

March 2, 2023



## HB 793 – P.O.W.E.R. Act – Support

Chair Wilson, Vice Chair Crosby, and members of the House Economic Matters Committee:

The American Clean Power Association (ACP) is uniting the power of wind, solar, transmission and storage companies and their allied industries, to champion policies that enable the growth of renewable energy in the United States.

Offshore wind is America's next major energy source, representing a generational opportunity to create jobs and bolster the economy. It is an abundant clean energy solution for large population centers looking to source more of their power from clean sources, and falling costs make it increasingly economical.

In the last decade, Maryland has enacted laws to become a leader in our fight for a clean energy future. From the Maryland Offshore Wind Energy Act of 2013, the Clean Energy Jobs Act of 2019, and the Climate Solutions Now Act of 2022, Maryland worked to encourage offshore wind energy generation to meet greenhouse gas (GHG) emissions reduction targets. In fact, Maryland has some of the most aggressive GHG emission reduction targets in the nation, which would reduce emissions by 60% (over 2006 level) by 2031 and reach net-zero emissions by 2045. The state has been able to set ambitious goals, and we must deliver on these promises. The expansion of offshore wind is critically important to meeting the state's policy goals.

**The U.S. Offshore Wind Power Economic Impact Assessment report shows how the industry's \$57 billion investment in the U.S. economy will deliver up to \$25 billion per year in new economic activity and support up to 83,000 well-paying U.S. jobs by 2030.**

In Maryland, the offshore wind industry has already made significant economic investments to create the strong supply chains and trained workforces necessary to generate new clean power in the state. Maryland offshore wind developers, US Wind and Ørsted, have committed a combined \$340 million toward new manufacturing facilities to support their projects off the coast of Maryland.

These projects will power over 640,000 Maryland homes, expand STEM education programs, develop a zero-emission offshore wind operations and maintenance port facility, and create a minimum of 10,000 jobs during the development, construction, and operating phases of the projects.

The state has garnered national support for its growing offshore wind industry, and last August, the Maryland Department of Labor, in partnership with the developers and several labor unions, received over \$22 million from the Department of Commerce to implement an apprenticeship program and address exploding demand in the sector. By partnering with leading employers and seven local unions to build a training model that meets the needs of employers and local communities we will create an apprenticeship pipeline with a focus on formerly incarcerated individuals, veterans, disconnected youth, and other underserved populations. The Maryland



Works for Wind project will train at minimum 10,000 workers to enter good-paying jobs in the industry.

Offshore wind is a massive opportunity for economic growth. For Maryland to meet our policy commitments and secure its place as a supply chain hub on the east coast, we'll need a strong development pipeline in place for manufacturing, operations and maintenance, and construction. The development of this pipeline is dependent on the opportunities to build and the proximity to projects in the Central Atlantic. Maryland's energy, economic, and environmental priorities are directly supported by new and existing offshore wind lease areas in the Central Atlantic. Increasing our offshore wind target to 8.5 gigawatts (GW) will catalyze future industry investment.

Building the U.S. offshore wind project pipeline will also revitalize port communities and enhance critical port infrastructure. The offshore wind industry is investing billions of dollars in a domestic supply chain, including investments in fabrication facilities, port upgrades, vessels, and workforce training.

**The U.S. has world-class offshore wind resources, capable of supplying large amounts of affordable, reliable power. Roughly 80% of Americans live within 200 miles of the coast. Offshore wind can generate significant amounts of electricity close to consumers. These coastal load centers, like Maryland, have the highest energy demand and the highest wholesale electricity prices due to this demand. America's shores possess a power potential of more than 2,000 gigawatts (GW), nearly double the nation's current electricity use.**

