vessel owner claim or how this could work in practice. Some suggested creating a separate track for long-term crew (e.g., 10+ years), while acknowledging the complexity of defining eligibility. Shoreside Businesses: Many of the inperson meetings did not reach this topic, but in those that did, some stakeholders supported allowing shoreside businesses to be eligible for compensation, although they recognized the challenge of demonstrating spatial loss.
- Look-Back Period: Nearly all stakeholders in the commercial fishing industry that provided feedback on this topic rejected potential use of a 3-year look-back period. They

- recommended longer periods—for example, up to 7–8 years for scallop fisheries—to reflect variability in stock, management practices, and fishing activity, among other factors.
- Fishing Location Verification: Most commercial fishing industry stakeholders agreed that
 requiring a link to fishing in a specific area is reasonable. However, they noted that proving
 location may be harder for some fisheries, such as lobster. They acknowledged that new
 reporting requirements may improve spatial data.

3. Documenting loss (data) and application

- .Proving Loss: Most commercial fishing industry stakeholders agreed that proving loss
 would be difficult and potentially not worth the effort. They supported assuming loss during
 construction based on historical effort in affected areas.
- Mechanisms to Prove Loss: Some commercial fishing industry stakeholders recommended
 using the difference in trip length (time) before and after construction rather than landings
 per unit effort (LPUE) as a metric for estimating loss. They considered fuel consumption a
 possible, but more complex alternative.
- Duration of Compensation: Many fishing industry stakeholders who provided feedback on
 this topic suggested that the duration of available compensation should be at least five
 years (during construction, with a time buffer to account for any delays, and potentially into
 operation). Some advocated for longer durations for gear types less likely to access wind
 farms or to address long-term environmental impacts.

Next steps:

- The RFA will develop and implement additional measures to support communication, outreach and transparency over the coming months
- The RFA will work with DOC and FHC members to organize additional rounds of in-person engagement in Fall 2025.
- The RFA will continue to refine the approach to program eligibility and seek further feedback on what types of losses the program could pay and how compensation could be calculated.