

**U.S. House of Representatives
Committee on Natural Resources
Subcommittee on Energy and Mineral Resources
Subcommittee on Energy and Environment**

***H.R. 3068 - Building a 21st Century American
Offshore Wind Workforce***

Oral Testimony of Lisa C. Linowes

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Chairman Lowenthal, Ranking Member Gosar, and honorable members of the committee thank you for the opportunity to speak before you today. My name is Lisa Linowes. I am the executive director and spokesperson for the WindAction Group.

Offshore wind is generally presented as a new, largely unexplored industry for the United States, that promises significant economic opportunity.

In fact, we've seen this movie before. For nearly 20-years attempts were made to build offshore. Cape Wind was first but there were others: the 30 MW Nautilus wind project in New Jersey, Long Island Power Authority's multiple efforts to build off Long Island, NRG's Bluewater Wind off Delaware's coast, WindFloat Pacific in Oregon and Maine Aqua Ventus in Maine.

The one operating facility off Block Island is famous for being first, but also for producing the most expensive energy on the planet. This tiny 5-turbine power plant which produces at just 40% of its nameplate capacity will cost every Rhode Island ratepayer approximately \$1,000 over its 20-year contract, not including the multimillion-dollar underwater cable that delivers the energy to the mainland.

The one universal impediment to offshore development is cost. State RPS policies do not ensure sufficient financial incentives for these pricey projects to get built.

States that passed laws aimed at mandating offshore wind did so with the expectation that their state would be the first to see a large facility off their coast, and as first, be crowned the hub for the other states. Only one state will win the race. What happens after that is not certain.

Before you consider a bill like HR 3068, there are several factors to keep in mind:

1) The first is whether the job opportunity is as great as being reported.

With no large-scale offshore wind projects in operation in the US, the job count numbers you're hearing are modeled numbers. When someone tells you that a single power plant will produce 4500 jobs for operations, that's a modeled number and the person presenting the number owes you a concrete explanation of what that number means.

For example: US Wind's 248 MW project proposed off Maryland touts 4530 jobs during its operation period. After subtracting indirect and induced jobs the annualize number is a more realistic 28 direct jobs per year.

2) Second, the states and private market have responded to the training need.

In the last 6-months or so, Massachusetts, Rhode Island, and Maryland secured \$18.5 million in developer money specifically for offshore wind training; classes are now being offered. New York State established a \$15 million fund to develop offshore wind training and certification programs.

There are 195 private training programs for the wind industry nationwide including turbine technician training and certification programs. For underwater work offshore oil and gas programs like those offered at Nicholls State University in Louisiana already exist and will respond to the offshore market.

3) Third, other federal money is pouring into the offshore market.

Taxpayers at-large are already paying significant sums to support wind energy development. The JCT estimates the wind PTC will cost taxpayers nearly \$5 billion annually through to 2022. It's the most expensive energy expenditure cited by the treasury. It's inappropriate to ask taxpayers to pay more. Those working in the industry should be responsible for their resource needs.

4) Fourth, despite the high expectations surrounding the proposed projects it is not a given that the offshore market will be realized. The risk is high and the barriers to development are significant. Consider these facts:

- a. The states encouraging offshore wind are gambling with ratepayer electricity costs. Economic models may show the higher prices will be offset by other benefits, but that's not guaranteed. When Rhode Island's PUC voted last month to approve an offshore contract, one commissioner said *"It's clearly not a sure bet that the economic benefits*

will exceed the costs. I think the commission and ratepayers should be clear-eyed about the economic risks.” If the benefits are not realized, the market will not move forward.

- b. Opposition. Public opposition to seeing the turbines on the ocean horizon and conflicts with other land uses are unlikely to ease. Studies show people do not want to see turbines cluttering the ocean landscape. NY Governor Cuomo said his offshore wind plan will keep turbines far enough away that they won't be seen and the mayor of Ocean City said his town supports *green, unseen energy.*” Land use conflicts with the US commercial fishing industry will almost certainly result in more litigation.
- c. Finally, the conflicts with the US military's mission are real, they're serious and are not easily mitigatable. A map jointly prepared by the Navy and Air Force, shows the bulk of the offshore areas leased to developers in red meaning 'Wind Exclusion.'

The military is willing to work with developers, but ultimately enabling turbines in red areas will impair the most advanced radar and defense systems in the world. Claims that offshore oil and gas rigs have similar impacts are simply not accurate.

Before engaging federal dollars in the offshore market, we need to determine whether the opportunity is real. Several states have stepped up and we'll know in a few years if the costs and conflicts can be overcome. A bill like HR 3068 is not needed, it's not appropriate and it's premature to consider.