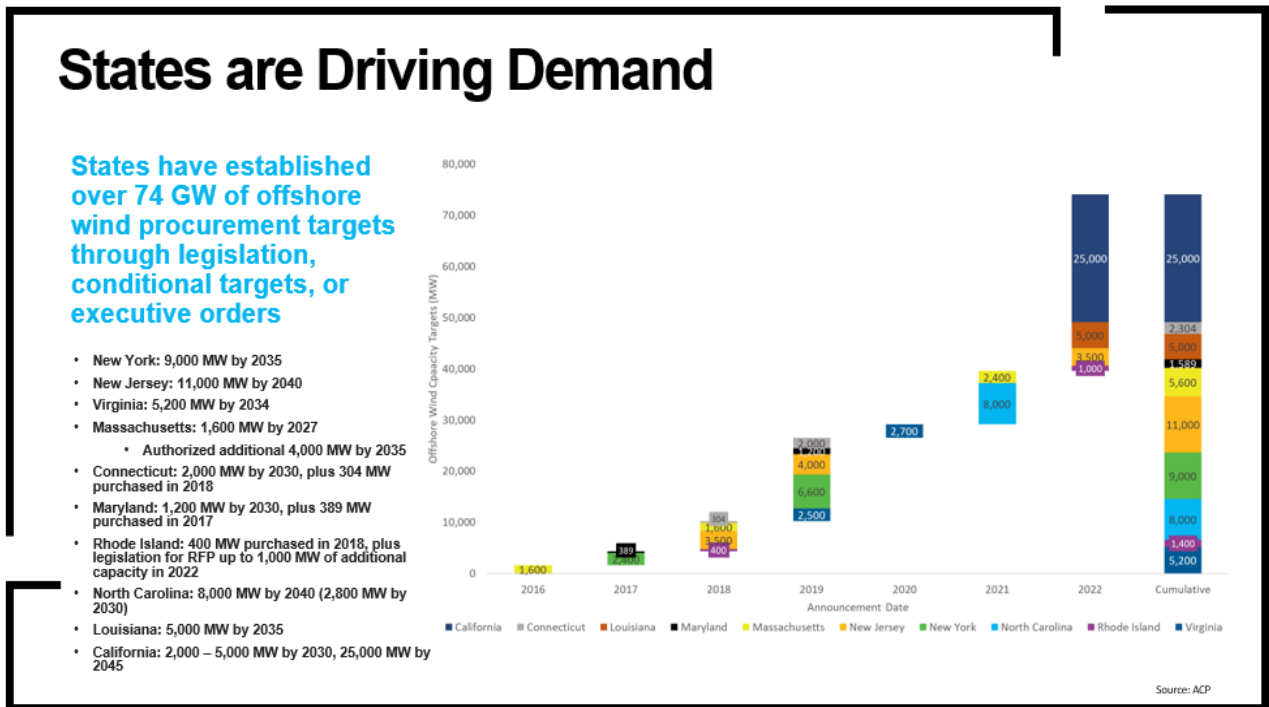
Recently passed legislation at the federal level – the Inflation Reduction Act (IRA) – has put America on a path to reducing economy-wide emissions 40 percent below 2005 levels by 2030 while creating 550,000 new clean energy jobs. The IRA is a critical part of creating America's clean energy future and keeps the U.S. within reach of President Biden's climate goals.

The once-in-a-generation opportunity to build out America's clean energy resources enabled by the IRA is also an investment in US workers. To access incentives like tax credits, project developers are required to pay prevailing wage, utilize apprenticeship programs, and more.

Reports show that the clean power industry will support a direct workforce of nearly 1 million Americans by 2030. These jobs will provide nearly \$300 billion in wages and benefits to hard-working Americans. In addition, once complete, these projects will support 125,000 permanent jobs in the operations and maintenance phase, providing nearly \$9 billion in wages and benefits each year.



These careers are some of the fastest growing occupations in the country – wind technicians are the country’s #1 fastest growing role, and solar installers are #3. Clean energy workers make 30% more than the national median wage, ensuring that they have access to good paying jobs that support them and their families. The clean energy workforce is already highly unionized, with union coverage rates just above 10% compared to the average national private-sector union coverage rate of 7.2%. America’s clean energy companies are proud of the good-paying, fast growing, and pro-labor careers that our sector has already built, and we are proud to support policies like HB 793 that will broaden these careers to many more workers.<sup>1</sup>



## The American Clean Power Association requests a favorable report on the P.O.W.E.R. Act.

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<sup>1</sup> The jobs numbers in this testimony are from a [report](#) prepared by BW Research using the NREL JEDI models for offshore and onshore wind, and an IMPLAN-by-parts analysis mapped against NREL research papers for solar and energy storage. The study also incorporated data from the 2020 U.S. Energy and Employment Report.