



SB781 – Offshore Wind Energy - State Goals and Procurement (Promoting Offshore Wind Energy Resources Act)

Testimony before

Senate Education, Energy and the Environment Committee

March 7, 2023

Position: Favorable

Mr. Chair, Mdm. Vice Chair and members of the committee, my name is Richard Deutschmann, and I represent the 750+ members of Indivisible Howard County. We are providing written testimony today in **support of SB781**, which would lay the foundations for a robust offshore wind industry in Maryland. Indivisible Howard County is an active member of the Maryland Legislative Coalition (with 30,000+ members). We appreciate the leadership of Sen. Hester and Del. Charkoudian for sponsoring this important legislation.

Offshore wind is one of the fastest growing sources of new power generation across the globe. In the U.S., state targets have risen nearly 80% in 2022 alone, and investments have tripled to nearly \$10 billion. Department of Interior offshore leases rose steeply in 2022, with new activity in the Mid-Atlantic and Northeast, the Gulf of Mexico and Pacific regions. Floating wind turbines open up opportunity for vast additional areas outside of the shallow water zones. And with the passage of the landmark Inflation Reduction Act, the industry is poised to accelerate further, with \$billions in new tax credits and other financial incentives for states to act boldly.

Locally, the offshore wind industry is moving forward rapidly, with new wind plants planned in Maine, Massachusetts, Rhode Island, New York, New Jersey, Virginia and North Carolina. Global energy giants such as Orsted, GE, and Vestas are making decisions in real time, regarding location of new manufacturing plants, logistics and operations centers and supply chain facilities. The states that act boldly will likely get the bulk of the 10's of thousands of new, high paying jobs in the industry, along with the huge economic investment that these plants entail. For instance, Siemens Gamesa just announced a new, \$500 million manufacturing plant along the Hudson River south of Albany, NY, to build the nacelles for wind turbines. They have also made extensive commitments to local suppliers to build steel components, bearings and composites, and other supply chains required for these complex machines. Maryland, with its modest, current 2GW commitment to offshore wind, has already seen new facilities take root at the former Bethlehem Steel site in Baltimore and several facilities on the Eastern Shore. Passage of the POWER Act would position the Port of Baltimore as a highly attractive new location for these new facilities.

Finally, Maryland has passed the Climate Solutions Act in 2022. The POWER Act is a key component for our state to fulfil the promises of this critical legislation, to reduce Maryland's net greenhouse gas emissions to zero by 2045. It is a major win for economy, as well as for the planet and our beautiful Chesapeake Bay.

We respectfully urge a favorable report on SB781.

Thank you for your consideration of this important legislation.

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