

Offshore Wind and Equity

State of the
States Report

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ABOUT THIS REPORT

The Clean Energy States Alliance (CESA) developed this report to examine and summarize how states with offshore wind potential have begun to include and operationalize principles of equity into their offshore wind policy and related economic development programs. CESA's goal is to establish a baseline to inform future policy development.

We hope that both states and local communities can use this report to learn about ways to incorporate equity provisions into state offshore wind policies and programs, and about some ways they can work together toward an equitable transition to clean energy. The report will be updated periodically to account for changes in the policy landscape and new state policy experiments and programs.

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INTRODUCTION

Over the next decade, offshore wind power will become a major source of electricity for the United States, fundamentally reshaping the nation's energy supply. Massive in scale and largely new in this country, offshore wind power requires considerable state and federal planning, coordination, and investment. State governments will play a major role in shaping an entirely new energy source and the economy of coastal states as a whole. Although the United States has built only 42 megawatts (MW) of operational offshore wind power so far, states had procured 17,597 MW of offshore wind power as of spring 2022, most of which is scheduled to come online over the next decade.¹

The development of this large-scale energy infrastructure has the potential to impact already marginalized communities, including environmental justice communities, low-income communities, and communities of color, in both positive and negative ways. For that reason alone, careful integration of equity principles into all facets of the market development is necessary. Many states now consider equity an important pillar of their energy policy, and several have begun to incorporate principles of equity into various parts of the planning process for the development of the offshore wind market in their states.

The development of this large-scale energy infrastructure has the potential to **impact already marginalized communities, including environmental justice communities, low-income communities, and communities of color, in both positive and negative ways.**

This report provides an overview of how states with offshore wind potential have begun to include and operationalize principles of equity in their offshore wind policies and related economic development programs. The goal of this report is not to opine on the quality or effectiveness of any particular policy or program in a particular state; **the goal is to condense information about a broad range of offshore wind and equity topics in one place for the states and the public to use as a reference, and to establish a baseline to inform future policy development.** States, local communities, and other stakeholders can use this report to learn about options to incorporate equity provisions into state offshore wind policies and programs.

1. US Department of Energy, Office of Energy Efficiency & Renewable Energy, "Offshore Wind Market Report: 2022 Edition," *energy.gov*, 2022, p. 37, https://www.energy.gov/sites/default/files/2022-08/offshore_wind_market_report_2022.pdf.

The states examined in the report have taken various approaches to incorporating equity and are at different stages in the process. Some, like New York, have comprehensive and far-reaching climate legislation that directly addresses offshore wind development goals. Other states are only starting to explore their offshore wind potential. Nonetheless, the challenges that the states seek to address are similar.

Generally, state policymakers discuss equity and offshore wind policy from three perspectives: communities, supply chain, and workforce. This paper offers a different framework; instead, it focuses on four areas of offshore wind project development over which states have significant influence, and where there are opportunities for state intervention to pursue equitable policies. These are (1) the energy planning process; (2) offshore wind procurement; (3) state investment and information; and (4) equity goals development. Within each of these broad categories, we have included examples of state approaches thus far.

There are also significant opportunities for states to influence the federal leasing process for siting offshore wind deployments in ways that impact equity. For instance, as potential offshore wind locations in federal waters are identified by the federal Bureau of Ocean Energy Management (BOEM), the federal leasing process includes stakeholder engagement touchpoints. In addition, recent developments related to the Justice40 initiative may lead to a growing role for states as implementation partners to support the federal government's efforts. Although this report will briefly touch upon BOEM's work with Rhode Island, Massachusetts, and California, federal action is outside of the scope of this report, which focuses only on state-level interventions.

This report is not meant to be a comprehensive inventory of every relevant state policy or program. Instead, it should serve as a starting point. The report will be updated periodically to account for changes in the policy landscape and to include new state policy experiments and programs. Feedback and comments to improve the report are welcome.

ONE ENERGY PLANNING PROCESS

The first major area of state intervention in offshore wind policy is the overall energy planning process. Here we consider (a) siting of offshore wind infrastructure, (b) strategies for the replacement of existing peaker plants, and (c) transmission infrastructure planning.

Siting of Offshore Wind Infrastructure

Large energy infrastructure, including power plants, substations, transmission lines, and transformers, is often located in low-income communities and communities of color. While the federal government is largely responsible for siting offshore wind turbines—which are installed many miles off the coast—states play a very active role in the siting of transmission equipment, ports, and other infrastructure that supports offshore wind projects. The role of states in energy infrastructure planning and development represents a significant opportunity to include equity principles in this process.

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Incorporating equity into the offshore and onshore siting of wind infrastructure requires engagement with local stakeholders, including coastal communities, the fishing industry, and scientists. These local stakeholders may have objections to specific siting locations, and it is vital, from an equity perspective, to consider those objections when siting offshore wind infrastructure.

In 2016, the waters off Rhode Island played host to the nation's first operating offshore wind project, the Block Island Wind Farm. Eight years prior, Rhode Island undertook an extensive engagement and research process called the Ocean Special Area Management Plan (OSAMP) to determine, based on rigorous scientific research and stakeholder engagement, how best to plan for the future use and development of the waters off Rhode Island. The final plan was the result of 100 public meetings, 2,000 public comments, and the research and recommendations of over 100 scientists.²

While federal activity is outside of the scope of this report, it is worth noting that BOEM, a division under the US Department of Interior that works with coastal communities to

2. McCann, Jennifer, et al., "The Rhode Island Ocean Special Area Management Plan: Managing Ocean Resources Through Coastal and Marine Spatial Planning: A Practitioner's Guide," *crmc.ri.gov*, 2013, p. 8, http://www.crmc.ri.gov/samp_ocean/reports/Ocean_SAMP_Practitioners_Guide.pdf.

support coastal resilience, engaged in state and stakeholder engagement in the *Smart from the Start* initiative in the Atlantic Outer Continental Shelf that ultimately led to the designation of the first Massachusetts and Rhode Island Wind Energy Area (WEA)³ in 2012. This resulted, for instance, in the exclusion of certain areas within the almost 750,000-acre Massachusetts WEA to conserve biodiversity and protect high value fisheries used for both commercial and recreational fishing.⁴

Although these projects will be located in federal waters, states can have considerable influence over how site lessees and project developers operate within their state and interact with affected coastal communities.

Similarly, California engaged in BOEM's siting process early in order to advocate for a series of equity requirements in the Humboldt and Morro WEAs. The California Coastal Commission recently conducted Consistency Determinations to demonstrate how BOEM's activities can comply with the Commission's California Coastal Management Program (CCMP). After careful study of BOEM's submissions, the Coastal Commission found BOEM's proposed activities consistent with the CCMP, as long as BOEM agreed to a series of conditions.⁵ For the Morro Bay WEA, these conditions include a series of safety, environmental, and equity requirements, specifically requiring BOEM and potential WEA lessees to conduct outreach to local affected communities (including low-income communities and communities of color), Tribes, and fishing communities. For example, potential lessees are "strongly encouraged" to develop "specific frameworks for community leadership and capacity building" with local affected communities and "compensate members of environmental justice communities for their time participating in engagement activities and events."⁶

For engagement with Tribes, potential lessees are strongly encouraged to develop "an engagement framework with Tribes and retain a qualified tribal liaison with knowledge of local tribal law, local indigenous cultures, and tribal ecological science and other traditional knowledge...lessees should work with Tribes to develop a protocol for communication directly with Tribes in the event of an unanticipated discovery of a potential tribal resource as well as a post-discovery process for evaluation of a discovery."⁷

Although these projects will be located in federal waters, states can have considerable influence over how site lessees and project developers operate within their state and interact with affected coastal communities.

3. WEAs are areas identified by BOEM as those "most suitable for commercial wind energy activities, while presenting the fewest apparent environmental and user conflicts."
4. Bureau of Ocean Energy Management [Press Release], "BOEM Identifies Wind Energy Area Offshore Massachusetts For Potential Commercial Leasing," *boem.gov*, May 30, 2012, <https://www.boem.gov/newsroom/press-releases/boem-identifies-wind-energy-area-offshore-massachusetts-potential> (accessed September 28, 2022).
5. California Coastal Commission, "Adopted Findings: Consistency Determination No.: CD-0001-22," *documents.coastal.ca.gov*, 2022, <https://documents.coastal.ca.gov/assets/upcoming-projects/offshore-wind/Th8a-4-2022%20adopted%20findings.pdf>.
6. *Id.*
7. Wyer, Holly, "Re: Consistency Determination CD-0004-22, (Morro Bay Wind Energy Area)," *documents.coastal.ca.gov*, 2022, https://documents.coastal.ca.gov/assets/upcoming-projects/offshore-wind/CD-0004-22_ConcurrenceLetter.pdf.

In addition to collaborative activities with the federal government, states have been engaging in their own outreach efforts with respect to siting. For instance, in Massachusetts, the Executive Office of Energy and Environmental Affairs and the Massachusetts Clean Energy Center host ongoing working groups to engage stakeholders and inform offshore wind siting and development.

Massachusetts' Fisheries Working Group is comprised, among others, of commercial and recreational fishers as well as representatives from ports,⁸ while its Habitat Working Group includes scientists and technical experts on issues relating to ecological conflicts.⁹

Such engagement can also lead to larger policy changes. In Maine, Governor Janet Mills, the fishing industries, and state legislators worked together to prioritize offshore wind in federal waters and to prohibit commercial-scale offshore wind projects in Maine's state waters, up to three miles off the coast where up to 75 percent of Maine's lobster fishing occurs.¹⁰ Following a year-long engagement effort with ocean users and other stakeholders to inform the preferred siting of the project in federal waters and to minimize conflicts, the state is pursuing a research lease to develop a floating offshore wind research array. The project's goals include advancing the understanding of floating offshore wind turbines in general as well as understanding the effects of multiple floating turbines on marine life and ocean users.

In Massachusetts, the Executive Office of Energy and Environmental Affairs and the Massachusetts Clean Energy Center host ongoing working groups to engage stakeholders and inform offshore wind siting and development.

