



Testimony of the Island Institute on LD 1895, An Act Regarding the Procurement of Energy from Offshore Wind Resources

May 18th, 2023

Senator Lawrence, Representative Zeigler, and members of the Committee on Energy, Utilities, and Technology, my name is Nick Battista, and I offer this testimony on behalf of Island Institute in support of LD 1895, and specifically, encouraging offshore wind development to occur outside of Lobster Management Area 1 (see map at the end of our testimony) as well as recognizing the importance of community benefit agreements that outline funding and stakeholder engagement expectations.

The Bureau of Ocean Energy Management, BOEM, aims to complete a lease sale for offshore wind in the Gulf of Maine in 2024. According to work done as part of Maine's Offshore Wind Road Map process, New England will need an estimated 3 to 11 Gigawatts of offshore wind capacity from the Gulf of Maine by 2050. As you are well aware, New England relies heavily on natural gas for power generation, and in other states, natural gas is also important for home heating. When there is a shortage of natural gas, more expensive power sources are required to maintain the electric supply, and, overall, New England's energy markets are subject to volatility from world events.

Additionally, Maine's electricity demand is expected to double by 2050 as more vehicles are electrified, and more people switch away from heating with oil or propane. Solar, biomass, and other clean energy projects are unlikely to provide enough energy to meet this growth in demand. Work completed as part of the Road Map process found a scenario where Maine met its energy needs without offshore wind to be "implausible."

Offshore wind is likely coming to the Gulf of Maine. How and where these farms are built matters to coastal communities and our State. Incentives to help persuade developers to locate wind farms in certain areas help protect Maine communities and give the State additional influence.

As noted in the Roadmap, in waters further than 3 miles off of our coast, BOEM retains exclusive jurisdiction to lease energy developments, including offshore wind. Maine can play a role in this process and control whether a cable from the offshore wind farm lands in Maine but not whether the farm exists. The State does have the ability to influence BOEM's decisions, and there is a clear role for Maine to play in engaging with the leasing process, communicating with stakeholders, and providing guidance to offshore wind developers about how to engage Maine communities and developing recommendations for BOEM to potentially adopt.

Island Institute is a 40-year-old nonprofit organization based in Rockland, Maine. We work to sustain Maine's island and coastal communities by building economic, climate, and community resilience. Climate change is one of the biggest threats to the future of Maine's coastal communities and well-sited clean energy projects can play a role in helping Maine address climate change.

Throughout the history of our organization, Island Institute has partnered with individual fishermen, coastal and island business owners, educators, researchers, policymakers, and other community stakeholders to leverage resources and technical expertise to support resiliency in the face of a changing marine economy. Through our work, we are deeply familiar with the complex challenges facing our coast and the connection between activity on the water and coastal communities.

When it comes to engaging with impacted communities more broadly, we offer a few lessons learned from supporting the community of Monhegan as they identified and negotiated a community benefit agreement with the New England Aqua Ventus project. This process highlighted the importance of the following:

- Providing the impacted community with enough support to meaningfully negotiate, including community facilitation support, technical expertise, and access to legal counsel.
- Allowing the community to define the benefits that are most important to it. Monhegan is close to having outstanding broadband service primarily because the funds already available to the community from the agreement were able to be used as match for Federal funding.
- Tying the flow of funds to key milestones in the permitting process, not to project completion. We are seeing the tangible benefit of structuring an agreement that recognizes the project has impacts and requires community resources/engagement well before anything is ever floated in the water.

We are providing additional information on this process with the community, a framework for approaching meaningful community engagement, and recommendations on good practices through this peer-reviewed article from Energy Research and Social Science, “Will communities ‘open-up’ to offshore wind? Lessons learned from New England islands in the United States” which can be found here <https://www.sciencedirect.com/science/article/pii/S2214629617301172>

Because much of this bill is about influencing the location of offshore wind, we wanted to provide the Committee with some background on Maine’s coastal communities, fisheries, and the use of ocean space by various fisheries. Regarding fisheries in Maine, lobster is the dominant fishery along Maine’s coast, and lobstering in Maine occurs at a scale significantly greater than commercial fishing activity in other states.

