

Responses from Mr. Jason Walsh, Executive Director, BlueGreen Alliance to Questions from Representative Gosar

1. Mr. Walsh, when we talk about job opportunities in offshore wind right now most of the companies that are working in the offshore are using almost entirely foreign labor by using mariners that are provided through a nearly a limitless supply of US B-1/OCS visas. Right now there has been little no limit in the past to the issuance of these visas to foreign labor and there is no check to see if there are U.S. mariners that are able to conduct the work the foreign mariner is doing. As a result, wind companies are aggressively using lowest cost foreign labor in the offshore. Tell me, do you believe the lowest cost foreign labor is the best workforce to build offshore wind?

The BlueGreen Alliance believes the offshore wind industry can and should support growth of good-paying American jobs. This includes efforts to support and grow a domestic workforce for construction and operations and maintenance of offshore wind farms as well as policies to help build a robust domestic offshore wind supply chain.

To start, we need to ensure that we have a domestic workforce that is prepared for jobs in the offshore wind industry. In the U.S., there are many domestic workers who already have relevant skills but would benefit from specific offshore wind training. That's where bills like the Offshore Wind Jobs and Opportunity Act come in.

The creation of training programs and curriculum that build on existing apprenticeship and other labor-management training models and utilize capacity at technical and community colleges will reduce barriers to employment, accelerate the preparation of our domestic workforce, and align worker skills with industry needs. Additionally, offshore wind projects are being permitted and approved for construction now. Leveraging existing training infrastructure will allow us to act quickly to get our domestic workforce up to speed.

Beyond training, Project Labor Agreements (PLAs) and/or Community Benefits Agreements (CBAs) with local hire requirements can guarantee local investment, job creation and equitable access to well-paying jobs and careers. These measures can also ensure jobs in the offshore wind industry are safe. Domestic content requirements on products and materials for the offshore wind industry can help spread domestic employment benefits broadly because the parts and materials that go into a new wind farm can be sourced from around the country.

2. In her testimony, Ms. Zichal said that “the nascent offshore wind industry will use foreign-flagged ships” due to a lack of specialized U.S. qualified ships. Although the industry is using foreign flagged vessels, they could use U.S. mariners if they choose to do so. Do you believe that the “nascent offshore wind industry” should push to use U.S. mariners for their operations while they build U.S. flagged vessels?

The BlueGreen Alliance urges action to ensure that the offshore wind industry creates quality, American jobs from the supply chain through to operations and maintenance, including for U.S. mariners.

An important step to make sure this happens will be to support the construction of new vessels for the offshore wind industry that are built here in America with union labor and domestically sourced content. As you mentioned in your question, development of offshore wind projects requires specialized vessels that have a large deck, legs that allow the vessel to lift out of the water, and a tall crane to lift and place turbines. There are currently no Jones Act-compliant specialized offshore wind vessels, and only one is under development in the US, which will not be enough to service the entire domestic industry.

Constructing offshore wind vessels domestically would represent a massive investment in American manufacturing. Building just one specialized offshore wind vessel costs up to \$500 million.

According to industry sources, there is also a global need for more specialized offshore wind vessels, which could create an export opportunity for domestic manufacturers. As of November 2020, there were only 32 active turbine installation vessels. Given the pace of offshore wind development globally and the ambitious goals set by the Biden Administration, there may be an undersupply of these vessels by the mid 2020s, and few existing vessels are capable of handling the next generation of turbines.

3. Mr. Walsh, it was said previously before this Committee that as a nation we would never accept foreign workers being flown into Nebraska to build a wind farm, yet somehow, we are allowing them to be shipped in to build offshore. Does your association support efforts to protect American workers by reforming this outmoded and misguided B-1/OCS visa system that allows cheap foreign labor to steal good American jobs in the offshore?

The BlueGreen Alliance does not have a position on the B-1/OCS visa system. We do support strong measures to ensure that the offshore wind industry creates American jobs that pay a family-sustaining wage, including: project labor agreements and prevailing wage standards as well as workers' rights to bargain and organize. We also support the Offshore Wind Jobs and Opportunity Act, which will help ensure that the U.S. has a domestic workforce that is prepared to take on jobs in the offshore wind industry.

4. Mr. Walsh, in your testimony you say that “In addition to the construction phase of these projects, a critical component of the job creation potential for the offshore wind sector is the vast manufacturing supply chain that offers major opportunities for growth in a variety of sectors.” You pointed out in discussion with Mr. Stauber that the United Steelworkers Union is a member of the Blue-Green Alliance. Like you I believe that Steelworkers have a lot to gain from the buildout of a strong supply chain in the United States in support of renewable energy. Do you believe that Steelworkers have a lot to gain from the buildout of renewable energy in the United States?

I believe that steelworkers have a lot to gain from the buildout of renewable energy if we implement policies to support the development of a domestic supply chain. With respect to offshore wind, and as I mentioned in my testimony, one of the disappointing aspects of the Block Island Wind Farm was that aside from the foundation, all of the major parts and components were manufactured overseas. This does not need to be the case, and it should not be the case. Growing the domestic offshore wind supply chain can create growth in a number of sectors across the U.S. economy.

5. On April 1, Mr. Thomas Conway the International President of the United Steelworkers union wrote an opinion piece in Real Clear Energy calling for American support for steelworker jobs in the supply chain for renewable energy. In that article Mr. Conway says, “If we are to compete, we must adopt a comprehensive minerals-to-markets strategy, which requires locking down enough mineral supply to meet our EV and electric grid infrastructure ambitions. Securing our copper supply chain on the cusp of this exponential demand boom is vital. We must therefore work to preserve the supply chain we currently have while also finding ways to grow secure supply.” I understand that from your testimony that you refuse to support specific projects, however do you agree with that statement by Mr. Conway, that we must find ways to grow secure domestic supply?

I also cannot stress enough the importance of building out a domestic supply chain. Increasing the domestic manufacturing share of solar and wind products has the potential to substantially increase American manufacturing employment--across sectors, increasing the domestic manufacturing share of solar and wind products by 10 percent across the supply chains has the potential to support an additional 45,000 jobs annually in the 2020s. What is more, increasing domestic content utilization for offshore wind is unlikely to have any impact on capital costs.

With respect to minerals, responsibly mining, recycling, and reclaiming the critical materials necessary for a secure, clean economy should be our focus. We can do that immediately by incentivizing and enhancing use of responsibly produced critical minerals and metals in line with that strategy and jumpstarting responsible domestic critical materials recycling projects and circular economy promotion. Commitment to environmentally, economically, and socially responsible mining of minerals necessary to anchor clean technology manufacturing in the United States is what we need right now.

6. Finally, again, understanding that you refuse to support specific projects, I want to ask about specific legislation, do you support Congress enacting new legislation that will kill steelworker jobs and cut off the opportunity for generations of new steelworkers to have good high paying jobs in the future?

It's not clear to what “specific legislation” you're referring. We are a coalition of partner organizations, and the United Steelworkers are a founding partner of the BlueGreen Alliance. We review new legislation on a case-by-case basis with our partners, and we need to reach a consensus before making an endorsement. As I mentioned in my testimony, our partners strongly believe that Americans should not have to choose between good jobs and a clean environment—we can and must have both.