One Year Later: Offshore Massachusetts Wind Auction

The U.S. Needs a Regular and Predictable Offshore Wind Lease Auction Schedule

Investing in Offshore Wind

Before December 2018, a $405 million offshore wind lease auction in the U.S. was unheard of. That phenomenal sale outcome eclipsed the results of all seven previous competitive U.S. offshore lease sales combined. Not only has offshore wind arrived in the U.S., but it is clearly set to soar.

The level of participation of the companies – including companies that were traditionally oil and natural gas producers – exemplifies the ability of the OCS to support "all of the above" energy.

Equinor, Mayflower Wind and Vineyard Wind won the three December 2018 leases auctioned offshore Massachusetts.

Needing a Wind Pipeline

Maintaining a tremendous level of interest from offshore wind developers requires a reliable inventory of regularly scheduled offshore wind auctions and the ability to develop those resources.

Along with the three winning lease holders, eight other companies participated in the auction. The exit bids amounted to more than $285 million - with no timetable for alternative leases auctions. No offshore wind auctions were held in 2019, and only two are on the horizon in the foreseeable future.

<table>
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<tr>
<th>December 2018 Offshore Wind Lease Exit Bids</th>
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<tr>
<td><strong>East Wind</strong></td>
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<tr>
<td><strong>EC&amp;R Development</strong></td>
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<td><strong>Innogy US Renewable Projects</strong></td>
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<td><strong>Cobra Industrial Services</strong></td>
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<td><strong>PNE Wind USA Inc.</strong></td>
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<td><strong>wpd offshore Alpha</strong></td>
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<td><strong>Northeast Wind Energy LLC</strong></td>
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<td><strong>EDF Renewables Development, Inc</strong></td>
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<td><strong>Total</strong></td>
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Offshore Wind
Growing U.S. Potential

2019: A Year of Progress

The December 2018 lease sale was a vote of confidence in the rising U.S. offshore wind industry. The amazing effort by the offshore energy industry and the federal and state governments has put the U.S. on the verge of an offshore energy boom. The U.S. is at the doorstep of billions of dollars of investment, thousands of new jobs and tens of gigawatts of electricity. 2019 was a busy and productive year.

Construction began on first wind farm in Federal waters.

The five New England offshore wind leaseholders released a proposed uniformed turbine layout plan, bringing together.

States continue to sign agreements with wind power providers.

BOEM announced a new regional wind strategy

Advances in floating offshore wind platforms will unlock offshore wind farms in deeper and deeper waters.

Companies are applying for permits to build transmission lines back to shore.

Lean into Offshore Wind

The ascendant U.S. offshore wind industry and its supporting supply chain need a steady supply of planning, leasing and construction opportunities to build a competitive and robust domestic industry. With 22GW of wind in the works, the Special Initiative on Offshore Wind predicts that there is nearly $70 billion in CAPEX spending by 2030. There even more economic and energy benefits awaiting U.S. consumers.

160,000
direct, indirect and induced U.S. jobs by 2050

40,000
new U.S. jobs with the first 8 GW of production

$60 billion
global offshore wind market by 2022

22.5 GW
production commitment in eight states (CT, MD, ME, MA, NJ, NY, RI, VA)