Offshore Wind in the United States Offshore Wind in the United States



What authorities have jurisdiction over offshore wind in the U.S.?

- US Bureau of Ocean Energy Management (BOEM) Identifies and leases offshore energy (oil, gas, wind, and other ٠ renewables) areas, approves developer construction and operation plans in consultation with other federal agencies
- US Federal Energy Regulatory Commission (FERC) - Regulates interstate electricity transmission
- State Energy Agencies (SEAs) and State Public Utility Commissions (PUCs) Set and administer state energy . policies, regulate utilities, approve Power Purchase Agreements (PPAs)
- Other state agencies Responsible for environmental protection, labor protections, economic development, coastal • management, workforce training and development
- County, city, and local governments Require various environmental and construction permits for onshore transmission infrastructure
- Regional Transmission Operators (RTOs) and Independent System Operators (ISOs) Plan and operate regional • grid infrastructure, regulate and administer wholesale power markets

How are areas identified for offshore wind development?

• BOEM identifies areas in federal waters (3-12 nautical miles) off of coast, with help from state and local governments, developers, Tribes, and the general public.

How are offshore wind areas leased to developers?

BOEM holds auctions for federal lease areas, which pre-gualified developers bid on. BOEM selects winning ٠ bidders based on bid price and other factors.

How is power procured?

State PUCs and/or SEAs and/or utilities procure power contracts with developers based on state offshore wind • procurement targets and rules. These take the form of PPAs, Offshore Wind Renewable Energy Credits (ORECs), or utility-owned projects.

Who is in charge of offshore wind generation and transmission permitting?

Developers must get permits from federal, state, and local governments to build projects and onshore transmission infrastructure. Permitting differs depending on the state, cities, and towns that host onshore project infrastructure.

Who is responsible for offshore wind transmission and interconnection financing and planning?

So far, financing and permitting for offshore and onshore transmission has been bundled into generation project bids by developers. Advanced transmission planning is a collaborative effort between state governments and RTOs.

Who is responsible for planning, financing, and building the offshore wind supply chain?

Investment in major supply chain projects is often led by private investment (e.g., Sparrows Point steel mill in Maryland) or public-private partnerships between state governments and project developers (e.g., New York State). Additionally, the federal government runs the Federal-State Offshore Wind Implementation Partnership, which brings together state and federal agencies.

Who is responsible for training the offshore wind workforce?

State energy, labor, and economic development agencies lead a variety of programs to recruit and train workers for offshore wind projects. Many of these are in partnership with local and national labor unions, community

organizations, and colleges/universities. Most states have a requirement to use union labor in certain aspects of project construction.

Are there any public incentives and/or financing for offshore wind development?

- Through the Inflation Reduction Act, the federal government offers several incentives and tax credits for offshore wind infrastructure manufacturing, investment and/or production. These credits have "bonuses" available for locating facilities in specific communities, meeting domestic manufacturing requirements, and meeting certain labor requirements.
- The federal government has also allocated \$100 million for planning modeling, analysis, and development of interregional transmission and optimized integration of offshore wind energy.

Who owns, operates, and upgrades ports for offshore wind?

• U.S. ports are run by a mix of public and private authorities. Often, ports are owned by a city or municipal port authority, who contracts port operations to a private company over a long contract. Recently, states governments have begun investing public money in port upgrades to prepare them for offshore wind staging, commissioning, and operations and maintenance. Examples of recently announced port upgrade projects include the New Jersey Wind Port, the New Bedford Foss Marine Terminal in Massachusetts, and the South Brooklyn Marine Terminal in New York State.