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**Testimony of Meghan Russo
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Resources**

Presenting LD 2266

An Act Regarding Offshore Wind Terminals Located in Coastal Sand Dune Systems

Chair Brenner, Chair Gramlich and distinguished members of the Joint Standing Committee on Environment and Natural Resources, I am Meghan Russo, Director of Government Affairs for the Maine Department of Transportation (MaineDOT). I am pleased to be before you today in support of the Governor's bill LD 2266, *An Act Regarding Offshore Wind Terminals Located in Coastal Sand Dune Systems*.

Overview of LD 2266

LD 2266 is a bill that would allow analysis of the State's effort to responsibly realize the transformational climate and economic benefits of the developing floating offshore wind (FOSW) market. After years of study and pre-permitting process, Governor Mills announced last month that the State's preferred site for a proposed 100-acre wind port to support FOSW is on the 330-acre portion of the state-owned Sears Island in Searsport, Maine that has been specifically reserved for port development, known as the Transportation Parcel. The remaining two-thirds of Sears Island – over 600 acres - will remain protected by a conservation easement.

This proposed wind port cannot avoid impacting a man-made, recently mapped coastal sand dune about 4/10^{ths} of an acre in size abutting and south of an existing jetty and near deep water needed for the port. LD 2266 would allow the Maine Department of Environmental Protection (DEP) to evaluate permit applications for proposed a wind port and potentially issue a permit if and only if, it is demonstrated that all other applicable laws and regulations are met.

An amendment to LD 2266 is being developed to assure permanent protection of a separate 1 ½ acre, naturally occurring coastal sand dune on the Transportation Parcel located north of the jetty.

Policy Context of LD 2266

As noted above, the State has been working for years to responsibly realize the transformational climate and economic benefits of the developing floating offshore wind (FOSW) market. On the federal level, the Bureau of Ocean Energy Management (BOEM) is scheduled to hold commercial lease auctions for floating offshore wind energy blocks later this year. These lease areas are located well offshore and designed to minimize impacts to fishing and other ecological impacts.

Through the Maine Offshore Wind Initiative led by the Governor's Energy Office, a Maine Offshore Wind Roadmap was developed over 18 months after a robust public process led by a 24-person advisory committee with members from State agencies and energy, economic, fisheries, wildlife, science, and environmental leaders. See <https://www.maine.gov/energy/initiatives/offshorewind/roadmap>.

The Roadmap estimates that the FOSW industry can create thousands of good paying clean energy jobs in Maine and is expected to become a \$70 billion industry in the U.S. over the next decade. Among many other things, the Roadmap recommended that Maine make strategic investments in ports and manufacturing infrastructure to realize the climate and economic benefits of FOSW.

The Maine Legislature has also supported the development of the FOSW. PL 2023, Chapter 481 (LD1895) called for, among many other things, the procurement of three gigawatts of electricity from FOSW by 2040. For Maine to realize the economic benefits of this goal, a port capable of assembling and supporting these turbines is needed.

Wind Port Needs and Development Process to Date

In March of 2020, Governor Mills directed MaineDOT to analyze potential port facilities to support FOSW. MaineDOT first conducted a technical feasibility analysis to understand port size and operational needs and potential sites.

The wind port will receive, store, stage the turbine components, manufacture, or assemble the floating foundations and install the turbine components onto the floating foundations. This requires a regularly shaped, contiguous flat area adjacent to deep water. The components for the wind turbines will be delivered to the port facility on large bulk carrier vessels or barges. Once assembled, turbines will be towed offshore and anchored to the seabed in approved federal lease areas. At sea, the turbines will be connected to a subsea cable which distributes its power to a substation connected to the onshore grid.

After this initial technical analysis, MaineDOT then assembled an Offshore Wind Port Advisory Group to provide early, open and transparent pre-permitting input to inform decision making required by National Environmental Policy Act (NEPA), Section 404 of the Clean Water Act,

and other federal and state regulations. Advisory group members were selected for their diverse views including those related to environmental, municipal, port, marine navigation, labor, construction, and land preservation.

As noted above, Governor Mills last month announced that Sears Island is the State's preferred site because of its size, operational, financial, and environmental benefits including no need to dredge, in comparison to the inadequate size and shape, competing uses, extensive dredging, and high development and operational costs associated with the privately-owned port facility at Mack Point.

The State expects to file permit applications for construction by September 2024 for the 100-acre wind port on Sears Island. The permit work will include several companion studies that are included in an Environmental Impact Statement. Federal and state environmental processes will include many more opportunities for public input and is expected to take at least two years.

Sand Dune Details and The Need for LD 2266

Initial environmental screenings of Sears Island and several other sites started in 2021. Sand dunes affected by a possible proposed port on Sears Island were not initially identified and became known only recently as part of sand dune mapping updates presented to the Legislature this session pursuant to Resolve 2023, Chapter 130 (LD 2168). These recent updates identified a small front and back dune adjacent to and south of the existing rock jetty on Sears Island.

Subsequent field observations confirmed that, though small and created by the placement of jetty and sand accumulation south of the jetty, the area meets the National Resources Protection Act (NRPA) definition of a coastal sand dune. The area is estimated at 0.36 acre (~15,700 square feet).

The jetty was constructed during previous efforts to develop a port on Sears Island in the late 1980s and early 1990s. It marks the northern end of the Sears Island frontage with the deepest water (*due to dredging, also from previous port development efforts*).

Under a typical permit review process, the Maine DEP would evaluate alternatives and efforts to avoid and minimize impacts to all natural resources; consider the functions and values lost from unavoidable impacts and review compensatory mitigation; and determine whether the project as a whole will result in unreasonable impacts under NRPA standards.

Chapter 355 of MaineDEP regulations does not permit new development in a sand dune, even if analysis shows that resource impacts are not unreasonable. The standards offer variances for limited residential scenarios, but do not contemplate other types of development or provisions to consider size, nature, or relative value in determining if development is allowed. The standards prohibit all commercial development.

LD 2266 will allow this permit application to proceed in this case only. It in no way directs that a permit be granted; it allows only a thoughtful and thorough evaluation and the potential for approval if all other regulatory criteria are met.

The impact to this small sand dune is real, but we think it needs to be balanced against the huge potential environmental and other benefits of this proposed wind port project. To assure that the impact of LD 2266 is limited, the Governor's Office is working with all state agencies and environmental advocates on an amendment to make clear that this is a one-time exception, and to protect an area that includes a separate, much larger naturally occurring sand dune on the Transportation Parcel north of the jetty.

The proposed wind port on Sears Island represents a huge opportunity for the State of Maine to realize transformational, long-term environmental and economic benefits. The port will leverage a state-owned parcel of land reserved for port development and our maritime heritage and skills to combat climate change and create good jobs in an area that needs them. The benefits will be statewide as operational support and supply chains development.

Such a huge opportunity admittedly has real impacts. The small, man-made sand dune at issue in this bill is one of them. Please allow DEP to evaluate all natural resources impacts in a more comprehensive way by supporting LD 2266.

I would be happy to take your questions and bring additional information for the work session.

Thank you.