- In some years, the value of lobster landed in three Maine communities, Rockland, Stonington, and Vinalhaven, is almost equal to the entire value of all commercial fishing activity in New Hampshire, Connecticut, and Rhode Island combined.
- Annually, Maine fishermen regularly take almost twice as many commercial fishing trips as any other state on the east coast of the US. 1/3 of all commercial trips on the east coast are taken by Maine fishermen.
- The length of the shoreline in one Maine town, Harpswell, is nearly half the length of the coastline in the entire State of Rhode Island.

The difference in context between Maine and elsewhere alone can make it challenging for anybody not used to working with Maine fisheries, including offshore wind developers and federal agencies involved in the permitting processes for offshore wind.

Lobstering is exceptionally important to specific communities, and reliance on lobster generally increases as you go east, down peninsulas, and out to the islands.

- 10 communities account for half of Maine's total lobster landings. 4 ports see 25% of the State's landings – Stonington, Vinalhaven, Friendship, and Beals. The remaining top 10 include Spruce Head, Harpswell, Southwest Harbor, Milbridge, Harrington, Steuben, and Portland.
- 20% of the approximately 5000 lobster licenses are held by people living in 5 communities.
- In some of Maine's year-round island communities, more than 10% of people hold lobster licenses, and in a few communities, more than 20% of residents have a lobster license.

Fishing activity is very place-based. One piece of bottom is not the same as another, and some fishing communities depend on relatively small parts of the Gulf of Maine. The connection between part of the Gulf of Maine and a specific shoreside community is not always intuitive, nor is the closest community to that spot always the one most reliant on it.

In terms of understanding where fishing activity occurs, the Island Institute has a long history of engaging fishermen in projects that help document, understand, and translate where they fish and areas that are important to their community. This work includes interviewing over 300 fishermen, scientists, and fisheries managers from across New England to determine how best to map where different kinds of fishermen fish to inform various ocean management processes. Subsequent generations of those maps can be found at the Northeast Ocean Data Portal - <https://www.northeastoceandata.org/data-explorer/?commercial-fishing|vessel-activity>

Further, as noted in the Fisheries Working Group Recommendations, from a fishing operations perspective, various factors would make it challenging, at best, for fishermen to contemplate fishing around or in an offshore wind farm. This means offshore wind has the very real potential to displace fishermen from at least some of the areas being leased.

Being displaced from an area where you have traditionally fished directly impacts your business, and regulatory, social, or operational factors may prevent you from fishing in a different place. For many fishermen and their families, it is a deeply personal issue that touches directly on their livelihood, family's economic future, cultural heritage, and community's future.

It is crucial in this process to acknowledge that Maine's coastal communities are facing significant environmental, economic, and regulatory changes that also impact fishing businesses, fishing families, and coastal communities. A few of those changes are noted below.

- The Gulf of Maine has one of the fastest rates of warming of any ocean ecosystem in the world due to changes in regional ocean circulation caused by climate change. In 2010, the warming

progressed in earnest and came to be known as the 2010 Gulf of Maine regime shift. This warming impacted the base of the food web and changed the timing/location of a variety of species in the Gulf of Maine. Additionally, the Gulf of Maine is experiencing ocean acidification, another impact of climate change, which impacts shell-building species that make up over 75% of Maine's fisheries by landings value. These impacts and more are well summarized in the Maine Climate Council's Maine Climate Science Update 2021

<https://www.maine.gov/future/sites/maine.gov.future/files/inline-files/MaineClimateScienceUpdate2021.pdf>

