

Offshore Wind Accelerator Project



Accelerating U.S. Offshore Wind *Project Overview*

During its first two years, OWAP created a one-of-a-kind, go-to forum for key U.S. offshore wind stakeholders. This group includes state leaders from up and down the mid-Atlantic coast – including Maine, New York, Massachusetts, Rhode Island, New Jersey, Maryland, Delaware, Virginia and North Carolina; federal officials from the National Oceanic and Atmospheric Administration, the Department of Interior

(DOI), the Department of Energy (DOE), the Council on Environmental Quality, the U.S. Fish and Wildlife Service, the U.S. Coast Guard, the Department of Defense and the Bureau of Ocean Energy Management (BOEM); major environmental organizations, including the Conservation Law Foundation, Sierra Club, Environment America and National Wildlife Federation; and major U.S. offshore wind developers.

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Managed by Clean Energy States Alliance

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Background

In the past two and a half years, the Offshore Wind Accelerator Project (OWAP) has established and sustained an effective, formalized collaboration amongst 9 states, 9 federal agencies, several non-governmental organizations, several leading U.S. offshore wind developers, and financial leaders, with one ambitious goal in mind: to fast-track offshore wind energy development in the U.S. Initially proposed and funded by Rockefeller Brothers Fund, the John Merck Fund, the Hewlett Foundation, the Roy A. Hunt Foundation, the New York Community Trust, and the Energy Foundation, OWAP's objective is to advance cooperation among key stakeholders and address the major policy, finance, regulatory and communications challenges facing the U.S. offshore wind industry.

Project Highlights & Accomplishments

The OWAP collaborative has developed strategic partnerships and implemented joint actions to overcome the major challenges to rapid deployment of OSW. Highlights include:

1. Launch of “Offshore Wind Works,” a public education and media outreach campaign to build support for U.S. offshore wind development.

OWAP staff members maintain an offshore wind blog (www.offshorewindworks.org), distribute a newsletter, organize webinars, and coordinate rapid response efforts to support the industry’s growth.

OWAP is also building a robust listserv to increase public education, stakeholder cooperation, and strategic action to accelerate offshore wind deployment.

2. Laid the foundation for creation of a collaborative “buyers” network for aggregated procurement of offshore wind.

OWAP released a comprehensive analysis of the value of “collaborative aggregated procurement” of offshore wind power. This report describes the concept of a buyers network for offshore wind energy, essentially a consortium of creditworthy purchasers (including utilities, state and federal agencies, and large private commercial and/or

institutional entities) that enter into long-term contracts with a developer(s) for a project’s generation.

By creating economies of scale, a buyers network can spread fixed costs, such as transmission lines, over larger-scale wind farms; lower construction costs from efficiencies; reduce concentration of risk; and reduce capital costs, resulting in cost-competitive offshore wind power. The report, prepared for the Offshore Wind Accelerator Project, provides recommendations and an action plan for creating a successful buyers network.

[Read the report on our website.](#)

3. Piloted a state-specific “Business Coalition for Offshore Wind” model to build political support for offshore-wind policies and programs.

OWAP created an effective business coalition in Maryland (www.bizmdosw.org) to support state legislation that would require utilities to purchase significant amounts of offshore wind energy.

The legislation, nearly adopted in 2012, is likely to be passed in 2013, with the continued public education efforts of the business coalition and other key stakeholders. The coalition in Maryland is now serving as a model for creation of similar business leader initiatives in other Atlantic Coast states to support offshore wind development.

4. Organized stakeholder input to the Department of

Interior that will reduce the regulatory review time by federal agencies for siting of offshore wind projects in federal waters.

OWAP was successful in developing recommendations adopted by the Department of Interior and BOEM that will ensure the effectiveness of the new national leasing program and ensure the appropriate siting of offshore wind projects to minimize regulatory delays and potential environmental impacts.

Among the adopted recommendations: enhanced use of marine spatial planning and public input to identify the most suitable sites for offshore wind

projects; creation of an “ombuds” position at BOEM/DOI to address policy and regulatory problems facing this new

technology.

5. Worked with top officials at the Department of Energy to develop and implement a national offshore wind action plan and related-technology advancement grant program to reduce costs and support a domestic supply chain.