Strategies for the Replacement of Existing Peaker Plants

As states continue plan the development of their energy systems, including offshore wind, and update their electric grids as part of the clean energy transition, opportunities arise to transition away from the most polluting sources of energy. "Peaker power plants" or "peakers," which are highly polluting generation assets that run for short periods to meet times of peak electricity demand by the grid, are a particular concern for environmental justice and other underserved communities. Two-thirds of peakers in the U.S. are located near communities with a high proportion of low-income residents as compared to the national average.¹¹

8. For additional information on the Fisheries Working Group, see: "Fisheries Working Group on Offshore Wind Energy," Massachusetts Office of Coastal Zone Management, <https://www.mass.gov/service-details/fisheries-working-group-on-offshore-wind-energy>.
9. For additional information on the Habitat Working Group, see: "Habitat Working Group on Offshore Wind Energy," Massachusetts Office of Coastal Zone Management, <https://www.mass.gov/service-details/habitat-working-group-on-offshore-wind-energy>.
10. State of Maine, Office of Governor Janet T. Mills [Press Release], "Governor Mills Signs Legislation Prohibiting Offshore Wind Projects in State Waters," www.maine.gov, July 7, 2021, <https://www.maine.gov/governor/mills/news/governor-mills-signs-legislation-prohibiting-offshore-wind-projects-state-waters-2021-07-08> (accessed August 22, 2022).
11. Robbins, Shelley Hudson, et al., "The Peaker Problem: An Overview of Peaker Power Plant Facts and Impacts in Boston, Philadelphia, and Detroit," cleaneconomy.org, July 2022, <https://www.cleaneconomy.org/wp-content/uploads/The-Peaker-Problem.pdf>.

In some instances, a state can directly prioritize the replacement of dirty energy infrastructure with offshore wind power. In New York for example, the PEAK Coalition¹² proposed a replacement roadmap for New York City's peaker plants with a mix of renewables—including 3 gigawatts of offshore wind—and battery storage technology; PEAK members collaborated with the New York Power Authority (NYPA), a state public power utility, to explore replacement of NYPA's peaker plants with battery storage.¹³ As a result of efforts by the PEAK Coalition and others, in September 2022, NRG abandoned its plans to repower a 558-megawatt peaker plant with new gas turbines and will instead sell the site for offshore wind interconnection to the 1,230-megawatt Beacon Wind project—an Equinor and BP partnership to develop offshore wind—pending approval by the New York State Public Service Commission.¹⁴ Many conventional power plants and their infrastructure are located near coastal population centers, presenting opportunities for repurposing existing fossil fuel infrastructure to facilitate offshore wind interconnection to the grid.¹⁵

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In other instances, states can intervene on behalf of communities in federal processes. For example, Connecticut, Delaware, Maine, Michigan, Minnesota, Rhode Island, Oregon, and the District of Columbia have all filed comments with the Federal Energy Regulatory Commission (FERC), proposing the removal of fossil fuel generation equipment from peaker plants and their conversion into synchronous condensers,¹⁶ which are devices that provide reactive power to the electrical grid to help control voltage and improve reliability.

For the sake of clarity, we note that this proposal is not directly related to the development of the offshore wind industry, but it contributes to the alleviation of transmission constraints that obstruct the effective integration of offshore wind power into the grid.

In addition to advocating for a technology change to help retire fossil plants faster, Connecticut is also advocating that part of the fee received by the producers of reactive power by the grid operators (ISOs) be shared with environmental justice communities through the ISO settlement process.¹⁷

12. The PEAK Coalition is a coalition of UPROSE, THE POINT CDC, New York City Environmental Justice Alliance, New York Lawyers for the Public Interest, and Clean Energy Group.

13. For additional details, see “The Fossil Fuel End Game: A Frontline Vision to Retire New York City's Peaker Plants by 2030,” at <https://www.cleaneenergygroup.org/ceg-resources/resource/fossil-fuel-end-game/> and New York Power Authority, *Small Clean Power Plant Adaptation Study*, at https://www.geenergyconsulting.com/content/dam/Energy_Consulting/global/en_US/pdfs/NYPA-SCPP-Adaptation-Study.pdf.

14. Request for Stay to the Administrative Law Judge Daniel P. O'Connell from Astoria Gas Turbine Power LLC (AGTP), September 15, 2022, and Joint Petition for Declaratory Ruling or Approval Under Section 70 of the Public Service Law by AGTP and Beacon Wind Land LLC, filing with the New York State Public Service Commission to approve the proposed sale by AGTP of the land under the Astoria Generating Facility to Beacon Wind.

15. For additional information about the location of conventional power plants in the United States, see “Power Plants and Neighboring Communities Mapping Tool,” from the U.S. Environmental Protection Agency Office of Air and Radiation, at <https://experience.arcgis.com/experience/2e3610d731cb4cfcbee9e2dcb83fc94>.

16. See Comments of the State Agencies on FERC Docket No. RM22-2-000, *Reactive Power Capability Compensation*, available at <https://elibrary.ferc.gov/eLibrary/search>.

17. Ibid.

Transmission Infrastructure Planning

Integrated transmission planning can have beneficial impacts on equity in several ways, both because of the indirect system-wide benefits that coordinated approaches to transmission planning can have on pollution and cost control, and because of the potential direct physical impact of transmission infrastructure on communities.

There are several examples of states working together to advocate on behalf of residents in disadvantaged communities. On August 17, 2022, the Connecticut Department of Energy and Environmental Protection (CT DEEP) led a coalition of 13 state agencies in a filing to FERC, urging the adoption of new rules formally incorporating equity into transmission planning.¹⁸ These states included California, Connecticut, Delaware, Maine, Maryland, Massachusetts, Michigan, Pennsylvania, and Rhode Island, as well as the District of Columbia.

The Connecticut Department of Energy and Environmental Protection (CT DEEP) led a **coalition of 13 state agencies in a filing to FERC, urging the adoption of new rules formally incorporating equity into transmission planning.**

“The energy transition that is just beginning and the subject of this [Notice of Proposed Rulemaking] provides an opportunity and an imperative for policymakers to acknowledge and correct the historic discrimination caused by the infrastructure development approach used for the past hundred years,” the states wrote to FERC. They continued:

“The shift to incorporate equity into energy system planning and siting requires intentionally delivering the clean, advanced, reliable, resilient, more distributed services that are foundational to the energy transition to families and businesses in disadvantaged communities. Further, the voices of community members need to be elevated so their experiences and perspectives are an inherent part of the decision-making processes. The State Agencies urge the Commission to ensure that transmission planning reforms include an overt and express recognition of this historic inequity and measures to promote equity and environmental justice going forward.”¹⁹

The states also proposed reforms through FERC’s Office of Public Participation, as well as revising strategic goals to formally incorporate equity measures into FERC’s work.²⁰

In another example, on September 1, 2022, five New England states issued a Request for Information (RFI) seeking comments on how to integrate offshore wind efficiently,

18. FERC Docket No. RM21-17 *Building for the Future Through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection*, available at <https://elibrary.ferc.gov/eLibrary/search>.

19. *Id.*

20. Some of the specific steps proposed by the states to FERC included inviting representatives from disadvantaged communities to participate in proceedings and providing financial support to compensate them for their time, valuing lived experience from community voices as expertise, and supporting the building of “a bench and network of diverse voices in policymaking to better understand and integrate the needs of and impacts on impacted communities.”

cost-effectively, and in consideration of recent funding opportunities afforded by Congress through the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA).²¹ The participating states are Connecticut, Maine, Massachusetts, New Hampshire, and Rhode Island. While several questions in the RFI already have strong equity components, for instance through evaluation of costs to ratepayers (Question 2) or identification of resilience benefits and challenges (Question 5), Question 8 directly tackles environmental justice and equity and requests comments on “any just-transition, environmental justice, equity, and workforce development considerations or opportunities presented by the transmission system buildout and how these policy priorities are centered in decisions to develop future infrastructure.”²²

Beyond this advocacy role with broad system benefits, states are also directly involved in the physical planning of transmission infrastructure. Transmission infrastructure is one of the most visible onshore components of an offshore wind installation. Although the bulk of equipment for offshore wind production is located miles off the coast, the power generated by the turbines must make landfall at an onshore interconnection point. In addition to the role of states in helping direct where onshore transmission infrastructure may be located to reduce onshore impacts on communities, states also have a role in guiding both the structure and the location of *offshore* transmission infrastructure, which, among other things, will ultimately determine the number of interconnection points on land.

For instance, the current approach to offshore transmission development in the United States has largely—so far—been a “gen-tie” radial approach, where offshore wind generators include a transmission line in their bids and finance them independently, in a bundle with the generation assets, for each offshore wind project, and with no coordinated planning across WEAs.²³ This approach, driven by cost reduction and project bankability for the wind developer, promotes the delivery of power using the shortest route to shore instead of optimizing the route for load management, resiliency, or other community benefits in furtherance of states’ policy objectives.

Down the line, the radial approach could multiply the number of interconnection points on land, thereby increasing the potential impact on communities and natural environments. This effect has been observed in the United Kingdom, where “ad-hoc onshore

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21. New England Energy Vision, “New England States Transmission Initiative Request for Information to Integrate Clean Energy Resources,” *newenglandenergyvision.com*, September 1, 2022, Revised September 22, 2022, <https://newenglandenergyvision.com/new-england-states-transmission-initiative/> (accessed September 26, 2022).

22. Id. Question 8.

23. See footnote 3 for a definition of Wind Energy Area (WEA).

interconnections are pushed further inland with increasing community impacts.”²⁴ In addition, the radial structure does not in and of itself promote coordination or alleviate grid congestion risks that could further delay the retirement of polluting peaker plants used, in part, to address congestion in dense urban neighborhoods.

In contrast, in 2021, after two initial offshore wind solicitations that included independently planned transmission capabilities, the State of New Jersey chose to solicit electric transmission project applications under a novel state agreement approach (SAA)²⁵ with PJM.²⁶ The SAA is innovative in that it both seeks to fold the policy priorities of New Jersey into regional transmission processes, regardless of whether a state-sponsored transmission project meets PJM’s planning criteria—which may be limited to reliability and market efficiency²⁷—and it also promotes a coordinated approach to transmission development for offshore wind projects. New Jersey’s policy priorities include, for instance, an “open access offshore wind transmission facility” to create ratepayer savings, which are particularly important to underserved communities, as well as decreasing permitting delays in meeting its offshore wind goals.²⁸

After two initial offshore wind solicitations that included independently planned transmission capabilities, the State of New Jersey chose to solicit electric transmission project applications under a novel state agreement approach.