- In 2021, the lobster fishery alone represented \$725 million to the harvester – all that revenue went to 5000 independently owned, small family businesses that employed about 10,000 people on the water and supported another 5,500 throughout the value chain. However, in 2022, Maine lobstermen received \$350 million less for the lobsters they landed, impacting each small business dependent on the lobster fishery.
- The interstate body governing the Maine lobster fishery recently adopted rules that would increase the minimum size for lobsters if indicators of the overall health of the lobster stock see further declines. Maine lobstermen land nearly 100 million individual lobsters in a good year, and at certain times of the year, they throw back 60 percent or more of the lobsters that come up in their traps. Therefore, a change to the minimum size is a significant regulatory change. The lobster fishery also faces significant regulatory changes due to endangered right whales, including severe restrictions on where, when, and how the fishery operates.

While lobster is important, it is not the only fishery that matters to our coastal communities. Herring, groundfish, scallops, and other species also play a meaningful role in supporting some families and communities. These fisheries have significantly fewer participants than the lobster fishery, and it is easier to identify and meaningfully engage potentially impacted businesses throughout the process.

Additionally, these fisheries are heavily regulated by the New England Fisheries Management Council, which is a very different process from fisheries like lobster that are predominantly managed by the State in coordination with other States along the east coast. As a result, fishermen in these federal fisheries are more used to being represented by an entity or regularly appearing before regulators and interacting with both the regulatory process and the scientific processes that often drive regulatory change.

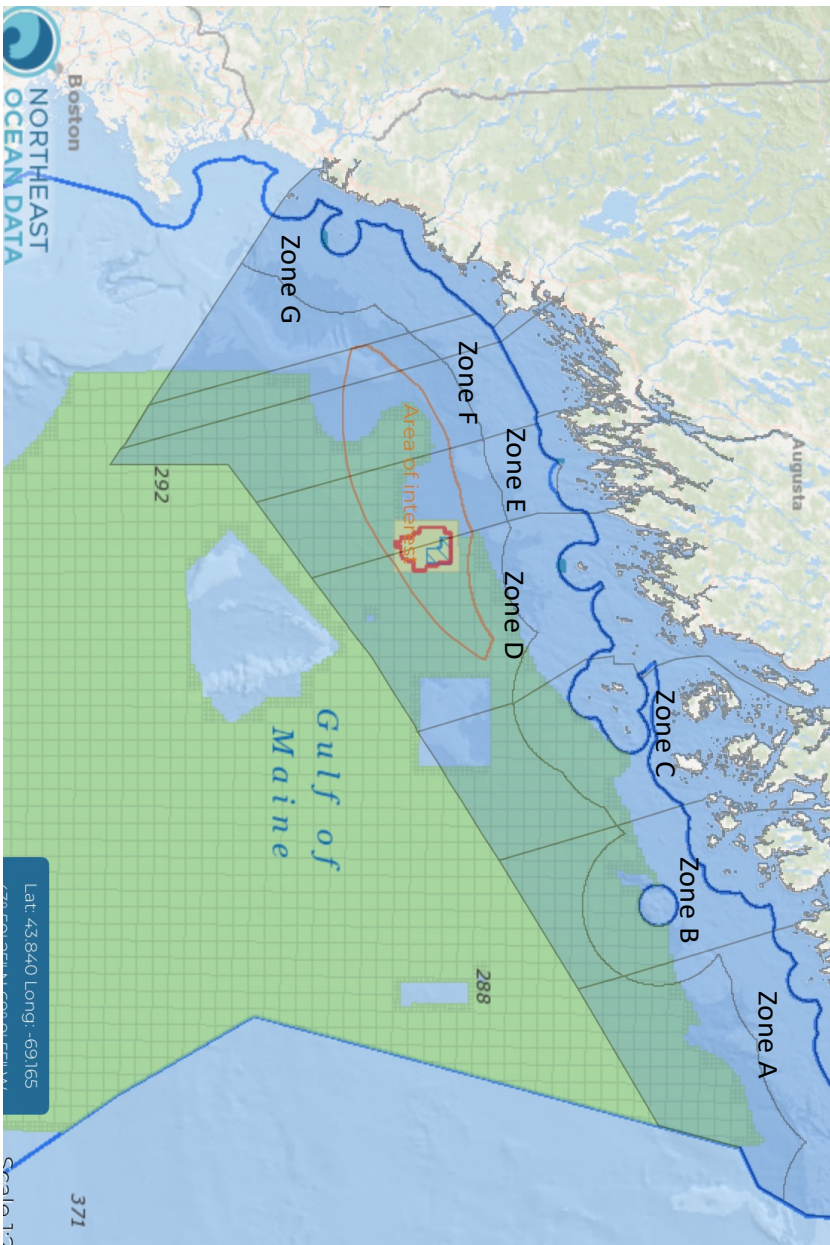
This is not to suggest that offshore wind would not impact these fisheries, and there are spots in the Gulf of Maine outside of Lobster Management Area 1 where an offshore wind project could upend a community. Instead, it is to point out that offshore wind developers, BOEM, and the State are more likely to successfully engage with these fisheries than with the much larger, more diverse, and more geographically diffuse lobster industry.

