July 9, 2019

Dear Members of the Louisiana Congressional Delegation:

As your constituents and businesses in the State of Louisiana who see the emergence of an American offshore wind industry as an expanded business opportunity, we write to encourage you to ask the Secretary of the Interior to release the final wind energy areas (WEAs) in the NY Bight and to do so as quickly as possible.

The U.S. offshore wind industry is well underway. In 2016, the nation’s first offshore wind farm was commissioned off Block Island, Rhode Island, for a total of 30 MW of power. Today, offshore wind projects totaling 3,110 MW of capacity are contracted to provide electricity in Rhode Island, Massachusetts, Connecticut, New York, New Jersey, Maryland and Virginia. Additional offshore wind power contracts are expected to be signed in New York and Maine in 2019, bringing to eight the total number of states to which offshore wind power will soon be providing electricity.

And this is just the tip of the iceberg. Many of the same states have their own offshore wind power commitments stretching to 2030 and beyond. In addition to the 3,110 MW of offshore wind projects already contracted to supply power, contracts are expected to be signed for approximately 17,000 MW of additional projects as a result of state commitments by 2030, bringing the total forecasted amount of contracted offshore wind power between 2020 and 2030 to over 20,000 MW.

Additionally, the University of Delaware’s Special Initiative on Offshore Wind (SIOW) recently released a white paper estimating that the anticipated development of 18,600 MW of offshore wind power in seven Eastern states by 2030 presents a nearly $70 billion capital investment
opportunity to businesses in the U.S. offshore wind supply chain. This investment, and indeed the development of a new American energy industry, is dependent on the availability of new offshore wind leases.

The SIOW white paper further states that from now through 2030, the following components will be needed to meet the demand of 18,600 MW of offshore wind power: 1,700 wind turbine generators will need to be procured, manufactured and installed; 1,750 subsea foundations will need to be procured, fabricated and installed; 45 offshore substations; 16 onshore substations, and; approximately 5,000 miles of cable will need to be procured, manufactured and installed. As businesses, and representatives of businesses, right here in the U.S., who are currently manufacturing, transporting, and/or installing these very components, or substantially similar items we are confident that we can meet the growing needs of a thriving U.S. offshore wind industry. Indeed, the offshore wind power industry’s supply chain already has extended not only into the Gulf of Mexico, but also into the Central U.S. Whether it’s locating facilities on the East coast to serve the industry, or supplying the industry from right here in the Gulf, Louisiana companies are poised to benefit from this $70 billion industry.

For example, Falcon Global, a Louisiana-based liftboat operator, utilized its vessels and crews as feeder vessels to install the Block Island offshore wind farm. This solution allowed the project to be installed in only 18 days with zero safety incidents. This track record can, in large part, be traced to the expertise Falcon Global crews developed in the Gulf of Mexico.

Additionally, Gulf Island Fabrication, Inc. also played a major part in the development of the Block Island project by fabricating the five (5) foundations supporting the offshore turbines at its facility in Houma, LA, along the Gulf of Mexico. Gulf Island utilized its experienced craftsman, trained in traditional oil and gas fabrication, to construct the turbine jacket foundations and believes this new emerging industry could additionally provide a stable backlog of work within Louisiana for future foundations and substation platforms for the wind industry, building the industry with U.S. labor.

Aries Marine Corporation is also excited about future possibilities in the offshore wind support business. Aries Marine has a new regional home base established in South Jersey, giving Aries vessels a convenient locale in which to mobilize, allowing short runs both north and south. Vessels in Aries’ fleet were pulled from stacked status to mobilize to New Jersey, which is good news for additional American jobs, and the company will add 20 new positions to start. Currently, Aries Marine is vetted and authorized to work with one of the major offshore wind developers on the East Coast and the possibility exists to be part of some initial activities this summer.

Finally, Laborde Marine Management, LLC has pursued multiple opportunities to offer vessel services in support of the installation and maintenance of wind farms. Vessels offered range from high-speed passenger vessels to Jones Act complaint OSVs outfitted with cable handling equipment, ROVs, and trenchers.

The Department of the Interior’s Bureau of Ocean Energy Management (BOEM) has done an exceptional job of making offshore leases available for this emerging industry. To date, BOEM
has leased 15 active WEAs and generated more than $473 million in winning bids. And the auction of three lease areas off the coast of Massachusetts last year brought more than $400 million to the U.S. Treasury. The promise of this new American energy industry is truly remarkable.

BOEM released the draft WEAs for the New York Bight in November 2018 and, unfortunately, we have not heard anything about the status of these WEAs since. To avoid unnecessary bottlenecks and ensure robust competition and competitive pricing, it is imperative that BOEM establish new WEAs in the New York Bight, of sufficient size and scale to be cost-competitive, and begin the leasing process as expeditiously as possible. We welcome your help in impressing upon the Secretary of the Interior the importance of issuing the final NY Bight WEAs as soon as possible and to hold an auction for those lease areas in early 2020.

Sincerely,

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Court Ramsay
Aries Marine

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Laborde Marine

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Gulf Island Fabrication, Inc.

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