Under the SAA, transmission developers were asked to propose grid upgrades and extensions, both onshore and offshore, and to offer landfall approaches to reduce environmental impacts. They could also propose a “backbone,” i.e., offshore substations and interconnections between offshore substations to “provide benefits of a networked offshore grid.”²⁹

FERC recently approved the SAA, allowing New Jersey’s Board of Public Utilities (BPU) to move forward with one or more proposals. As per the BPU, PJM and BPU staff are evaluating reliability and market effects, as well as “project costs, constructability, risk mitigation, environmental impacts, permitting plan, quality of proposal and developer experience,

24. Pfeifenberger, Johannes, et al., “Offshore Transmission in New England: The Benefits of a Better Planned Grid,” *www.brattle.com*, May 2020, https://www.brattle.com/wp-content/uploads/2021/05/18939_offshore_transmission_in_new_england_the_benefits_of_a_better-planned_grid_brattle.pdf.

25. Available at https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20220127-5112&optimized=false.

26. New Jersey Board of Public Utilities Order in Docket number QO20100630, *In the Matter of Offshore Wind Transmission*, November 18, 2020, https://publicaccess.bpu.state.nj.us/CaseSummary.aspx?case_id=2109468.

27. PJM, Filing Letter from PJM to FERC re. NJ and PJM’s SAA, January 27, 2022, https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20220127-5112&optimized=false.

28. *Ibid.*

29. New Jersey Board of Public Utilities [Press Release], “New Jersey Advances Offshore Wind Transmission Proposal at Federal Energy Regulatory Commission,” *www.nj.gov/bpu*, January 27, 2022, <https://nj.gov/bpu/newsroom/2022/approved/20220127.html>.

flexibility, modularity, and option value, and additional New Jersey benefits.”³⁰ In addition to reducing the overall cost for ratepayers by maximizing competition, these “additional benefits” could include reducing community impacts and other resiliency benefits. Some, but not all, of the transmission project proposals explicitly referred to diversity, equity, and inclusion goals or diversity in supply chains and workforce as core elements of their strategy.

Outside of the PJM region, New York’s most recent Offshore Renewable Energy Certificates (OREC)³¹ solicitation directly mandated that project proposals

be “meshed ready,” to limit the number of onshore interconnection points. While the approach may not have been driven by equity considerations, it does present some equity benefits. Although meshed transmission carries a higher upfront cost, equity benefits include decreasing future transmission costs for developers and consumers,³² reducing the potential number of conflicts between generators and communities, and, as mentioned above, paving the way to retire peakers faster.

Although meshed transmission carries a higher upfront cost, equity benefits include decreasing future transmission costs for developers and consumers, reducing the potential number of conflicts between generators and communities, and, as mentioned above, paving the way to retire peakers faster.

30. New Jersey Board of Public Utilities, “New Jersey Offshore Wind Transmission State Agreement Approach Overview,” SAA Stakeholder Master Slide Deck, March 2022, <https://www.nj.gov/bpu/pdf/publicnotice/3.22.2022%20SAA%20Stakeholder%20Master%20Slide%20Deck.pdf>.

31. ORECs are the environmental attributes of offshore wind generation that utilities use in certain states to meet those states’ renewable portfolio standards. They are a competitive method of procuring offshore wind for states.

32. Pfeifenberger, Johannes, et al., “Offshore Transmission in New England: The Benefits of a Better Planned Grid,” www.brattle.com, May 2020, https://www.brattle.com/wp-content/uploads/2021/05/18939_offshore_transmission_in_new_england_the_benefits_of_a_better-planned_grid_brattle.pdf.



OFFSHORE WIND PROCUREMENT PROCESS

Within the procurement process, states can require that the state itself, the project developer, or the utility consider and implement equity-informed policies and programs. A state's offshore wind procurement typically falls into one of three models: power purchase agreements (PPAs), ORECs, and utility-owned projects.³³ All three offer avenues for states to incorporate equity. In this section of the report, we examine: a) Diversity, Equity, and Inclusion (DEI) plans, b) local spending requirements, c) community benefits agreements, d) project labor agreements, and e) stakeholder engagement.

However, some of these options will be constrained by the remuneration mechanism for offshore wind projects. For instance, the benefits of prescribing local spending for utility-owned projects would have to be carefully evaluated since these additional costs would ultimately be recovered through rate charges from the utility's customers, together with a regulated rate of return. Similarly, a public utility commission could require project labor agreements, but without changes to traditional cost of service regulation for utilities, the ratepayer impact may negate benefits.

DEI Plans for Offshore Wind Developers

One way to make sure that equity is part of the planning process is to require that project developers include DEI plans as a part of their solicitations. Rhode Island and Massachusetts—both of which use PPAs to procure offshore wind power—use variations of this method.

In Rhode Island, all wind developers that respond to a Request for Proposals (RFP) must submit a DEI plan that “provides the bidder’s proposed strategy to enable access to employment and vendor opportunities for historically marginalized communities; identify[es] the Rhode Island vendors and other domestic offshore wind supply chain opportunities associated with the project; and [includes] a plan outlining the bidder’s intentions with respect to the negotiation of a project labor agreement(s) to cover construction activities on a proposed project.”³⁴ The DEI plan is then considered in the Public Utility Commission's evaluation of each developer's response to an RFP.

33. Burdock, Liz et al., “Advancing Policy Measures to Drive Development of the Domestic Offshore Wind Supply Chain,” *offshorewindus.org*, p. 10, https://www.offshorewindus.org/wp-content/uploads/2022/06/Business-Network_Web_Advancing-Policy-Measures-to-Drive-Development-of-the-Domestic-Offshore-Wind-Supply-Chain.pdf (accessed September 29, 2022).

34. Rhode Island General Assembly, *Affordable Clean Energy Security Act*, H7971A, adopted June 29, 2022, <http://webserver.rilegislature.gov/billtext22/housetext22/h7971a.htm>.

In Massachusetts, the Department of Energy Resources (DOER) directs developers to put together DEI plans that include creating work opportunities for minorities and under-represented groups, encouraging participation of diverse suppliers, and ensuring developers outline strategies to mitigate any negative impacts on EJ communities. For instance, in its most recent offshore wind solicitation, Massachusetts directed bidders to provide the review team with the following information to be used in the qualitative evaluation of proposals:

- Descriptions of any potential impacts of projects on Environmental Justice populations and host communities,³⁵ including assessments of cumulative impacts, plans to minimize negative impacts, and strategies to engage with affected communities and direct employment opportunities to these communities.³⁶
- Demonstrated direct benefits to low-income ratepayers such as the reduction of energy burden through energy efficiency or renewable energy upgrades, or direct funding of rate relief through grant programs, support of existing community programs or other funding opportunities.³⁷

DOER also executed Memoranda of Understanding with both contracted offshore wind developers to track and report on the commitments in their DEI Plans and ensure the benefits are realized.³⁸ These memoranda, also called “Offshore Wind Development and Reporting Agreements,” include further details and the budgets that are dedicated to the DEI initiatives of the developer.

DOER also executed Memoranda of Understanding with both contracted offshore wind developers to track and report on the commitments in their DEI Plans and ensure the benefits are realized.

Local Spending

In-state spending mandates could also be an avenue for ensuring equitable investments. Maryland, in its 2019 Clean Energy Jobs Act (CEJA), set a procurement goal of at least 1.2 gigawatts by 2030. Part of the Maryland Public Service Commission's (PSC) criteria for evaluation, set by CEJA, is a cost-benefit analysis that includes an analysis of the proposed project's impact on income, employment, wages, and taxes with “particular emphasis on in-state manufacturing employment.”³⁹

35. Massachusetts Department of Energy Resource, “Request for Proposals for Long-Term Contracts for Offshore Wind Energy Projects,” May 7, 2021, p. 33, <https://macleanenergy.files.wordpress.com/2021/05/83c3-rfp-and-appendices-final.pdf> (accessed September 29, 2022).

36. Id. Appendix J.

37. Id. p. 32.

38. The Offshore Wind Development and Reporting Agreement between Commonwealth Wind, LLC and the MA DOER is available at <https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/15416361>, and the Offshore Wind Development and Reporting Agreement between Mayflower Wind Energy LLC and the MA DOER is available at <https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/15416363>.

39. Maryland Senate, *An Act Concerning Clean Energy Jobs*, Senate Bill 516, adopted May 25, 2019, https://mgaleg.maryland.gov/2019RS/chapters_nohn/Ch_757_sb0516E.pdf.

In its latest solicitation, the Maryland PSC chose two applications that would together provide a minimum of \$980 million in direct, in-state expenditures.⁴⁰ Maryland also requires developers to deposit money into the Maryland Offshore Wind Business Development Fund (OSWBDF), created by the Offshore Wind Energy Act of 2013 and administered by the Maryland Energy Administration, which the state can then invest in supply chain and workforce development programs, some of which target equity goals. (See below in “Women and Minority-Owned Businesses Requirements in the Supply Chain” for additional information.)

In its most recent OREC solicitation, the New York State Energy Research and Development Authority (NYSERDA) stopped short of requiring developers to spend money in-state but indicated that bids with New York-specific economic benefits, including labor, businesses, and iron and steel manufactured in New York will receive greater weight when the project is evaluated and scored in the project bid selection process.⁴¹

Women and Minority-Owned Businesses Requirements in the Supply Chain

Several states have incorporated provisions to specifically support women- and minority-owned businesses (MWBEs), as well as disabled- and veteran-owned businesses. MWBEs have historically faced considerable structural barriers to participation in many industries, among them clean energy. MWBEs often do not have access to the informal networks that other businesses may have, and they are less likely to receive loans and financing than non-MWBEs.⁴² Requiring that developers contract with, invest in, or support MWBEs can help dismantle the barriers that MWBEs face and ensure that they participate in and benefit from the offshore wind power supply chain.

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Maryland has some of the largest MWBE investment requirements for offshore wind developers in its procurement process. Both Round 1 and Round 2 of its OREC Program specifically required offshore wind applicants to develop small, minority, woman and veteran business participation plans with the Governor’s Office of Small Minority, Woman, Business Affairs and the Office of the Attorney General. In addition, the local spending requirements mentioned above include “carve-outs” for small, minority-, woman-, and veteran-

40. Maryland Public Service Commission Order No. 90011, *Order Granting Offshore Wind Renewable Energy Credits*, December 17, 2021, p. 104, <https://www.psc.state.md.us/wp-content/uploads/Order-No.-90011-Case-No.-9666-Order-Granting-Offshore-Wind-Renewable-Energy-Credits.pdf>.