Review the state-specific offshore wind supply chain profiles [on our website.](#)



6. Developed a report on the economic benefits of offshore wind.

To meet the Atlantic coast states' ambitious carbon reduction goals, the region will need to tap significant additional renewable energy generation from now through 2050. And the region's most promising source of clean energy is offshore wind, because of its close proximity to electricity demand, scalability, and capability to be deployed without construction of costly land-based transmission. As a new technology to the U.S., however, initial costs are high. As a result, there is a need to educate business and political leaders of the economic merits of offshore wind development for the region.

OWAP – in partnership with the Center for American Progress and the U.S. Offshore Wind Collaborative – has released an in-depth study of the costs, benefits and economic viability of developing a large-scale U.S. offshore wind industry. The analysis finds that, in the absence of government subsidies, offshore wind could become cost competitive with electricity generated from natural gas by 2014, with minimal impact on ratepayers.

[Read the report on our website.](#)

2012-2013 Project Activities

(subject to funding resources)

Work with key stakeholders to get steel in the water.

The Atlantic coast states have made significant progress towards getting wind farms sited in the Atlantic Ocean. The Collaborative will continue to support state and federal efforts to accelerate responsibly-sited offshore wind projects. Two years from now, we expect to see construction underway on both the 420-megawatt Cape Wind farm in Massachusetts and the 30-megawatt Rhode Island demonstration project off of Block Island, as well as large offshore wind farms serving Maryland, Delaware, New Jersey, and New York. And we will work with Maine to make it the “global” leader in deepwater floating wind technology through implementation of several demonstration projects.

Expand the “Offshore Wind Works” campaign to increase public support for offshore wind.

The next phase of OWAP's communications effort is designed to advance the industry by documenting the economic and environmental benefits of offshore wind for the Atlantic Coast states. We will use social media, email

marketing and action alerts, sponsor educational webinars, and leverage the expertise and constituencies of OWAP participants to promote public support and awareness of the value of offshore wind energy.

Continue to focus on financing and aggregated procurement.

We will continue to focus on procurement and economic issues surrounding offshore wind policy decisions. Whether it is some form of aggregated procurement, or use of the OREC model, or multi-state jurisdictional solutions, our work will hone in on creative and effective offshore wind financing mechanisms.

Continue to work with state leaders to advance smart offshore wind policies.

OWAP will further its work to assist state leaders and agencies to develop and implement policies and programs to support offshore wind projects and a domestic supply chain. We will also continue to promote joint research, coordinated technology investment, and strategic partnerships between the states, NGOs, industry players and federal agencies to advance the offshore wind industry.

COMMUNICATIONS & OUTREACH

OWAP Offshore Wind Webinar Archive

- July 11, 2013 - [Making History With VolturnUS](#)
- March 19, 2013 - [Understanding Regional Supply Chain Opportunities for Offshore Wind](#)
- March 11, 2013 - [Learning Investment in Offshore Wind: An Economic Analysis](#)
- March 1, 2013 - [North Atlantic Right Whales and Offshore Wind](#)
- July 11, 2012 - [Wind Farm Siting and Maritime Traffic - Challenges and Opportunities](#)
- May 22, 2012 - [DOI-BOEM Discussion on OSW Public Liaison Coordination](#)
- April 17, 2012 - [Marine Spatial Planning and Offshore Wind Siting](#)
- December 6, 2011 - [Innovative Approaches for Financing US Offshore Wind Energy](#)
- September 14, 2011 - [The Role of States and Needs of Private Investors in Offshore Wind Finance](#)
- August 9, 2011 - [The Role of States and Public Support Mechanisms in Supporting Offshore](#)



2012-2013 PROJECT ACTIVITIES, CONTINUED FROM PAGE 3

Create more investment through strategy to leverage natural gas industry.

OWAP is considering a new pilot program and partnership with environmental groups in New England to create a strategy to leverage the expected onslaught of new natural gas pipelines in the region and force new major investments and/or procurement in clean energy like offshore wind as part of the

approval process. Lock-in of unregulated natural gas, without offsets and other no-carbon investments or no-carbon procurement is bad for the planet over the long term. The natural gas bridge needs a “toll booth” that requires the industry to make major investments in no-carbon technologies to ensure a climate-stabilized future –to dramatically shorten that

natural gas bridge to the no carbon future.

The challenges are significant, and the legal issues uncertain, but we need to start now to address the expansion of natural gas and the need to get more investment in no-carbon technologies like OSW. Any investment strategy would be on top of a strong regulatory program that minimizes environmental harm.



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