

Testimony of  
Ben Gilman for  
The Maine State Chamber of Commerce  
**In support of L.D. 1619, *An Act To Establish a Moratorium on Offshore Wind Power  
Projects in Maine's Territorial Waters***  
**And**  
**In opposition to L.D. 101, *An Act To Prohibit Offshore Wind Energy Development***  
**Before the Joint Standing Committee on Energy, Utilities & Technology**

May 3, 2021

Senator Lawrence, Representative Berry, and members of the Joint Standing Committee on Energy, Utilities & Technology, my name is Ben Gilman, I am from Gorham and I represent the Maine State Chamber of Commerce, a statewide business organization made up of both large and small businesses, here to provide you with our testimony in support of **L.D. 1619, *An Act To Establish a Moratorium on Offshore Wind Power Projects in Maine's Territorial Waters*** and opposition to **L.D. 101, *An Act To Prohibit Offshore Wind Energy Development***.

The State Chamber is here today to speak in strong opposition to L.D. 101, which seeks to place a blanket prohibition on a specific industry and to deny Mainers the ability to develop that industry. In the past the Chamber has opposed such blanket prohibitions on business and economic development, and we do so again here. This wrongheaded bill will not, and cannot, stop development of offshore wind in federal waters. All it can do is ensure that Maine does not participate in this development and reaps no economic benefit from such development. It robs Maine's future and delivers it to Massachusetts, while ensuring that Maine's fishing industry will have little or no input into the federal process.

More importantly, the Chamber is also here today to speak in support of L.D. 1619. This bill proposes to wisely balance competing uses within Maine's territorial waters in order to sustain traditional and existing uses and the resources and wildlife within those waters while protecting Maine's investment in offshore wind and its present and future opportunities to build a Maine-based industry that will serve development in federal waters within the Gulf of Maine.

We will leave details on both bills to others. Our view is quite simple:

1. Outright bans on legitimate economic development is extremely poor and self-destructive public policy. It never prevents development of an industry; it only ensures that such development does not benefit our state.
2. Maine is poised to benefit greatly from offshore wind development in federal waters in the Gulf of Maine – Maine has the location, the technology, and state leaders and commercial partners prepared to ensure that such development is done in a way that is right for Maine.

The Maine PUC, under former Chairman Tom Welch, determined seven years ago that the demonstration project at Monhegan would provide “...sufficient economic benefits to Maine in terms of direct and indirect investment, environmental benefits, innovation and development of knowledge base within the state to merit awarding a contract at above market rates.”<sup>1</sup>

The Welch Commission’s determination has been borne out by subsequent developments around the world and by developments along the East Coast from Massachusetts to North Carolina. A sampling of the view of economic development and technical experts on these opportunities includes:

- “State-driven offshore wind targets have exceeded 28 GW to date and are expected to result in 41 GW of cumulative installed capacity by end of 2035. Already 9 GW of projects are well on track with offtake agreements, with ongoing solicitations enabling an additional 6 GW to follow by end 2021. The larger this market becomes, the more the supply chain will be established on the East Coast. The rapidly developing economic opportunity will well exceed \$100 billion for windfarm development and construction alone (CAPEX), not even accounting for the 30 years of operations and maintenance local economic benefit (OPEX).”
  - North Carolina Department of Commerce, *Building N.C.'s OSW Supply Chain*, March 3, 2021
- “...Maine may have 65 gigawatts of [unsubsidized] economic potential by 2027, the highest of any U.S. state.”
  - National Renewable Energy Laboratory, *OSW Resource, Cost, and Economic Potential in the State of Maine*, February 2018
- “As of Q1 2021, state governments and the private sector have together invested (or pledged to invest) more than \$3.5 billion into the U.S. offshore wind market, in the form of strategic project partnerships, port construction, and vessels, as well as research and workforce development initiatives.”
  - Business Network for Offshore Wind, *2021 U.S. Offshore Wind Market Report & Insights*
- “Outside of procurements, other states are creating offshore wind tax credit programs and making investments in port infrastructure to increase economic development within their state. Notably, New Jersey with its \$100 million offshore wind tax credit program, New York

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<sup>1</sup> Maine Public Utilities Commission, *Order Approving Term Sheet (Part One)*, page 2, Docket No. 2010-235, February 13, 2014

with its \$200 million support for port infrastructure, and Connecticut with its \$35.5 million investment in its port facility in New London, are taking additional steps outside of energy procurements to position themselves for greater economic activity.”

- Massachusetts Department of Energy Resources, *Offshore Wind Study*, May 2019
- “In addition to supply chain businesses, offshore wind’s economic impact will likely extend to maritime industries, technology and engineering trades, and broader community revitalization efforts in the aging port towns along the New England coast.”
  - Siegner, K., “The Onshore Benefits of Offshore Wind: How Coastal New England Cities Are Harnessing the Power of the Emerging Offshore Wind Industry”, Yale School of Forestry & Environmental Studies, May 2019
- “The Departments of Interior (DOI), Energy (DOE), and Commerce (DOC) are announcing a shared goal to deploy 30 gigawatts (GW) of offshore wind in the United States by 2030, while protecting biodiversity and promoting ocean co-use. Meeting this target will trigger more than \$12 billion per year in capital investment in projects on both U.S. coasts, create tens of thousands of good-paying, union jobs, with more than 44,000 workers employed in offshore wind by 2030 and nearly 33,000 additional jobs in communities supported by offshore wind activity. It will also generate enough power to meet the demand of more than 10 million American homes for a year, and avoid 78 million metric tons of CO2 emissions.”
  - FACT SHEET: *Biden Administration Jumpstarts Offshore Wind Energy Projects to Create Jobs*, The White House, March 29, 2021

To us there can be no debate: offshore wind is coming to the East Coast; offshore wind is coming to the Gulf of Maine; offshore wind will either provide good jobs for Maine residents and opportunities for an entire supply chain in Maine...or, it will all still happen, but with no economic benefits for Maine. This is why we ask this Committee to reject L.D. 101 and to pass L.D. 1619.

In the words of Chairman Tom Welch, first spoken at deliberations in 2014, but captured for all time in a Commission Order:

Finally, there is an unquantifiable, but nevertheless important, economic value associated with establishing Maine on the forefront of offshore wind development. This Project is the kind of investment contemplated by the Ocean Energy Act as the foundation for building a strong offshore wind industry in Maine. In addition, projects such as this establish Maine as a center for cutting edge development of this emerging technology and may capture the imagination and generate excitement among a new generation of talented professionals attracted to Maine. Retaining this young talent in Maine could only have a positive effect on Maine’s demographic and economic future.<sup>2</sup>

We urge this Committee to share Chairman Welch’s vision of the future and lay the groundwork for a brand-new Maine industry.

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<sup>2</sup> Maine Public Utilities Commission, *Order Approving Term Sheet (Part Two)*, page 15, Docket No. 2010-235, February 19, 2014