41. New York State Energy Research and Development Authority (NYSERDA), “Purchase of Offshore Wind Renewable Energy Certificates Request for Proposals, ORECRFP22-1,” July 27, 2021, p. 34, <https://portal.nyseda.ny.gov/servlet/Servlet.FileDownload?file=00P8z000001ZxYsEAK>.

42. Id. p. 11.

owned businesses. The two developers, US Wind and Ørsted/SkipJack, have required MWBE-spending requirements of 15 percent and 29 percent respectively, totaling \$315 million.⁴³

Comprehensive local supply chains include major component manufacturers (often called “Tier 1 suppliers”) as well as the businesses that supply the parts and materials to those Tier 1 suppliers (often called “Tier 2 and 3 suppliers”).⁴⁴ In New York, Tier 1 suppliers and developers are required to use the state’s Offshore Wind Supply Chain Database when offering RFPs for project development, construction, and operation efforts. NYSERDA encourages MWBEs and Service-disabled and Veteran-owned businesses (SDVOBs) to register for the database so that they are more visible to developers and suppliers when they view the database. The latest solicitation makes clear that the use of MWBEs and SDVOBs will receive a greater weight from the solicitation’s OREC Scoring Committee when reviewing OREC submissions.⁴⁵

Because of New Jersey’s requirement that developers ensure community benefits, Ørsted created the Pro-NJ Grantor Trust, which has invested \$23 million in helping small, women-owned and minority-owned businesses enter the offshore wind supply chain. In addition, the New Jersey Economic Development Authority has set contracting value targets for the construction of the New Jersey Wind Port based on specific groups: 15 percent of the construction value is targeted for minority-, women-, or veteran-owned firms; 25 percent for small businesses; and 3 percent is targeted for service-disabled veteran-owned firms.

Because of New Jersey’s requirement that developers ensure community benefits, Ørsted created the Pro-NJ Grantor Trust, which has invested \$23 million in helping small, women-owned and minority-owned businesses enter the offshore wind supply chain.

In its latest solicitation, in addition to the information related to DEI plans mentioned above, the Massachusetts DOER required that developers demonstrate both an “ability and commitment to create and foster employment and economic development [in the state] and a commitment to diversity, equity and inclusion, including employment and procurement/contracting opportunities, for minority, women, veterans, LGBT and persons with disabilities.”⁴⁶ The Massachusetts Supplier Diversity Office (SDO) is in charge of certifying

43. Maryland Energy Administration, “Offshore Wind Energy in Maryland,” Maryland.gov, <https://energy.maryland.gov/Pages/Info/renewable/offshorewind.aspx> (accessed August 18, 2022).

44. Burdock, Liz et al., “Advancing Policy Measures to Drive Development of the Domestic Offshore Wind Supply Chain,” [www.offshorewindus.org](https://www.offshorewindus.org/wp-content/uploads/2022/06/Business-Network_Web_Advancing-Policy-Measures-to-Drive-Development-of-the-Domestic-Offshore-Wind-Supply-Chain.pdf), p. 6, https://www.offshorewindus.org/wp-content/uploads/2022/06/Business-Network_Web_Advancing-Policy-Measures-to-Drive-Development-of-the-Domestic-Offshore-Wind-Supply-Chain.pdf (accessed September 29, 2022).

45. New York State Energy Research and Development Authority (NYSERDA), “Purchase of Offshore Wind Renewable Energy Certificates Request for Proposals, ORECRFP22-1,” July 27, 2021, p. 53, <https://portal.nyseda.ny.gov/Servlet.FileDownload?file=00P8z000001ZxYsEAK>.

46. Massachusetts Department of Energy Resource, “Request for Proposals for Long-Term Contracts for Offshore Wind Energy Projects,” May 7, 2021, p. 31, <https://macleanenergy.files.wordpress.com/2021/05/83c3-rfp-and-appendices-final.pdf> (accessed September 29, 2022).

businesses that meet these criteria, and bidders were directed to provide a Supplier Diversity Program Plan describing such contracting opportunities, with assistance from the SDO in identifying such businesses if requested.⁴⁷

Community Benefits Agreements

A state can also require developers to create community benefit agreements to ensure that economic benefits stay in-state and are distributed equitably. These agreements do not have a strict definition, but they are generally meant to assure communities that host projects, or portions of projects, will also benefit from the developer's investment. Maryland and New Jersey have both successfully facilitated community benefits agreements between developers and local communities. The use of these community benefit agreements for offshore wind development is quite new and these agreements are in their early stages.

Maryland's 2019 CEJA (mentioned above) requires its second round of OREC applicants to include a community benefit agreement. When developers apply to the Maryland PSC, they must include a draft community benefit plan for impacted communities,⁴⁸ including prevailing wage provisions (see below), opportunities for local businesses and small, minority, women-owned, and veteran-owned businesses in the clean energy industry, occupational safety and health training and other career training opportunities, and minorities outreach.⁴⁹ Thus far, proposals have focused on areas where large support infrastructure, such as ports, will be sited. If a developer's bid is chosen, the developer must then report on the progress of its community benefit plan on a quarterly basis.

Maryland's 2019 CEJA requires its second round of OREC applicants to include a community benefit agreement.

In New Jersey, previous OREC RFPs have included a requirement for developers to provide benefits to overburdened communities. Developers proposed several different benefit arrangements, including creating trusts to provide funds to women-owned businesses, which resulted in the creation of the Pro-NJ Grantor Trust by Ørsted in 2020. To date, Ørsted's Ocean Wind 1 and Ocean Wind 2 projects have invested \$23 million in "offer[ing] small, women-owned and minority-owned businesses in New Jersey support in reconfiguring their businesses to participate in the developing offshore wind industry," and providing "funding for infrastructure resiliency improvements critical to the coastal communities in Atlantic, Ocean and Cape May counties."⁵⁰

New York does not require community benefits agreements; however, the state will evaluate responses to its latest solicitation "based on the level of understanding of impacts

47. Ibid.

48. Maryland Senate, *An Act Concerning Clean Energy Jobs*, Senate Bill 516, adopted May 25, 2019, https://mgaleg.maryland.gov/2019RS/chapters_noln/Ch_757_sb0516E.pdf.

49. Id.

50. Ocean Wind Pro-NJ Grantor Trust, pronjtrust.org, <https://www.pronjtrust.org> (accessed August 22, 2022).

on Disadvantaged Communities and the Proposer's approach to minimizing impacts and delivering benefits to Disadvantaged Communities," and give greater weight in its scoring process to bids that include "Disadvantaged Communities Commitments" with a plan to provide benefits to and reduce burdens on disadvantaged communities.⁵¹

Similarly, Massachusetts evaluates offshore wind proposals in part based on the status and completeness of their stakeholder engagement plan, including demonstrated evidence of past and current productive relationships with project stakeholders, and the project's plans to minimize negative impacts to—and to direct benefits towards—environmental justice populations and host communities.

Labor Contract Negotiations, Prevailing Wage Standards, and Labor Peace Agreements

Labor protections and wage standards are emerging areas of state and federal policy in offshore wind development. It is worth emphasizing that the equity outcomes of labor protection and wage standard policies can only be fully realized if underrepresented communities in the clean energy industry, particularly women and people of color, have the opportunity to join the workforce and benefit from these better-paying opportunities. In addition to some state policies enforcing the use of union-contracted labor or prevailing wage standards, the federal Inflation Reduction Act now requires that large-scale project developers pay the prevailing wage, as determined by the Secretary of Labor, to laborers, contractors, and sub-contractors involved in the construction of a facility in order to receive either the full production or investment tax credit.⁵²

New York, New Jersey, Rhode Island, and Maryland all have some variation of a project labor agreement or prevailing wage standard. In New York, developers must "include commitments to negotiate project labor agreements, labor peace agreements and prevailing wages" in their applications to the PSC.⁵³ Similarly, in New Jersey, the last offshore wind solicitation asked developers to describe their plans to use unionized labor for construction, operation, and maintenance, including "considerations related to prevailing wages, union neutrality agreements, and participation in community benefit agreements that must include commitments to local hiring and skills training for local people."⁵⁴

In New York, developers must "include commitments to negotiate project labor agreements, labor peace agreements and prevailing wages" in their applications to the PSC.

51. New York State Energy Research and Development Authority (NYSERDA), "Purchase of Offshore Wind Renewable Energy Certificates Request for Proposals, ORECRFP22-1," November 4, 2022, p. 53, <https://portal.nyserda.ny.gov/servlet/servlet.FileDownload?file=00P8z000002089yEAA>.

52. United States House of Representatives, *Inflation Reduction Act of 2022*, H.R. 5376, adopted August 16, 2022, <https://www.congress.gov/bill/117th-congress/house-bill/5376/text>.

53. NYSERDA, "2022 Offshore Wind Solicitation," [nyserda.ny.gov](https://www.nyserda.ny.gov/offshore-wind-2022-solicitation), <https://www.nyserda.ny.gov/offshore-wind-2022-solicitation> (accessed August 18, 2022).

54. New Jersey Board of Public Utilities, "Offshore Wind Solicitation #2, Solicitation Guidance Document," September 10, 2020, p. 17, <https://njoffshorewind.com/solicitation-documents/Final-Solicitation-Guidance-Documents-with-attachments.pdf>.

In Rhode Island, developers pursuing long-term contracts must enter into a labor peace agreement with at least one labor organization that represents employees conducting construction, maintenance, and operations work. Developers must provide wages and benefits for construction, operations, and maintenance employees at prevailing levels set by the state Department of Labor and Training.⁵⁵ In Maryland, CEJA states that community benefit agreements must ensure that skilled craft workers are paid the prevailing wage as determined by the Maryland Commissioner of Labor and Industry.⁵⁶

In Maine, the legislation authorizing the power purchase agreement for the state-proposed floating offshore wind research array in federal waters also includes a requirement for a Project Labor Agreement.

