


March 7, 2024

Chair Feldman  
Education, Energy, and Environment Committee

RE: Support with Amendment of SB 814

Dear Chair Feldman and Members of the Committee:



We respectfully urge support of legislation to ensure Maryland meets our goal of 8.5 GW of offshore wind power by 2031 established in the POWER Act of 2024. Specifically, passage of SB 814, which as we understand with sponsor amendments will remove the requirement that future offshore wind projects tie into the transmission grid on the Delmarva peninsula, to strategically position the State's businesses in the emerging national offshore wind industry. Thus, Oceantic supports this bill with the same protections in place that support robust, local economic development that are part of any offshore wind project proposal from which Maryland procures power generation.

Over 10 years ago, Maryland businesses founded the Business Network for Offshore Wind (our name until we recently rebranded to Oceantic Network) to help companies better understand the opportunities that would come with the development of offshore wind. More than a decade later, our work has grown and evolved to encompass the entire country and include the perspectives not only of companies up and down the supply chain, but of the public sector, research institutions, and our partners who have been with since the beginning, organized Labor. It is from this collective perspective that the Oceantic Network has always supported a policy of removing the requirement that offshore wind projects tie into the Delmarva peninsula to allow projects from Virginia, New Jersey, and North Carolina to participate in Maryland procurement models as they are still tied to Maryland's supplier base. We urge the legislature to maintain the state's opportunity to become a hub of offshore wind activity and keep the state's offshore wind industry on track by passing SB 814.

The U.S. offshore wind market has been hit hard by global economic factors that are delaying or cancelling projects around the world. Maryland projects have not been immune. But the industry is finding a way to advance – states like New York, New Jersey and Virginia acted boldly to keep their local projects and markets on track and to protect their investments in manufacturing and ports - Maryland must take inspiration from our neighboring states to keep our climate goals in reach and to maintain the state's manufacturing strategic advantage by working with industry to develop solutions and help reset current markets. We believe new legislation and programmatic improvements can build a stronger, smarter, more resilient and flexible market, helping to insulate the industry from future macro-economic shocks.

As you know from discussion of the need for passing the POWER Act in 2024, Maryland's transmission grid needs to be studied to determine the best way to prepare for the transmission upgrades needed for Maryland's clean energy goals. Specifically, limiting interconnection to the Delmarva peninsula was a point of concern raised by energy experts who envision the area as capable of supporting only a fraction of Maryland's total demand. Additionally, as the Bureau of Ocean Energy Management, BOEM, prepares for another lease auction in the Central Atlantic Wind Area later this year, Maryland must take advantage of the limited acreage available for development in a region where state demand for offshore wind power exceeds supply. Securing new projects can foster investment from global and national developers to help buttress efforts to realize offshore wind investments in facilities like Sparrows Point Steel—fabricating over 100 monopiles annually by over 500 Union Steelworkers – as well attract new manufacturing investments that can contribute to Maryland-focused offshore wind projects and dozens of other projects now in development on the East Coast.



Offshore wind is already creating jobs here in the state of Maryland. Oceantic's OSW Market Dashboard, our intelligence tool on all current and pending U.S. offshore wind energy projects, already identified over 80 contracts from 48 companies doing business in offshore wind in Maryland and in our region. Companies like Baltimore City based Strum Contracting, one of our Board members, are already training and certifying workers in welding and ready to hire more. Another Oceantic member company, Riggs Distler, which was founded in Maryland, is now setting up major manufacturing operations in Albany, Providence, and southern Jersey after briefly supporting job creation in Baltimore. Ensuring the state can reach its 8.5 GW target will foster new investments and job creations in Maryland, employing workers with living wage or union jobs.

Thus, we respectfully request support of SB814 with sponsor amendments and thank Senator Washington for her leadership.

Sincerely,

A handwritten signature in black ink, appearing to read "Jen Brock".

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