

Maryland State Perspectives

BOEM OSW CATL 2 Task Force Meeting



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Snapshot - Offshore Wind in Maryland



US Wind Maryland Offshore Wind Project

US Wind has been awarded two offtake agreements with the state in the form of OREC Awards. The OREC Award allows US Wind to sell energy to Maryland and allows Maryland to provide over 718,000 ratepayers with renewable offshore wind energy. On Sept 5, 2024 US Wind received their ROD, allowing for construction of their project.

Research Initiatives

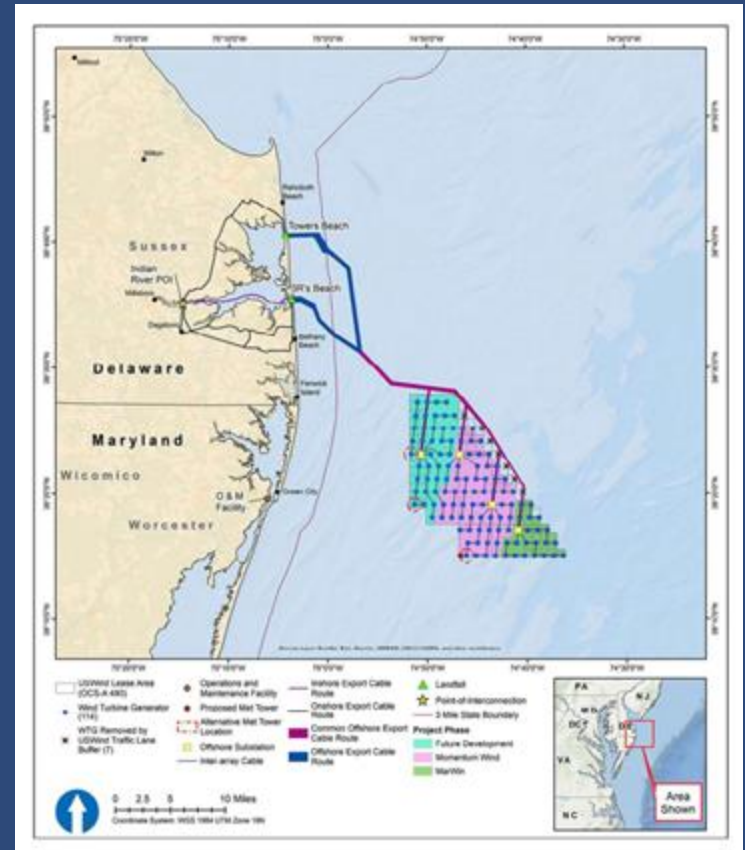
The state participates in regional, environmental, and economic development related offshore wind research. Notably the state is working with the SMART-POWER Partnership researching supply chain & workforce gaps and an offshore wind transmission study

Supply Chain & Workforce Investments

The state has invested \$45 million into offshore wind supply chain and workforce development through the Maryland Offshore Wind Business and Offshore Wind Development Fund administered by MEA and the Maryland Works for Wind Initiative led by DOL.

US Wind Maryland Offshore Wind Projects

- US Wind ROD received 9/5/2024 approving their COP under the “Preferred Alternative” scenario allowing for **114 turbines, 4 offshore substations, and 1 met tower with transmission making landfall at 3R beach.**
- US Wind received offtake awards in the form of OREC Agreements from the Maryland PSC in 2017 and 2021.
- The project will be developed across **three phases** beginning with the outermost section of the lease area (in green).
- US Wind’s project has **2.2 GW nameplate capacity** and is expected to provide power to over **718,000 homes.**



Maryland OSW Goals & Policies

Maryland has an 8.5 GW OSW Capacity Goal by 2031

What guiding policies led to this goal?

- **Offshore Wind Act of 2013** – established an offshore wind goal
- **Clean Energy Jobs Act of 2019** – increased the offshore wind goal
- **Climate Solutions Now Act of 2022** – established a decarbonization goal of 60% by 2030 and net zero by 2045
- **POWER Act of 2023** – increased the offshore wind goal to 8.5

How is the state working to achieve this goal?

- State and regional collaboration
- Development of a PSC OSW procurement schedule
- Development of an additional offshore wind procurement method for OSW offtake agreements
- Development of scalable state funding incentives targeting the OSW supply chain and workforce
- Investments in research opportunities related to technology and innovation, economic impacts, grid capacity and transmission solutions, and regional swot analyses.

Lessons Learned CATL 1

Bidders Credits

The CATL 1 allowed for 12.5% bidders credits each for investments into 1. A Workforce Development Program or 2. The Fisheries Compensation Fund Investment

Takeaways: This was favorable to lowering capital costs of projects, reduces the in-state expenditure limitations, and provides states' communities with positive economic development incentives or opportunities, overall reduces

Competition

Lease area A-2 received much more competition than lease area C-1. The outcome of this was significant difference between auction price (\$17.5 M vs \$75 M).

Takeaways: This auction money, outside of bidders credits does not go to the states and results in an overall higher project cost for the A-2 vs the C-1 project.

Stakeholder Engagement

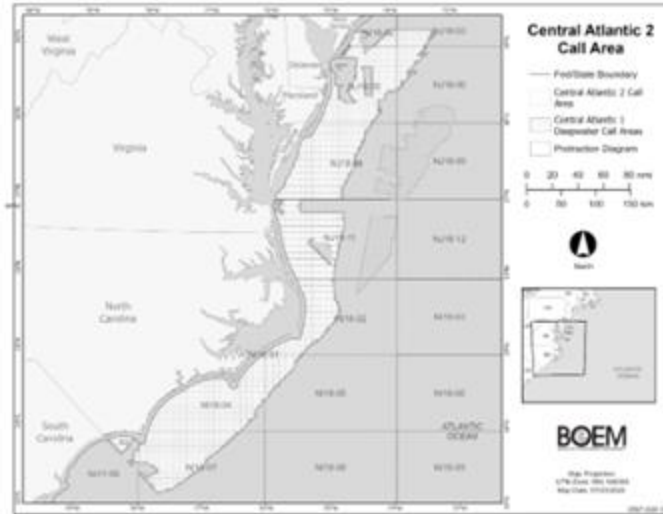
BOEM conducted both virtual and in person stakeholder meetings throughout the CATL 1 process.

Fisheries Engagement: DNR feedback

Considerations for Natural Resources & Coastal Uses

Central Atlantic 2

September 10, 2024



- Central Atlantic 1
- Natural Resources
- Coastal Uses