Stakeholder Engagement

Many states use stakeholder engagement as a tool to incorporate equity into their offshore wind development plans. In New York, stakeholder engagement is an important part of the OREC solicitation process; NYSERDA requires that bidders demonstrate that they understand all of the benefits and burdens that their project may have on the disadvantaged communities hosting their project or project infrastructure. They must also act “in accordance with the most recent relevant guidance per the Climate Action Council and Climate Justice Working Group.”⁵⁷ Further, New York requires the developer to, where possible, “take specific measures to foster collaboration and cooperation among Project developers, contractors and suppliers, impacted communities, marine users, labor organizations, State and local officials and other stakeholders.”⁵⁸

NYSERDA requires that bidders demonstrate that they understand all of the benefits and burdens that their project may have on the disadvantaged communities hosting their project or project infrastructure.

55. Rhode Island General Assembly, *An Act Relating to Public Utilities and Carriers – Affordable Clean Energy Security Act*, state.ri.us, <http://webserver.rilin.state.ri.us/BillText/BillText22/SenateText22/S2583B.pdf>.

56. Maryland Energy Administration, “Offshore Wind Energy in Maryland,” Maryland.gov, <https://energy.maryland.gov/Pages/Info/renewable/offshorewind.aspx> (accessed August 18, 2022).

57. New York State Energy Research and Development Authority (NYSERDA), “Purchase of Offshore Wind Renewable Energy Certificates Request for Proposals, ORECRFP22-1,” July 27, 2021, p. 50, <https://portal.nyserda.ny.gov/servlet/Servlet.FileDownload?file=00P8z000001ZxYsEAK>.

58. Ibid.

THREE

STATE INVESTMENT AND INFORMATION

Since offshore wind is new in the United States, developing industry, markets, and supply chains to support its growth will take considerable learning and investment. State governments will play a critical role in shaping how the offshore wind market will operate, who will participate, and who will benefit. State investment will be indispensable to creating the infrastructure required to build and operate large offshore wind farms. In this section, we consider a) workforce development and education, b) state collaboration, c) business and supply chain development, and d) ports.

Workforce Development and Education

The development of the industry and infrastructure required to supply, build, and maintain a domestic offshore wind industry will create tens of thousands of jobs in coastal states. The National Renewable Energy Lab (NREL) estimates that the United States' current goal of 30 gigawatts of offshore wind power by 2030 would require between 12,300 and 49,000 full time jobs annually in the offshore wind supply chain.⁵⁹ Since there are few workers with the necessary skills for offshore wind jobs, states with offshore wind potential have collectively invested tens of millions of dollars in workforce development programs, many of which have strong equity components.

States have extensive experience in workforce development. Some states' workforce development plans already include programs that relate to offshore wind, others do not. Similarly, not all of the workforce development programs in place have explicit equity goals.

California

In California, work on equity in workforce development is spearheaded by the California Workforce Development Board (CWDB). CWDB runs the High Road Training Partnership, an initiative to promote collaboration between workers, labor and worker organizations, industry, and community-based organizations and to provide quality employment training, especially in disadvantaged communities.⁶⁰ CWDB is working on building partnerships in the offshore wind industry and creating a negotiated Community Workforce Agreement.

59. Shields, Matt et al., "The Demand for a Domestic Offshore Wind Energy Supply Chain," *nrel.gov*, p. 41, <https://www.nrel.gov/docs/fy22osti/81602.pdf>.

60. California Workforce Development Board, "The High Road in Workforce Development," *cwdb.ca.gov*, https://cwdb.ca.gov/wp-content/uploads/sites/43/2020/08/OneSheet_HRTP_ACCESSIBLE.pdf.

Additionally, the CWDB is working on a report assessing California's current workforce and addressing the workforce and supply-chain gaps that must be filled to build a robust offshore wind industry.⁶¹

Connecticut

Connecticut is in the process of forming the Connecticut Clean Economy Council,⁶² a multi-agency council to advise the governor on, among other things, clean economy strategies and policies, including “identifying opportunities to leverage state and federal funding and maximize local economic development in clean energy...train[ing] the workforce in these areas; and support[ing] a diverse and equitable economic development and employment.”⁶³

Using funds from the American Rescue Plan Act, Connecticut started a \$70 million job training program called Career Connect. Though not specific to offshore wind, \$10 million is set aside for investment in clean energy. The goal of Career Connect is to promote the development of innovative training programs, engage community-based organizations (CBOs) with recruitment efforts, create a pipeline from training to jobs with technical and professional skills, and establish best practices by focusing recruitment for the training programs on underrepresented populations, including availability of full scholarships and a focus on moving participants from training and into employment quickly.

Connecticut also encourages the creation of regional private-sector partnerships, which are groups of employers in a region focused on a specific industry that come together to create career pathways for their industry by engaging schools, municipalities, and CBOs to build new training programs or facilities. These partnerships have become a major part of Connecticut's statewide workforce plan.⁶⁴ For instance, the Eastern Connecticut Manufacturing Pipeline, developed by General Dynamics Electric Boat, offers free manufacturing job training at several community colleges and high schools in eastern

Connecticut also encourages the creation of **regional private-sector partnerships**, which are groups of employers in a region focused on a specific industry that come together to create career pathways for their industry by engaging schools, municipalities, and CBOs to build new training programs or facilities.

61. California Workforce Development Board, “High Road to Offshore Wind,” *cwdb.ca.gov*, https://cwdb.ca.gov/wp-content/uploads/sites/43/2021/04/2021.HRTP_SLOCOE_ACCESSIBLE.pdf.

62. Members of the council include CT DEEP, the Office of Workforce Strategy, the Department of Economic and Community Development, the CT Office of Policy and Management, CTDOT, the Office of the Governor, the Connecticut Green Bank, Connecticut Innovations, and representatives of building trades.

63. State of Connecticut, Office of Governor Ned Lamont [Press Release], “Governor Lamont Signs Executive Order Directing Connecticut State Agencies To Implement Actions That Reduce Carbon Emissions and Adapt to Climate Crisis,” *ct.gov*, December 16, 2021, <https://portal.ct.gov/Office-of-the-Governor/News/Press-Releases/2021/12-2021/Governor-Lamont-Signs-Executive-Order-Directing-Connecticut-State-Agencies-To-Implement-Actions>.

64. *Ibid.*

Connecticut.⁶⁵ State leaders are hoping to replicate this model for clean energy and offshore wind, especially in port areas like New London and Bridgeport.

Maine

With a grant from the US Economic Development Administration, the state is developing the “Offshore Wind Roadmap: Charting a Course for Maine” as one component of the Maine Offshore Wind Initiative launched by Governor Mills in 2019.⁶⁶ The Roadmap, an 18-month, participatory initiative led by the Governor's Energy Office to create an economic development plan for the offshore wind industry in Maine, explicitly folds equity in its process and its product, and is intended to “support the talents of all people, attract and build a diverse workforce and supply chain, and proactively address existing inequities.”⁶⁷ Four Roadmap working groups have developed recommendations to reduce impacts on public health; support the participation of disadvantaged communities and populations in the offshore wind industry; study and address impacts that may disproportionately impact certain communities; and promote strategies to reduce costs of offshore wind.⁶⁸

In 2021, the state launched the Clean Energy Partnership program, backed by \$6.5 million from the Maine Jobs and Recovery Plan, including \$2.9 million in funding to provide career training opportunities like paid apprenticeships for clean energy jobs, including offshore wind.⁶⁹

Maryland

The Maryland Energy Administration (MEA) administers the Maryland Offshore Wind Workforce Training Program, which is a competitive grant program to support new and existing offshore wind workforce development programs and to offset capital and operating expenditures for offshore wind-specific workforce education and training centers in Maryland. The grant is funded by the Maryland Offshore Wind Business Development Fund. While the program can help any Maryland-based workforce training center, MEA encourages small minority-, women-, and veteran-owned businesses to apply,⁷⁰ and the process requires applicants to clearly explain how they “intend to market towards members of historically

65. Eastern Connecticut Workforce Investment Board, “Eastern CT Manufacturing Pipeline,” ewib.org, <https://www.ewib.org/pipeline> (accessed September 8, 2022).

66. For more information on Maine's Roadmap, visit <https://www.maineoffshorewind.org/road-map>.

67. Maine Governor's Energy Office, private communication with CESA staff, September 23, 2022.

68. Maine Offshore Wind Initiative, “Working Group Recommendations,” [maineoffshorewind.org](https://www.maineoffshorewind.org/working-group-recommendations), <https://www.maineoffshorewind.org/working-group-recommendations> (accessed September 26, 2022).

69. State of Maine, Office of Governor Janet T. Mills [Press Release], “Governor Mills Announces Maine Jobs & Recovery Plan Initiatives to Cut Energy Costs for Maine Families, Reduce Carbon Emissions, and Strengthen Clean Energy Workforce,” [maine.gov](https://www.maine.gov), November 4, 2021, <https://www.maine.gov/governor/mills/news/governor-mills-announces-maine-jobs-recovery-plan-initiatives-cut-energy-costs-maine-families>.

70. Maryland Energy Administration [Press Release], “Maryland Energy Administration Announces \$2.8 M in Available Funding to Grow the Offshore Wind Supply Chain and Workforce in Maryland,” November 9, 2021, <https://news.maryland.gov/mea/2021/11/09/maryland-energy-administration-announces-2-8-m-in-available-funding-to-grow-the-offshore-wind-supply-chain-and-workforce-in-maryland>.

marginalized communities, formerly incarcerated individuals, and people with disabilities.”⁷¹ For Fiscal Year 2023, the program’s budget is \$800,000.⁷²

In addition, the U.S. Department of Commerce awarded a \$23 million grant to the Maryland Department of Labor in August 2022 to implement an apprenticeship model to support the growth of the offshore wind industry workforce.⁷³ The Maryland Works for Wind program is led by the state in partnership with employers US Wind and Ørsted, other businesses, local workforce development boards, state agencies, training organizations, and organized labor.⁷⁴ It includes a large equity component by focusing on “formerly incarcerated individuals, veterans, disconnected youth, and other underserved populations,”⁷⁵ including women and people of color.

The U.S. Department of Commerce awarded a \$23 million grant to the Maryland Department of Labor in August 2022 to implement an apprenticeship model to support the growth of the offshore wind industry workforce.

