



Date: March 7, 2023

Bill: SB 781 – Offshore wind energy – State goals and procurement (Promoting Offshore Wind Energy Resources Act)

Position: Support with sponsor amendments

Dear Chair Feldman and Members of the Committee:

The National Wildlife Federation and its Maryland affiliate, the National Aquarium, respectfully request a favorable report for **SB 781 – State goals and procurement - Promoting Offshore Wind Energy Resources (POWER) Act** with sponsor amendments.

A clean energy transition is necessary for the health and wellbeing of people and wildlife. Offshore wind is an important part of the overall renewable energy portfolio needed to lower carbon emissions and combat climate change. Climate change poses an existential threat to people, wildlife and habitat, so it is imperative that we prioritize energy solutions that reduce greenhouse gas emissions.

Maryland has an opportunity to become a regional hub for responsible offshore wind development on the Atlantic coast by enacting thoughtful policy to bring onshore the benefits of offshore wind. The POWER Act sets an ambitious goal to procure 8.5 gigawatts of offshore wind by 2031 while making necessary upgrades to our energy grid and strengthening labor standards. The bill would also lower energy costs by initiating a planning process for offshore wind transmission infrastructure that is shared between neighboring states. Coordinated transmission would mean fewer miles of cables, landing points, platforms, and onshore energy facilities. Shared infrastructure would result in environmental benefits by avoiding unnecessary environmental disturbance.

While offshore wind power is without a doubt better than fossil fuel energy sources, like any industrial development it is not without potential risks to wildlife, which in Atlantic waters includes the critically endangered North American right whale along with several other protected species. Along with many key considerations, the responsible development of offshore wind energy should avoid, minimize, mitigate, and monitor adverse impacts on marine and coastal habitats and the wildlife that rely on them, and use the best available scientific and technological data to ensure science-based and stakeholder-informed decision making.

The National Aquarium has rescued and rehabilitated endangered and protected marine species since 1991. As the only organization federally permitted to respond to live-stranded marine mammals and sea turtles in Maryland, the Aquarium is acutely aware of the many threats these species face and what we must do to protect them, particularly as we build out our offshore wind capabilities. While there is no evidence to support links between current offshore wind development and recent whale stranding events, we must continue to be diligent and do all we can to mitigate the impacts of offshore wind development and operations on wildlife.

The POWER Act needs to explicitly prioritize wildlife mitigation, research, and monitoring. The National Aquarium and the National Wildlife Federation have suggested an amendment to the bill (see below) that will require the Department of General Services to consider developers' plans for mitigating the impact of offshore wind construction and operation on wildlife. The amendment will also require the Department to factor in developers' investments in wildlife and habitat monitoring and mitigation.

Similar wildlife mitigation, research, and monitoring requirements already exist in nearby states. Connecticut passed legislation in 2019 establishing the Commission on Environmental Standards and requires offshore wind developers to submit wildlife mitigation plans. Massachusetts passed legislation last year that requires wildlife mitigation plans and scores developers' bids based on financial and technical commitments to research and monitoring. Likewise, both New York and New Jersey require offshore wind developers to invest \$10,000 per megawatt in wildlife research and monitoring. If Maryland wants to be a leader in offshore wind energy, we must codify similar wildlife protection measures in our offshore wind procurement system.

We appreciate the sponsor's willingness to incorporate these wildlife amendments, and with them urge a favorable report on SB 781.

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(continued on next page)

National Aquarium & National Wildlife Federation
Proposed Amendment: SB 781

Quoted text: p. 17 lines 4 through 25

(B) (1) BETWEEN JULY 31, 2024, AND APRIL 30, 2025, THE DEPARTMENT OF GENERAL SERVICES SHALL ISSUE AN INVITATION FOR BIDS AND MAY ENTER INTO AT LEAST ONE CONTRACT FOR A POWER PURCHASE AGREEMENT TO PROCURE BETWEEN 1,000,000 AND 8,000,000 MEGAWATT-HOURS ANNUALLY OF OFFSHORE WIND ENERGY AND ASSOCIATED RENEWABLE ENERGY CREDITS FROM ONE OR MORE QUALIFIED OFFSHORE WIND PROJECTS.

(2) EACH AGREEMENT ENTERED INTO UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL HAVE A TERM OF NOT LESS THAN 20 YEARS.

(3) WHEN ISSUING THE INVITATION FOR BIDS UNDER THIS SUBSECTION, THE DEPARTMENT SHALL TAKE INTO CONSIDERATION:

- (I) THE SOCIAL COST OF GREENHOUSE GAS EMISSIONS;
- (II) THE STATE'S CLIMATE COMMITMENTS; AND
- (III) THE STATE'S COMMITMENTS UNDER § 7-704.1(A) OF THIS SUBTITLE.

(4) THE EVALUATION CRITERIA FOR BIDS SHALL INCLUDE:

(I) COMPARING THE SOCIAL COST OF GREENHOUSE GAS EMISSIONS FOR OFFSHORE WIND WITH THE SOCIAL COST OF GREENHOUSE GAS EMISSIONS FOR NONRENEWABLE POWER PURCHASED FROM WHOLESALE ELECTRIC MARKETS ADMINISTERED BY PJM INTERCONNECTION;

(II) THE EXTENT TO WHICH AN APPLICANT'S PLAN PROVIDES FOR FINANCIAL AND TECHNICAL ASSISTANCE TO SUPPORT WILDLIFE AND HABITAT MONITORING AND MITIGATION.

(5) EACH AGREEMENT ENTERED INTO UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE A COMMUNITY BENEFIT AGREEMENT AND DOMESTIC CONTENT PREFERENCES.

(6) EACH AGREEMENT ENTERED INTO UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE A DESCRIPTION OF:

(I) INITIAL ENVIRONMENTAL AND FISHERIES MITIGATION PLANS FOR THE CONSTRUCTION AND OPERATION OF THE PROPOSED OFFSHORE WIND PROJECT; AND

(II) THE EXTENT TO WHICH AN APPLICANT WILL PROVIDE FOR FINANCIAL AND TECHNICAL ASSISTANCE TO SUPPORT WILDLIFE AND HABITAT MONITORING AND MITIGATION.