May 16, 2014

The Honorable Michael E. Busch Speaker of the House H–101 State House Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 1168 – *Electricity* – *Certificate* – *Wind Turbines* – *Limitation*. House Bill 1168 prohibits the construction of a wind–powered generating station within a 56–mile radius from Patuxent River Naval Air Station (Pax River) before July 1, 2015, if the generating station includes wind turbines exceeding certain heights.

I am committed to protecting Pax River because I know how critically important it is to Maryland. After careful consideration, I am vetoing this bill because (1) there are meaningful safeguards in place that render the bill unnecessary; (2) the real threat to Pax River is not an array of wind turbines on the lower Eastern Shore but rising sea levels caused by climate change; and (3) increasing renewable energy is a core strategic goal for the future security and prosperity of our State.

House Bill 1168 will have the practical effect of derailing the Great Bay Wind project, a 70 megawatt wind—powered generating system under development in Somerset County — a county that has one of the highest unemployment rates in the State. The bill would effectively kill a \$200 million investment in

¹ There currently are processes in place to ensure that renewable generating stations, such as the proposed Great Bay Wind project, do not adversely affect Pax River. In 2011, the United States Congress passed the Ike Skelton Act, which created a clear process at the Department of Defense Siting Clearinghouse for resolving conflicts between military facilities and nearby renewable energy projects. No renewable energy project that creates an unacceptable risk to national security can emerge from this process.

Pursuant to the Clearinghouse process, the developers of the Great Bay Wind project have engaged in extensive negotiations with officials at Pax River on a curtailment agreement, which would require that wind turbines not operate during certain periods when radar testing at Pax River is ongoing. This type of agreement has been successfully utilized to protect operations at several other military facilities around the nation.

In addition, the Maryland General Assembly, in 2012, passed Senate Bill 1073 and House Bill 1427 (Chapters 643 and 644 of the Acts of the General Assembly of 2012), which addressed Pax River's concerns about wind energy projects. That legislation prevents wind energy projects within 46 miles of Pax River, including the Great Bay Wind Project, from taking advantage of streamlined siting and permitting processes available to projects in other areas of the State.

The Honorable Michael E. Busch May 16, 2014 Page 2

the county, along with much-needed jobs and local tax revenue, all because of the perceived inconvenience that wind turbines pose to operations at Pax River.

Ironically, the greater inconvenient truth threatening Pax River – and the billions of dollars of economic activity generated by that facility – is climate change. To address that threat, we must encourage the development of clean renewable energy.² Reducing greenhouse gas emissions by shifting to clean energy will not always be easy or convenient in the short run, and it will challenge all of us to find new ways to coexist, but it is critical to sustaining the economy and living environment of our State.

House Bill 1168 would be detrimental to the development of the clean energy economy that Maryland seeks. The developers of the Great Bay Wind project have engaged in years of painstaking negotiations, played by the rules, and invested millions of dollars in good faith reliance on the policies established by our federal and State legislative bodies. If this moratorium were to take effect, it would send a chilling message to clean energy investors, developers, manufacturers, construction firms, engineers, and sustainable businesses that the State can change the rules at the eleventh hour. This would make it more difficult for the State to attract new clean energy investment just as Maryland is emerging as a renewable energy leader.

For these reasons, I have today vetoed House Bill 1168.

Sincerely,

Governor Martin O'Malley

-

Moving ahead with renewable energy initiatives advances three of our State's 16 strategic goals. It will help us (1) create jobs; (2) increase Maryland's in-State renewable generation to 20% by 2022; and (3) reduce Maryland's greenhouse gas emissions by 25% by 2020. *See https://data.maryland.gov/goals*.

² The recent release of the Third National Climate Assessment highlights the costs that climate change is already imposing on Maryland and underscores the importance of doing everything we can to reduce the damage it will cause in the future. Our State in general, and Pax River in particular, are vulnerable to the very type of carbon pollution that renewable energy projects help reduce.