The program seeks to drive economic development and to develop these partnerships with “an equity lens, ensuring that those negatively impacted by the pandemic, individuals with barriers to employment, and traditionally underserved populations have equal opportunity to launch careers in this lucrative field,” the Maryland Department of Labor wrote in its grant application.⁷⁶

The program is broad and includes a variety of tools and initiatives. To highlight just two aspects, the Maryland Works for Wind program aims to utilize and bolster existing training capacity and programs in Maryland:

71. Maryland Energy Administration, “Funding Opportunity Announcement; Maryland Offshore Wind Workforce Training; Fiscal Year 2023 Grant Program,” *maryland.gov*, <https://energy.maryland.gov/SiteAssets/Pages/Info/renewable/offshorewindworkforce/FY23%20OSW%20Workforce%20FOA%20-final%209.6.pdf> (accessed September 27, 2022).
72. Maryland Energy Administration [Press Release], “MEA Announces Maryland Offshore Wind Workforce Training Grant Program,” September 8, 2022, <https://news.maryland.gov/mea/2022/09/08/mea-announces-maryland-offshore-wind-workforce-training-grant-program/> (accessed September 27, 2022).
73. U.S. Economic Development Administration [Press Release], “US Department of Commerce Invests \$22.9 Million to Support the Offshore Wind Industry in Maryland Through American Rescue Plan Good Jobs Challenge,” *eda.gov*, August 3, 2022, <https://eda.gov/news/press-releases/2022/08/03/Maryland-Department-of-Labor.htm> (accessed September 27, 2022).
74. The unions participating in this program are Baltimore/DC Metro Building Trades Council, Carpenters Local 474, Finishing Trades Institute/International Union of Painters and Allied Trades District Council 51, International Brotherhood of Electrical Workers Local 24, International Association of Ironworkers Local 5, Operating Engineers Local 37, and the United Steelworkers.
75. U.S. Economic Development Administration [Press Release], “US Department of Commerce Invests \$22.9 Million to Support the Offshore Wind Industry in Maryland Through American Rescue Plan Good Jobs Challenge,” *eda.gov*, p. 7, August 3, 2022, <https://eda.gov/news/press-releases/2022/08/03/Maryland-Department-of-Labor.htm> (accessed September 27, 2022).
76. Maryland Department of Labor, project narrative in application for USED funding, <https://eda.gov/files/arpa/good-jobs-challenge/awardees/project-narrative/Maryland%20DOL%20-%20Project%20Narrative.pdf> (accessed September 27, 2022).

- To attract and support formerly incarcerated populations to trades such as construction, welding, and logistics, through a collaboration with the Office of Correctional Education.
- To continue diversifying the Maryland's Registered Apprenticeship pipeline of apprentices. From 2014 to 2021, the number of minority apprentices grew by 61 percent and female apprentices grew by over 130 percent, with salaries five years following graduation averaging over \$80,000.⁷⁷

Massachusetts

With multiple utility-scale offshore wind projects in development, Massachusetts is looking to expand its offshore wind workforce, especially in previously underserved communities. In July 2021, the Baker-Polito administration announced awards totaling \$1.6 million to eight organizations to “increase the participation of underrepresented populations in the offshore wind industry.” This is in addition to \$7.4 million in grants in 2019, 2020, and 2022 for offshore wind workforce training with a DEI focus. Developers of two of Massachusetts's projects, Vineyard Wind and Mayflower Wind, pledged to cover part of earlier grants when their projects reach pre-determined development milestones.⁷⁸

In July 2021, the Baker-Polito administration announced awards totaling \$1.6 million to eight organizations to “increase the participation of underrepresented populations in the offshore wind industry.”

Additionally, the Massachusetts Clean Energy Center (MassCEC) supplies workforce equity training grants that support organizations that “can plan, develop, and deliver career training programs (or pathways to programs) that will serve environmental justice neighborhoods or fossil fuel workers, leading to employment in climate-critical occupational categories and business fields.” In September 2022, the Baker-Polito Administration announced \$3.6 million in grant awards to 25 organizations committed to expanding career and business opportunities in climate-critical fields.⁷⁹ MassCEC's Clean Energy and Equity Working Group, which includes representatives from utilities, higher education, and CBOs, provides guidance on some of this work, including solicitations.

New Jersey

In 2021, the New Jersey Board of Public Utilities (NJBPU) signed a memorandum of understanding with the New Jersey Economic Development Authority (NJEDA) to build

77. Id.

78. Massachusetts Clean Energy Center [Press Release], “Baker-Polito Administration Awards \$1.6 Million to Expand Access to Offshore Wind Workforce Training Opportunities,” *masscec.com*, July 21, 2022, <https://www.masscec.com/press/baker-polito-administration-awards-16-million-expand-access-offshore-wind-workforce-training>.

79. Massachusetts Clean Energy Center [Press Release], “Baker-Polito Administration Announces \$3.6M in Funding to Equity Workforce Training and MWBEs in Climate Critical Fields,” *masscec.com*, September 23, 2022, <https://www.masscec.com/press/baker-polito-administration-announces-36m-funding-equity-workforce-training-and-minority-and> (accessed September 29, 2022).

a “robust foundation for the offshore wind industry in South Jersey.”⁸⁰ The memorandum included \$7 million in funding from NJBPU to NJEDA to build workforce and education programs, spearhead research and address challenges, and launch the New Jersey Wind Institute for Innovation and Training (Wind Institute), a “clearinghouse for education, research, innovation and workforce training related to the development of offshore wind” in New Jersey.⁸¹ Although the Wind Institute is not running yet, NJEDA has funded numerous programs hosted at vocational schools, colleges and community colleges around the state.⁸² In September 2022, NJEDA announced a \$3.725 million competitive grant challenge aimed at developing skills for the offshore wind workforce in New Jersey’s Overburdened Communities.⁸³

The memorandum included **\$7 million in funding from NJBPU to NJEDA** to build workforce and education programs, spearhead research and address challenges, and launch the New Jersey Wind Institute for Innovation and Training (Wind Institute), a “clearinghouse for education, research, innovation and workforce training related to the development of offshore wind” in New Jersey.

New Jersey’s Council on the Green Economy, a working group of leaders from the public, private, and nonprofit sectors overseen by the Governor’s Office of Climate Action and the Green Economy, is developing a blueprint to build a diverse workforce in support of the administration’s clean energy and climate goals. The Council’s objectives include, “incorporate[ing] equitable workforce development strategies into all environmental and clean energy initiatives, including a framework to support high quality employment and collective bargaining,” and targeted investments in workforce development.⁸⁴

New York

New York and NYSERDA have made equity an integral part of their workforce development plans. In 2020, NYSERDA launched the Offshore Wind Training Institute (OWTI) in collaboration with two SUNY campuses with a budget of \$20 million. So far, the OWTI has awarded money to two programs at community colleges to support “early training and skills development for disadvantaged communities and priority populations—including

80. New Jersey Board of Public Utilities, “Memorandum of Understanding Between the New Jersey Economic Development Authority and the New Jersey Board of Public Utilities,” *nj.gov*, signed July 30, 2021, <https://nj.gov/bpu/bpu/pdf/boardorders/2021/20210714/8C%20MOU%20Between%20NJBPU%20and%20NJEDA.pdf>.

81. New Jersey Governor Phil Murphy, Executive Order No. 79, *nj.gov*, August 16, 2019, <https://nj.gov/infobank/eo/056murphy/pdf/EO-79.pdf>, p. 2.

82. New Jersey colleges with NJEDA-funded programs are listed at the following link under “Current Initiatives,” https://www.njeda.com/wind_institute.

83. For additional information about NJEDA’s grant program, see <https://www.njeda.com/njeda-to-create-offshore-wind-workforce-and-skills-development-grant-challenge/> and for additional information about New Jersey’s Overburdened Communities definition, see <https://dep.nj.gov/ej/communities>.

84. New Jersey Council on the Green Economy *About* Webpage, *nj.gov*, <https://www.nj.gov/governor/climateaction/council> (accessed October 6, 2022).

veterans, individuals with disabilities, low-income individuals, homeless individuals, and single parents.”⁸⁵ The programs are both located in areas that New York intends to develop for offshore wind infrastructure; the first is located near the Port of Albany, where turbines will be fabricated, and the second is located in New York City, where turbines will be staged and commissioned.

North Carolina

With a \$23,687,365 grant from the U.S. Economic Development Administration, North Carolina launched the Successful Training and Effective Partnerships for Growing Regional Opportunities in the Workforce To Harness initiative, or STEPs4GROWTH. STEPs4GROWTH is housed at the largest Historically Black College and University (HBCU) in the country, the North Carolina Agricultural and Technical State University (N.C. A&T). While it is housed at N.C. A&T, the initiative aims to start in high school and allow participants to build skills all the way to bachelor’s degrees through regional training centers at community colleges.⁸⁶

With a \$23,687,365 grant from the U.S. Economic Development Administration, North Carolina launched the Successful Training and Effective Partnerships for Growing Regional Opportunities in the Workforce To Harness initiative, or **STEPs4GROWTH**.

STEPs4GROWTH explicitly addresses equity through the targeting of “16 distressed counties in the state, including ten Tier 1 counties encompassing ‘Black Belt’ rural communities.”⁸⁷ Tier 1 counties are those most distressed under a North Carolina Department of Commerce annual ranking system, taking into account unemployment and household income data, among other factors.⁸⁸ The initiative will use mobile training units to remove access barriers to training programs by 2026, with the goal to place workers in clean energy, including offshore wind, over a five-year time span.⁸⁹

State Collaboration

The offshore wind economy will necessarily connect regions; supply chains and transmission systems will span multiple states, and electricity will flow between them. Two

85. New York State Energy Research and Development Authority (NYSERDA), “Workforce Development,” *nyserda.ny.gov*, <https://www.nyserda.ny.gov/All-Programs/Offshore-Wind/Focus-Areas/Supply-Chain-Economic-Development/Workforce-Development> (accessed August 16, 2022).

86. The participating colleges are Halifax Community College, Martin County Community College, Guilford Community College, and UNC Charlotte, and Olympic High School in Charlotte. Source: <https://abc11.com/nc-at-grant-clean-energy-workforce-steps4growth-government/12096926> (accessed September 26, 2022).

87. U.S. Economic Development Administration, Statement of grant award to North Carolina Agricultural and Technical State University, *eda.gov*, <https://eda.gov/arpa/good-jobs-challenge/awardees/North-Carolina-Agricultural-and-Technical-State-University.htm> (accessed September 26, 2022).

88. For additional information on the North Carolina Department of Commerce ranking system, see <https://www.commerce.nc.gov/grants-incentives/county-distress-rankings-tiers>.

