



TESTIMONY FOR HB0793
Offshore Wind Energy – State Goals and Procurement (Promoting Offshore Wind Energy Resources Act)

Bill Sponsor: Delegate Charkoudian

Committee: Economic Matters

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

Position: FAVORABLE

The undersigned organizations express their strong support for **HB0793 Offshore Wind Energy – State Goals and Procurement (Promoting Offshore Wind Energy Resources Act)** and thank the sponsor, Delegate Charkoudian, for introducing such an important piece of legislation.

Maryland is lagging behind in seizing a prime position as a powerhouse in offshore wind. Right now, offshore wind developers are looking up and down the east coast for where they should invest, and Maryland does not look competitive. While New Jersey has set a goal of 11.5 gigawatts of offshore wind and New York has set a goal of 9 gigawatts, Maryland only currently plans to build 2 gigawatts of offshore wind. Our grid lacks the capability of handling large additions of offshore wind, and we currently have no plan to create that capability. Our state could become a central hub of offshore wind development up and down the east coast, but not without additional action. By passing the POWER Act we can put Maryland back in the running as a location worthy of offshore wind development and investment.

Building more offshore wind in Maryland will bring family sustaining careers to Maryland, lower energy costs, improve health outcomes and slash our carbon pollution. The POWER Act sets Maryland up to be a leader in offshore wind by making necessary upgrades to our grid, setting an ambitious goal of 8.5 gigawatts of offshore wind by 2031, strengthening labor standards, and building another gigawatt of offshore wind in existing lease areas.

The POWER Act will build more offshore wind power and bring its many benefits to Maryland by doing four things:

1. Setting an ambitious goal of 8.5 gigawatts of offshore wind

By this time next year, the Federal Bureau of Ocean Energy Management (BOEM) will finalize the maps for where additional offshore wind turbines can be built. Issuing these maps is a lengthy process that incorporates feedback from a wide variety of ocean users and happens very rarely. The next round of maps could define the parameters for Maryland's offshore wind generation for decades to come. By stating in law that Maryland intends to build 8.5 gigawatts of offshore wind, the state can help ensure BOEM designates lease areas large enough for Maryland to meet that goal. Delaying setting this goal for just one year could permanently hamper Maryland's offshore wind development.

2. Beginning a process to prepare Maryland's grid for more offshore wind energy
Without substantial upgrades to the grid on Maryland's Eastern Shore, our state will be limited in how much offshore wind we will be able to build. The POWER Act directs the Public Service Commission (PSC) to issue a request for proposals to build a shared transmission infrastructure that all future offshore wind projects could plug into. The PSC will then work with the party awarded the contract to get the necessary approvals to begin building. Crucially, the PSC is authorized to not select any winner from the RFP, and will only declare a winner if they find the bid to be in Maryland's interest.

3. Strengthening labor standards
We want offshore wind to be built with good union jobs. The Clean Energy Jobs Act established some labor standards for the construction of offshore wind turbines, and the POWER Act builds on that policy by extending labor standards further upstream in the manufacturing supply chain, establishing labor standards for maintenance of the turbines, and setting buy American requirements for turbines.

4. Further building out existing lease areas
Through the Clean Energy Jobs Act of 2019 and the Offshore Wind Energy Act of 2013, Maryland is currently building 2 gigawatts of offshore wind energy which should be running by 2026. The projects are being developed by Orsted and US Wind in lease areas they have already purchased from BOEM. Those lease areas have room in them for about another gigawatt of offshore wind. The POWER Act says that the Department of General Services (DGS) may enter into Power Purchase Agreements to procure an additional gigawatt of power in those lease areas. If DGS chooses to buy the additional wind energy, they would then sell the electricity back to the PJM at market rate. So long as the cost of offshore wind energy is less than the cost of standard offer service, which modeling reference above says is likely to be the case, then Maryland will make money in this process. In either case, ratepayers would be entirely protected. This approach ensures utility energy rates will not be increased because of the additional offshore wind procurement.

The POWER Act is thoughtful, effective policy that will create union jobs, lower energy costs, improve health outcomes, and help Maryland meet our climate targets. It will help attract new investments from developers who are looking to see which states will be leaders in offshore wind energy. It is supported by unions, developers, climate advocates, justice groups, and consumer protection groups. It is one of the most important pieces of legislation this year. Climate Partners strongly supports this bill and we recommend a **FAVORABLE** report in Committee.

Endorsing Organizations

350 Baltimore	HoCo Climate Action	Potomac Conservancy
350 Montgomery County	Howard County Indivisible	Sustainability Advisory
Adat Shalom Climate Action	Howard County Sierra Club	Committee
Assateague Coastal Trust	Interfaith Power and Light, DC,	Sierra Club, Maryland
Audubon Naturalist Society	MD, NoVa	Chapter
Casa de Maryland	Labor Network for	Strong Future Maryland
Cedar Lane Unitarian	Sustainability	Sunrise Baltimore
Universalist Church	Laurel Resist	Takoma Park Mobilization
CHEER	Maryland Environmental	Environment Committee
Chesapeake Bay Foundation	Health Network	Talbot Rising
Chesapeake Climate	Maryland League of	The Climate Mobilization
Action Network Action Fund	Conservation Voters	Montgomery County
Chesapeake Physicians for	Maryland Legislative	The Nature Conservancy
Social Responsibility	Coalition	Unitarian Universalist
Chispa MD	Maryland NAACP	Legislative Ministry
Clean Air Prince Georges	State Conference,	Wicomico NAACP
Clean Air Prince Georges	Environmental Justice	WISE
Clean Water Action	Committee	
Climate Law & Policy Project	Maryland Poor People's	
Climate Parents of Prince	Campaign	
Georges	MCPS Clean Energy	
Climate Reality Montgomery	Campaign	
County	MD Campaign for	
Climate Solutions	Environmental Human	
Climate Stewards of	Rights	
Greater Annapolis	Mid-Atlantic	
Climate XChange - Maryland	Ministry of Maryland	
Coalition For Smarter Growth	MoCo DCC	
Columbia Association Climate	Montgomery Countryside	
Change	Alliance	
Concerned Citizens Against	Montgomery County Faith	
Industrial CAFOs	Alliance	
Do The Most Good	Mountain Maryland	
Montgomery County	Movement	
Echotopia	National Parks Conservation	
Elders Climate Action	Association	
Environmental Justice Ministry	Nuclear Information &	
Frack Free Frostburg	Resource Service	
Glen Echo Heights Mobilization		
Greenbelt Climate		
Action Network		

