

**TO:** Chair Feldman, Vice Chair Kagan, and Members of the Education, Energy, and the

**Environment Committee** 

**FROM:** MEA

SUBJECT: SB 814 - Public Utilities - Definition of Qualified Offshore Wind Project - Alteration

**DATE:** March 7, 2024

## MEA Position: LETTER OF INFORMATION

This bill would, inadvertently, limit the definition of a "qualified offshore wind project" to only include those that interconnect to the PJM Interconnection grid through a project selected through a Maryland Public Service Commission offshore wind solicitation.

MEA proposes to broaden (rather than limit) the definition of a qualified offshore wind project to encompass any interconnection point to the PJM Interconnection grid. With the understanding that the intent of the legislation is to broaden the allowance for interconnection for qualified offshore wind projects, MEA is generally very supportive of this Act. For this purpose, MEA would offer an amendment at the conclusion of this testimony.

As amended, this is a positive bill, providing increased flexibility for future offshore wind projects in Maryland. The original offshore wind legislation from 2013 requires offshore wind projects to interconnect on the Delmarva Peninsula. This geographic restriction for offshore wind transmission interconnection reduces the ability of developers to choose the best potential interconnection location for their project. Grid interconnection restrictions increase project feasibility risk by potentially requiring high cost mitigation strategies to overcome the restrictions or because the dedicated interconnection points may not be accessible.

Boosting offshore wind is critical to achieving the state's clean energy and climate reduction objectives, and permitting greater options for interconnection would provide offshore wind developers with more geographic flexibility for their projects. This added flexibility may improve development prospects for offshore wind projects that need to manage interconnecting to a part of PJM that is already witnessing transmission congestion. MEA notes that additional interconnection flexibility should not be

read to undermine labor and supply chain commitments which are integral to the state's offshore wind strategy.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Landon Fahrig, Legislative Liaison, directly (landon.fahrig@maryland.gov, 410.931.1537).

## AMENDMENT NO. 1

On page 2, in line 7, after "grid" insert "or".