89. Joe Killian, “N.C. A&T receives \$23.7 million grant for clean energy training program,” *ncpolicywatch.org*, published August 3, 2022, <https://pulse.ncpolicywatch.org/2022/08/03/n-c-at-receives-23-7-million-grant-for-clean-energy-training-program/#sthash.r9wm4KJZ.dpbs> (accessed September 26, 2022).

promising regional collaboration agreements have taken shape on the East Coast, one between New York, New Jersey, and BOEM, and another between Maryland, Virginia, and North Carolina. Both collaborations include equity as one of their goals.

New York-New Jersey Shared Vision

As part of the New York Bight lease auction, New York, New Jersey, and BOEM collectively created the “Shared Vision on the Development of an Offshore Wind Supply Chain,” a memorandum of understanding that promotes collaboration between the three parties to “undertake complementary actions, policies, and guidance that will help achieve a domestic supply chain and drive benefits to underserved, disadvantaged, and overburdened communities.”⁹⁰ The “Shared Vision” will result in a published list of best practices for identifying underserved, disadvantaged, or overburdened communities impacted by offshore wind development, defining thresholds for mitigation and opportunities for underserved, disadvantaged, or overburdened communities and best practices for engaging those communities, and identifying how best to share the information that they have developed.⁹¹

SMART-POWER

Maryland, Virginia, and North Carolina have entered into a memorandum of understanding to promote regional offshore wind development called the Southeast and Mid-Atlantic Regional Transformative Partnership for Offshore Wind Energy Resources (SMART-POWER),⁹² with a similar aim of creating a regional offshore wind industry. One of SMART-POWER’s goals is to foster and expand workforce training across states and engage more stakeholders from underserved communities to “establish greater equity in the jobs created” by the offshore wind industry.⁹³

The “Shared Vision” will result in a published list of best practices for identifying underserved, disadvantaged, or overburdened communities impacted by offshore wind development, defining thresholds for mitigation and opportunities for underserved, disadvantaged, or overburdened communities and best practices for engaging those communities, and identifying how best to share the information that they have developed.

90. Bureau of Ocean Energy Management, “A Shared Vision on the Development of an Offshore Wind Supply Chain,” *boem.gov*, p. 1, <https://www.boem.gov/sites/default/files/documents/renewable-energy/state-activities/BOEM%20NY%20NJ%20Shared%20Vision.pdf>.

91. *Ibid.*, pp. 6–7.

92. “SMART-POWER” stands for Southeast and Mid-Atlantic Regional Transformative Partnership for Offshore Wind Energy Resources.

93. Maryland, Virginia, and North Carolina Regional SMART-POWER Partnership, *energy.maryland.gov*, <https://energy.maryland.gov/SiteAssets/Pages/Info/renewable/offshorewind/SmartPower%20Factsheet%20%284%29.pdf>.

Business and Supply Chain Development

The United States is investing heavily in developing a domestic supply chain for offshore wind. To avoid high prices, shortages, and delays, states are leading the way in investing and partnering with developers to help local businesses acquire the knowledge, capital, equipment, and labor to meet the nation's offshore wind goals. The challenges are considerable as offshore wind projects require specialized ports, specialized vessels, and the fabrication and construction of foundations, towers, turbine blades, and more.

State policy has the potential to incorporate equity into these investment decisions to ensure that MWBEs and unions play a significant role in the offshore wind industry and that underserved communities also benefit. Massachusetts, Maryland, and New Jersey stand out as states that have made equity an important part of their supply chain development plans.

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Maryland

In concert with its Offshore Wind Workforce Training Grant Program and the Department of Labor's Maryland Works for Wind program, the Maryland Energy Administration (MEA) also operates the Maryland Offshore Wind Capital Expenditures Program, which in 2022 set aside \$1.6 million to support Maryland businesses looking to enter the offshore wind supply chain. A similar amount is set aside for 2023.⁹⁴ MEA has specifically reached out to small, minority-, women- and veteran-owned businesses and will contribute up to 50 percent of total project costs for qualifying businesses.⁹⁵

Further, MEA partnered with the Business Network for Offshore Wind to develop several educational resources intended to help Maryland residents and businesses understand the offshore wind industry and related opportunities, including a new Offshore Wind Maryland website with a direct link to the Business Networks Supply Chain Connect Registry, webinars, subsidized courses and free consulting services.

Massachusetts

In order to increase the visibility and participation of MWBEs in the growing offshore wind supply chain, MassCEC built an offshore wind supply chain directory that includes local

94. Maryland Energy Administration [Press Release], "MEA Announces Fiscal Year 2023 Maryland Offshore Wind Capital Expenditure Grant Program," *maryland.gov*, September 7, 2022, <https://news.maryland.gov/mea/2022/09/07/mea-announces-fiscal-year-2023-maryland-offshore-wind-capital-expenditure-grant-program> (accessed September 27, 2022).

95. Maryland Energy Administration [Press Release], "Maryland Energy Administration Announces \$2.8 M in Available Funding to Grow the Offshore Wind Supply Chain and Workforce in Maryland," November 9, 2021, <https://news.maryland.gov/mea/2021/11/09/maryland-energy-administration-announces-2-8-m-in-available-funding-to-grow-the-offshore-wind-supply-chain-and-workforce-in-maryland>.

contractors, suppliers, and manufacturers. Within the directory, businesses can request to be labeled women-owned or minority-owned.

New Jersey

In New Jersey, the NJEDA has held numerous industry education and networking events, including the Offshore Wind Ready event, in conjunction with the Business Network for Offshore Wind. Other meetings organized by NJEDA have also enabled local businesses, including women- and minority-owned businesses, to connect with private contractors.⁹⁶

North Carolina

Governor Roy Cooper's Executive Order 218, enacted in 2021, directed the North Carolina Department of Commerce to create the N.C. Taskforce for Offshore Wind Economic Resource Strategies (NC TOWERS) to “provide expert advice for advancing North Carolina offshore wind energy projects, economic development, and job creation.” NC TOWERS' responsibilities include bolstering the state's offshore wind supply chain and “advancing opportunities for equitable access, particularly in underserved communities, to the economic benefits created by the offshore wind industry.” The taskforce is required to represent a “variety of interests,” including “environmental protection, equity, and justice.”⁹⁷ NC TOWERS launched a survey in September 2022 to assess the level of engagement already in the state and gauge the sentiment of the state's residents about offshore wind. Based on initial pilots for stakeholder engagement meetings, NC TOWERS is developing its engagement strategy with the goal to reach underserved populations throughout the state.

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Ports

As coastal states begin to build offshore wind projects and attract additional developers, they are investing heavily in their port infrastructure. Adequate ports are essential for offshore wind project fabrication, staging, construction, commissioning, and maintenance. Additionally, ports are a major driver of economic development—they employ thousands of workers and attract all sorts of secondary and tertiary suppliers, contractors, and other businesses to their surroundings. Ports can also be a major source of air pollution for neighboring communities. As such, ports offer an excellent opportunity to promote equity and reduce harmful environmental impacts in the offshore wind economy. Up and down the East Coast, states are racing to retool and upgrade their ports to support on offshore

96. New Jersey Economic Development Authority, “Events,” *njeda.com*, <https://www.njeda.com/event/16054/> (accessed August 24, 2022).

97. Governor Roy Cooper, Executive Order No. 21, *Advancing North Carolina's Economic and Clean Energy Future with Offshore Wind*, *nc.gov*, January 9, 2021, <https://files.nc.gov/governor/documents/files/EO218-Advancing-NCs-Economic-Clean-Energy-Future-with-Offshore-Wind.pdf>.

wind projects, but so far only the New Jersey Wind Port (NJWP) project explicitly makes equity one of its priorities.

New Jersey has committed over \$500 million of funding to its New Jersey Wind Port (NJWP), which is currently under construction and overseen by the NJEDA. The NJWP is expected to create up to 1,500 permanent manufacturing, assembly, and operations jobs and provide \$500 million annually in economic benefit to South Jersey, home to several of the State's most distressed communities. NJEDA has worked with the NJWP Diversity and Local Engagement Advisory Committee to address diversity and equity.

This Committee convenes stakeholders from nearby communities, diverse suppliers, community and commerce organizations and relevant state agencies to ensure shared community benefits and accessible employment and business opportunities. Additionally, New Jersey has set a target to award at least 15 percent of the construction value for the New Jersey Wind Port to minority-, women-, and veteran-owned firms; 25 percent to small businesses; and 3 percent to service-disabled veteran owned firms. The construction project also has a target of 18 percent minority and 6.9 percent female workers on site.⁹⁸

Other efforts relating to port upgrades in economically distressed areas relate more generally to economic development. In 2020, the Connecticut Port Authority finalized a public-private partnership with Ørsted and Eversource to invest \$250 million, including \$93 million in state money, to redevelop New London State Pier into an offshore wind port capable of pre-assembly and staging that will ultimately enable the South Fork Wind, Revolution Wind, and Sunrise Wind projects and contribute hundreds of local jobs to the area.⁹⁹ Ørsted and Eversource have also made commitments to upgrade ProvPort and build a \$24 million fabrication facility in Rhode Island, and agreed with Rhode Island Building and Construction Trades Council and Dimeo Construction, the lead contractor for the project, to use exclusively local union labor during construction of the facility.¹⁰⁰ Meanwhile, the \$500 million in state funding released in New York's third OREC solicitation mentioned above includes ports in its definition of Supply Chain Investment Plans.

98. State of New Jersey Governor Phil Murphy [Press Release], "Governor Phil Murphy, U.S. Department of Labor Secretary Marty Walsh, and Elected, Union, Environmental, and Private Sector Leaders Break Ground on the New Jersey Wind Port," *nj.gov*, September 9, 2021, <https://www.nj.gov/governor/news/news/562021/approved/20210909a.shtml>.

99. Connecticut Port Authority, "State Pier Infrastructure Improvements Project," *statepiernewlondon.com*, <https://statepiernewlondon.com/#vision-statement> (accessed August 28, 2022).

100. Kuffner, Alex, "Offshore wind developers announce ProvPort facility," *The Providence Journal*, April 14, 2021, <https://www.providencejournal.com/story/news/2021/04/14/offshore-wind-developers-announce-24-million-facility-provport/7220559002>.

