

District 8

Larry R. Ray District Director Brian P. Wedge Assistant to the Director

March 2, 2023

HB 793-POWER Act House Economic Matters <u>Support Testimony</u>

To the Honorable Chairman C.T. Wilson and distinguished members of the committee,

I am offering written testimony in support of **HB 793 POWER Act** as presented to the committee, on behalf of the United Steelworkers District 8. The United Steelworkers is the largest manufacturing union in North America representing over 850,00 workers. My name is Larry Ray, Director of USW District 8 covering Maryland, Virginia, West Virginia, and Kentucky.

Maryland has the opportunity to become the hub for Off Shore Wind Production for the East Coast. We currently have two OSW developers, Orsted and US Wind that have leased property at Trade Point Atlantic for their projects. On August 2nd,2021, at TPA, US Wind made a major announcement of their plans to build a monopiles manufacturing facility called <u>Sparrows Point</u> <u>Steel</u>, and their partnership with the United Steelworkers on a Labor Peace Agreement. At full capacity it is expected that the site will employ over 500 steelworkers.

This location of this facility is strategic and offers many strengths. There is room for additional supply chain manufacturers to locate at TPA. Easy access to the Interstate. On site rail transportation. We also have deep-water port. Even though we have these strengths, if we want to be the hub for OSW development creating a strong economy, with high paying jobs, we must pass HB-793.

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.

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

United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union

85 C. Michael Davenport Blvd., Suite B, Frankfort, KY 40601 502-875-3332 • 502-875-5465 • www.usw.org

USW LA

plans to build 2 gigawatts of offshore wind. Our grid lacks the capability of handling large additions of offshore wind, and we currently have plans to create that capability. Maryland 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 for offshore wind development and investment.

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 to issue a request for a proposal 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 interest.

We want offshore wind to be built with good union jobs. The Clean Energy Jobs Act established some labor standards, 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 domestic content preferences for offshore wind projects.

For the reasons outlined in this testimony, I respectfully request that this committee give **HB-793** a favorable report.

Sincerely,

an RRas

Larry R. Ray Director, USW, District 8