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JANET T. MILLS GOVERNOR DAN BURGESS DIRECTOR OF GOVERNOR'S ENERGY OFFICE

TESTIMONY BEFORE THE ENERGY, UTILITIES AND TECHNOLOGY COMMITTEE

An Act To Prohibit Offshore Wind Energy Development L.D. 101

GOVERNOR'S ENERGY OFFICE May 4, 2021

Senator Lawrence, Representative Berry, and Members of the Joint Standing Committee on Energy, Utilities and Technology (EUT): My name is Dan Burgess and I am the Director of the Governor's Energy Office (GEO).

The GEO testifies in opposition to L.D. 101.

This proposed legislation seeks to prohibit any development of offshore wind energy projects. As defined in the legislation this would include community-based offshore wind energy projects, deepwater offshore wind energy pilot projects, offshore wind energy demonstration projects, and offshore wind power projects; all of which are currently authorized by law.

The GEO stands in opposition to L.D. 101 as Maine has over a decade of experience in considering offshore wind and is well positioned to create a strong offshore wind industry that can create good paying jobs while playing a vital role in meeting the State's renewable energy and greenhouse gas reduction requirements. This industry is poised to present significant economic, supply chain, and workforce opportunities for Maine and prohibiting all offshore wind development, the purpose of L.D. 101, would severely constrain these economic and energy opportunities.

Governor Mills announced the State's plan to create the country's first floating offshore wind research array in the Gulf of Maine. As envisioned, the research array would be located some 20 to 40 miles offshore into the Gulf of Maine and is expected to contain a dozen or fewer floating wind turbines over approximately 16 square miles of ocean or less. By comparison, commercial offshore wind lease areas elsewhere along the East Coast are frequently greater than 10 times this size.

In recognition of concerns raised by Maine's fishing industry during stakeholder conversations on offshore wind, Governor Mills announced legislation, L.D. 1619, to establish a 10-year moratorium on new offshore wind projects located in State waters. The GEO believes that this approach strikes a balance between preserving State waters for valuable fishing and recreation, while reaffirming Maine's priority of locating offshore wind projects in Federal waters of the Gulf of Maine. In relation to lobster specifically, up to 75 percent of Maine's commercial lobster harvesting occurs in State waters. Maine's efforts prioritize areas for offshore wind that are well offshore and in federal waters and it is our belief that fishing and offshore wind energy can co-exist for the benefit of all Maine people.

One recent analysis indicated the offshore wind industry is expected to generate \$1 trillion in global investments by 2040 with another projecting growth to a \$70 billion industry in the U.S. over the next decade alone. The time for Maine to responsibly develop this renewable energy industry as an economic driver to create sustaining, good-paying jobs in engineering, construction, manufacturing, and more is now. In light of significant offshore wind-based investments already being made in the U.S. and a clear federal directive supporting offshore wind, prohibiting offshore wind development in Maine will prevent significant private sector investment from coming to our State, potentially for decades to come.

Maine has a world-class offshore wind resource off our coast and the Gulf of Maine represents one of our State's largest untapped clean energy resources. Building on more than a decade of Maine-led offshore wind research and development, the State has made significant strides through the Maine Offshore Wind Initiative during the last year to explore opportunities for thoughtful development of offshore wind energy in the Gulf of Maine and determine how to best position Maine to benefit from this burgeoning industry.

The State of Maine, through bipartisan support in the legislature, established several laws to mitigate the impacts of climate change, promote renewable energy, and reduce dependence on fossil fuels. The State is required to have 80 percent of Maine's electricity come from renewable sources by 2030, and a goal of 100 percent by 2050. Offshore wind is one of several renewable energy resources essential to meeting the State's growing clean energy needs. As the rest of the New England region continues to establish similar clean energy goals, there will be growing interest and need for offshore wind in the region.

Maine's recently released Renewable Energy Goals Market Assessment indicates that while Maine is on track to meet its near-term Renewable Portfolio Standards (RPS) requirement through 2026, new energy resources, such as offshore wind, will need to be brought online to continue to meet our clean energy goals.¹ Additionally, Maine's 10-year Economic Development Strategy identifies offshore wind as a critical opportunity to grow the state's economy and encourages the State to set forth a balanced agenda that maximizes economic benefits for Maine people while creating a culture of innovation that creates a foundation for future leadership in this growing industry.

It should be made clear, L.D. 101 would not ultimately prohibit development in federal waters in the Gulf of Maine. Development would still be able to occur as the permitting and leasing process happens through the federal Bureau of Ocean Energy Management (BOEM). Instead, L.D. 101 would remove the State's ability to move forward with the proposed research array, limit the ability to deliver future offshore wind energy from the Gulf of Maine to help meet the State's climate targets and supply clean energy for Maine residents and businesses, and reduce Maine's opportunity to benefit from development off the coast at a time when the federal government and neighboring states are taking significant steps to advance offshore wind.

Instead, Maine should continue the current pathway of prudent and planned research and development and public engagement that ensures the greatest benefits of offshore wind energy development in the Gulf of Maine come to Maine people. This includes passing the Governor's legislative proposal, L.D. 1619, to pause offshore wind development in Maine's territorial waters.

¹ State of Maine Renewable Energy Goals Market Assessment. February 2021. Accessed at: https://www.maine.gov/energy/studies-reports-working-groups/current-studies-working-groups/renewableenergy-market-assessment

The potential of Maine's offshore wind resources to provide clean energy generation for the State and region, create significant economic benefits in a global market, support supply-chain development, and create workforce opportunities for the State is immense. The State should continue to engage in efforts to responsibly develop this industry, to the benefit of Maine people.

The GEO strongly urges the Committee to vote in opposition to L.D. 101 and avoid the detrimental effects that would result from this proposed legislation.

Thank you for your consideration.

IByr

Dan Burgess, Director Governor's Energy Office