FOUR

DEVELOPMENT OF EQUITY GOALS

Planning for equity is a long-term process requiring the input of many different communities. In addition to making equity an important aspect of offshore wind development, in the last few years several states have sought to make equity a central goal of their future energy policy. In this section, we look at a few ways that states have done so, including a) Environmental Justice Community definitions and mapping, b) establishing an equity planning process, and c) creating equity commitments.

EJ/DAC mapping

A number of the state programs and policies described above rest on establishing a clear definition of disadvantaged communities (DACs). Mapping efforts have been underway in multiple states and are an extremely valuable tool for directing benefits and reducing harms to those communities. Several states have definitions for DACs (or for a comparable term, such as “vulnerable community”), including California, Maine, Maryland, Massachusetts, New York, Oregon, and Virginia, though not all of them already use these definitions in offshore wind policies and programs.¹⁰¹ Some, like New York and Massachusetts, make explicit use of definitions and mapping tools in offshore wind policies and programs relating to stakeholder engagement, community benefit agreements, or workforce training prioritization.

Some, like New York and Massachusetts, make **explicit use of definitions and mapping tools in offshore wind policies and programs relating to stakeholder engagement, community benefit agreements, or workforce training prioritization.**

California has an advanced tool for mapping DACs, based on a series of metrics including environmental, health, and socioeconomic information, called CalEnviroScreen 4.0.¹⁰² While this tool does not yet have a specific offshore wind application, the California Coastal Commission used it to help BOEM identify DACs near the proposed Humboldt WEA and to recommend specific outreach to and representation from Tribes, communities of color, and low-income communities.¹⁰³

101. Leon, Warren et al., “Equity in 100% Clean Energy Legislation and Executive Orders,” *cesa.org*, October 2022, pp. 14–28, <https://www.cesa.org/resource-library/resource/equity-in-state-100-clean-energy-legislation-and-executive-orders>.

102. California Office of Environmental Health Hazard Assessment, “About CalEnviroScreen,” *oehha.ca.gov*, <https://oehha.ca.gov/calenviroscreen/about-calenviroscreen> (accessed October 9, 2022).

103. California Coastal Commission, *Adopted Findings*, Consistency Determination No.: CD-0001-22, *coastal.ca.gov*, <https://documents.coastal.ca.gov/assets/upcoming-projects/offshore-wind/Th8a-4-2022%20adopted%20findings.pdf>.

Identifying DACs is a cornerstone of New York's 2019 Climate Act. The law created the Climate Justice Working Group (CJWG), made up of representatives from state agencies and Environmental Justice groups to identify DACs and “ensure they directly benefit from the State’s historic transition to cleaner, greener sources of energy, reduced pollution and cleaner air, and economic opportunities.”¹⁰⁴ The CJWG identified 35 percent of New York census tracts as DACs, using a scoring system that included “climate-related risks such as flooding or extreme heat, health vulnerabilities like asthma and COPD, and emergency department visits, as well as several socio-economic factors including race, ethnicity, and income.”¹⁰⁵ New York, like California, includes tribal communities in its definition of DACs.

In Massachusetts, environmental justice (EJ) populations are defined based on household income levels, minority population share, and English-speaking proficiency level.¹⁰⁶ In its most recent offshore wind solicitation, the state’s evaluation criteria explicitly referred to this definition of EJ populations and required that bidders describe impacts, both positive and negative, on EJ populations (See *DEI Plans for Offshore Wind Developers*, page 15). Like New York and California, Massachusetts makes use of a map-based tool, the Environmental Justice Map Viewer, to assist in the visualization of priority EJ areas in the state.¹⁰⁷

Equity Planning Process/Feedback Loops

Stakeholder feedback and participation, particularly from vulnerable communities, low-income communities, and communities of color is a central tenet of energy equity. In Maine, the governor’s Climate Council’s equity subcommittee produced an interim report and framework that Maine is using to inform its climate-related activities, including offshore wind. The full report is expected at the end of 2022. The draft interim report includes numerous recommendations to improve the integration of equity into Maine’s energy future, including, but not limited to, engaging communities hosting clean projects at the beginning of siting and planning processes, publishing guidance for communities to access benefits, and examining the decommissioning of renewable energy projects to ensure they do not disproportionately affect marginalized communities.¹⁰⁸

Connecticut formed the Connecticut Equity Environmental Justice Advisory Council to advise the Commissioner of the Connecticut DEEP on “current and historic environmental injustice, pollution reduction, energy equity, climate change mitigation and resiliency, health disparities, and racial inequity.”

104. NYSERDA, “Draft Disadvantaged Communities Criteria Overview Fact Sheet,” *ny.gov*, p. 1, <https://climate.ny.gov/Our-Climate-Act/Disadvantaged-Communities-Criteria>.

105. Ibid.

106. For additional information about EJ population definitions in Massachusetts, see <https://www.mass.gov/info-details/environmental-justice-populations-in-massachusetts#what-is-an-environmental-justice-population>.

107. To access the Massachusetts 2020 EJ Populations map, visit <https://mass-eoeea.maps.arcgis.com/apps/webappviewer/index.html?id=1d6f63e7762a48e5930de84ed4849212>.

108. State of Maine Governor’s Office of Policy Innovation and the Future, “Equity Subcommittee,” *maine.gov*, <https://www.maine.gov/future/initiatives/climate/climate-council/equity-subcommittee> (accessed August 29, 2022). For a full list of the subcommittee’s recommendations, see the committee’s webpage above.

Likewise, Connecticut formed the Connecticut Equity Environmental Justice Advisory Council to advise the Commissioner of the Connecticut DEEP on “current and historic environmental injustice, pollution reduction, energy equity, climate change mitigation and resiliency, health disparities, and racial inequity.”¹⁰⁹ This will allow CT DEEP to formalize communication with energy justice groups, and integrate environmental justice into future programs and policies, including offshore wind.

In California, the Disadvantaged Communities Advisory Group (DACAG) advises the California Public Utilities Commission (CPUC) and the California Energy Commission (CEC) on behalf of disadvantaged communities across the state. DACAG has requested that the CEC present its offshore wind work in November 2022.¹¹⁰

Equity Commitments

In line with federal Justice40 goals, some states have chosen to ensure that a certain percentage of investment in and/or benefits from a just transition to clean energy will flow to marginalized communities.

So far, only one state currently developing offshore wind projects has done so. New York’s 2019 Climate Leadership and Community Protection Act requires that Dis-

advantaged Communities receive at least 35 percent of overall benefits from the clean energy transition and sets a goal of 40 percent of overall benefits.¹¹¹ The law also requires state agencies to ensure that permitting, licensing, contracting, and other approvals and decisions will not disproportionately burden Disadvantaged Communities and to prioritize reductions of GHG emissions and other pollutants in Disadvantaged Communities.¹¹²

In January 2022, North Carolina governor Roy Cooper signed Executive Order 246, which directs agencies in the North Carolina government to “incorporate environmental justice and equity considerations” into the implementation of all their clean energy and offshore wind efforts, which are mandated by Executive Orders 80 and 218, respectively. It also encourages other institutions, including the “council of state members, state boards and commissions, higher education institutions, local governments, [and] private businesses” to incorporate “environmental justice and equity considerations and benefits” into their work.¹¹³

The law requires state agencies to ensure that permitting, licensing, contracting, and other approvals and decisions will not disproportionately burden Disadvantaged Communities and to prioritize reductions of GHG emissions and other pollutants in Disadvantaged Communities.

109. Connecticut Department of Energy and Environmental Protection, “Connecticut Equity and Environmental Justice Advisory Council (CEEJAC),” *ct.gov*, <https://portal.ct.gov/DEEP-CEEJAC> (accessed August 31, 2022).

110. Interview with Noemi Gallardo, California Energy Commission, by the authors, October 2022.

111. Interim definition of Disadvantaged Communities: “Located within census block groups that meet the HUD 50% AMI threshold, that are also located within the DEC Potential Environmental Justice Areas; or located within New York State Opportunity Zones.”

112. NYSERDA, “Disadvantaged Communities,” *nyserda.ny.gov*, <https://www.nyserda.ny.gov/ny/disadvantaged-communities> (accessed September 7, 2022).

113. North Carolina Governor Roy Cooper, “North Carolina’s Transformation to a Clean, Equitable Economy, Executive Order No. 246,” *nc.gov*, January 7, 2022, <https://governor.nc.gov/media/2907/open>.

In line with this mandate, the North Carolina Department of Commerce released a document including a list of “fundamental values” for offshore wind development in the state. Among these fundamental values are statements that North Carolina prefers projects and investments that “demonstrate commitment to diversity, equity, and inclusion,” “directly benefit potentially underserved communities,” and “mitigate environmental and natural resource impacts to (...) potentially underserved communities.” The document also reiterates North Carolina’s “commitment to ongoing communication with all stakeholders,” which includes Native American tribes and other potentially underserved communities.¹¹⁴

114. North Carolina Department of Commerce, “Guidelines: North Carolina Offshore Wind Development Facts and Fundamental Values,” *nccommerce.com*, April 25, 2022, <https://www.nccommerce.com/documents/guidelines-north-carolina-offshore-wind-development-facts-and-fundamental-values>.

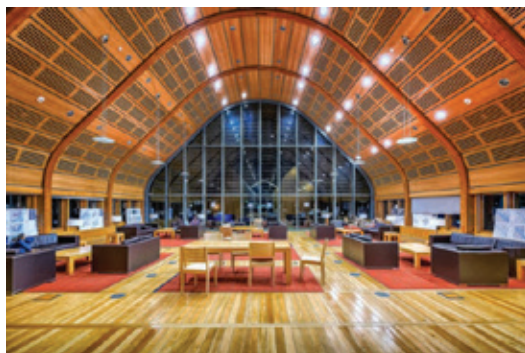
The Clean Energy States Alliance (CESA) is a national, nonprofit coalition of public agencies and organizations working together to advance clean energy. CESA members—mostly state agencies—include many of the most innovative, successful, and influential public funders of clean energy initiatives in the country.

CESA works with state leaders, federal agencies, industry representatives, and other stakeholders to develop and promote clean energy technologies and markets. It supports effective state and local policies, programs, and innovation in the clean energy sector, with an emphasis on renewable energy, power generation, financing strategies, and economic development. CESA facilitates information sharing, provides technical assistance, coordinates multi-state collaborative projects, and communicates the views and achievements of its members.

Ørsted US Offshore Wind/Block Island Wind Farm



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