Regarding the language of the May 15th sponsors amendment to LD 1895, there are a few provisions we would like to highlight and some tweaks to the language that we would suggest.

- **Section 1** – Fishing Community Protection and Low-Income Ratepayer Fund – A fund that can accept multiple sources of contributions is essential. We would suggest that the uses of the fund should be slightly broader and include the ability to offset environmental monitoring costs and fund activities that help reduce the areas of conflict with commercial fishing beyond just being located outside of Lobster Management Area 1.
- **Section 5**
 - **Environmental Justice Population** – The Maine Climate Council and its enabling statutory structure consistently include rural natural resource dependent communities when describing communities similar to the list in Environmental Justice Population communities. Consistency across statutory language here would be appreciated.
 - **Fishing Community** – The Federal definition of fishing community here is “(17) The term “[fishing community](#)” means a community which is substantially dependent on or substantially engaged in the harvest or processing of [fishery resources](#) to meet social and economic needs, and includes [fishing vessel](#) owners, operators, and crew and [United States fish processors](#) that are based in such community.” In the context of this bill, we interpret this definition to exclude Portland and a few other communities, even though the fishermen from those communities stand to be the ones most impacted by the location of offshore wind projects. We would suggest adding something like “or communities with fishing activity that has demonstrable ties to the project area.”
 - **Section 8**
 - **Consultation, Stakeholder Engagement, and Community Benefit Plan** – we generally support including such a plan as outlined. However, we would encourage that the sufficiency and level of detail of that plan be reviewed in this process to avoid a plan that exists merely to check a particular box rather than encourage meaningful engagement. Requiring a stakeholder advisory board might be helpful in this regard.
 - **Fishing Community Investment Plan** – we appreciate the inclusion of protecting working waterfront infrastructure as an allowable component of the plan and also appreciate the advisory body and its function.

It will take active effort from the State and the legislature to ensure that if offshore wind comes to the Gulf of Maine, some benefits also flow to the State. Otherwise, Maine stands only to be impacted by offshore wind without receiving any benefits to the State. Creating a structure that incentivizes offshore wind development to happen further offshore and outside the areas that some of Maine’s smallest and most remote communities depend on is a good step forward for Maine. We urge you to support LD 1985 and help influence the development of the offshore wind industry in ways that benefit Maine and Maine communities.

LD 1895 - Lobster Management Area 1; Federal waters; Areas of interest for offshore wind



The dark blue is the start of Federal waters.

The shaded areas from the coast out about 40 miles are the Maine lobster zones A through G, with A starting in the east and together these zones make up the relevant parts of Lobster Management Area 1.

Yellow squares and the red line indicate the proposed location of Maine's research array.

Green squares are BOEM's "call area" for the Gulf of Maine and indicate where potential offshore wind leases could happen in the near future.