

## August 13, 2021

Attention: Comments on New York Bight PSN Office of Renewable Energy Programs Bureau of Ocean Energy Management 45600 Woodland Road VAM-OREP, Sterling, Virginia 20166.

Re: Leasing of Offshore Wind In The New York Bight, BOEM-2021-0033

I write on behalf of the National Ocean Industries Association or NOIA. An almost 50-year-old organization, we represent all segments of the offshore energy industry. This includes traditional fossil fuels such as oil and gas, primarily in the Gulf of Mexico, but also important new sources of energy like offshore wind. Further, our members include not just energy developers but also the businesses large and small who do the work of building, supplying, and maintaining these projects. In other words, we represent thousands of blue-collar and white-collar employees stretching from New England to the Gulf Coast and across the nation. In fact, NOIA members have been critical in building out not only the pioneering turbines off the coasts of Northern Europe, but also the limited number of turbines in U.S. waters.

As an organization, NOIA *strongly* supports ongoing attempts to build new offshore wind resources in federal waters. We believe projects like those that will be enabled by leasing in the New York Bight are vital to the economic growth of this country and efforts to meet climate goals for the 21<sup>st</sup> century. According to recent estimates, we have a \$70 billion<sup>1</sup> market off America's coasts for wind in the next 10 years. That means renewable, reliable energy in places like New England, New Jersey, and New York, where building infrastructure onshore is famously difficult and industrial growth has sometimes been hard to come by.

## FEDERAL AND STATE LEADERS SUPPORT OFFSHORE WIND

Indeed, this is a vital time for the United States's climate and energy future. President Joseph R. Biden came into office with a promise to reduce the carbon-intensity of the American economy and meet our country's goals to avert the worst impacts of climate change. As part of this, in the president's first days in office he signed an Executive Order in which he declared a goal of "doubling offshore wind by 2030". Secretary of Interior Deb Haaland has been equally vocal, recently saying "The demand for offshore wind energy has never been greater. Recent technological advances, falling costs, and tremendous economic potential make offshore wind a

<sup>&</sup>lt;sup>1</sup> https://www.cnbc.com/2019/12/13/us-has-only-one-offshore-wind-farm-but-thats-about-to-change.html

 $<sup>^2\</sup> https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/27/executive-order-on-tackling-the-climate-crisis-at-home-and-abroad/$ 



promising avenue for diversifying our national energy portfolio, creating good-paying union jobs, and tackling climate change..."<sup>3</sup>

We have seen similar (and more specific to the region) comments just this year from the Governors most directly impacted by nearby leasing in the New York Bight. Governor Murphy of New Jersey commented that "Expanding New Jersey's offshore wind industry is a major component of achieving our goal of 100 percent renewable energy by 2050, while providing significant opportunities and economic benefits for our state." Likewise, outgoing Governor Cuomo of New York stated "We are proposing the largest wind programs in the nation and advancing our green manufacturing capacity and the jobs that go with it. Our new energy superhighway will be optimized by state-of-the-art battery storage facilities, so we can store renewable energy to be used when needed. These projects will not only create power but bring needed economic opportunity to struggling parts of our state, create green jobs, and make New York State a global wind energy manufacturing powerhouse."<sup>5</sup> Notably, the current Lieutenant Governor—Kathy Hochul—who is set to become governor of New York in the weeks ahead has likewise touted New York State's focus on offshore wind and commented that "Green jobs aren't just jobs of the future - they're the path to a more sustainable future." Quite simply, neither the goals set by President Biden and Secretary Haaland, nor those set by regional leaders, can be met without auctioning all proposed lease areas in the New York Bight this calendar year. There is clear local and national support for offshore wind in the New York Bight and an economic opportunity ready to be seized.

## ENVIRONMENTAL AND ECONOMIC BENEFITS

Last year, NOIA worked with several other associations and companies in the offshore wind space to commission a study<sup>7</sup> on the scale of prospects for offshore wind in the New York Bight (and other areas). The study was completed by Wood Mackenzie, which is one of the most respected and prominent organizations in the energy analysis sector. In short, the report found that we could see some 11.5 gigawatts (GW) of energy development—a sum equaling roughly 1,000% of the capacity of the recently shuttered Reactor 3 at the Indian Point Energy Center. That is an immense amount of renewable energy that is hard to replace in an area with such a dense population as the northeastern seaboard. Even if the Department's conclusion<sup>9</sup> that the area

https://www.eia.gov/todayinenergy/detail.php?id=47776#: ``:text=The%20Unit%203%20 retirement%20 removes, plants%20in%20 upstate%20 New%20 York.

<sup>&</sup>lt;sup>3</sup> https://www.doi.gov/pressreleases/secretary-haaland-highlights-tremendous-offshore-wind-opportunities-virginia-governor

<sup>&</sup>lt;sup>4</sup> https://www.nj.gov/governor/news/news/562021/20210630b.shtml

<sup>&</sup>lt;sup>5</sup> https://www.nyserda.ny.gov/About/Newsroom/2021-Announcements/2021-01-13-Governor-Cuomo-Outlines-2021-Agenda-Reimagine-Rebuild-Renew

<sup>&</sup>lt;sup>6</sup> https://twitter.com/ltgovhochulny/status/1379871974097354754

<sup>&</sup>lt;sup>7</sup> https://www.noia.org/wp-content/uploads/2020/08/Offshore-wind-economic-impact-analysis-white-paper-final-1.pdf

<sup>&</sup>lt;sup>9</sup> https://www.boem.gov/renewable-energy/state-activities/new-york-bight



under consideration could potentially provide closer to 7 GW is correct, this still represents a remarkable amount of renewable energy. The vast amount of energy provided by a potential New York Bight offshore wind project is even more pronounced given that the most modern powerplants available—such as an ultra-supercritical coal plant or a combined cycle gas facility range from 735MW to perhaps just over 1 GW of power.<sup>10</sup>

Critically, many of the plants that could be replaced by offshore wind in the New York Bight are not nuclear powered (which emit virtually no traditional pollutants) or these cutting-edge modern facilities mentioned above. As we raised in the South Fork project review docket, if renewable energy projects are not built the likely result will be a higher capacity factor for aging *existing* plants. The fact is that individuals who live near certain powerplants have historically been lower-income individuals than the national average<sup>11</sup> and have faced lower home values. <sup>12</sup> The literature is also quite clear that living near (often older) power generating facilities with fewer controls correlates to negative health outcomes for the communities who live nearby them. The journal Nature Energy actually demonstrates that in the worst cases a plant's closure reduces the use of emergency inhalers and other signs of poor lung-health thus suggesting an improvement of the heath of nearby communities .<sup>13</sup>

For example, the E.F. Barrett Generating Station on Long Island—a key piece of the existing electrical system for New York—is roughly half a century old and emits 30 times more nitrogen oxide than newer facilities. <sup>14</sup> Nitrogen oxides like NO2 are known to reduce lung function, worsen asthma and increase hospital admissions. <sup>15</sup> In fact, for *years* the Long Island community has planned on reducing the use of legacy power-plants through the construction of new renewable energy. A Long Island Power Authority report from 2016 projected that the capacity factor of three key plants on the island (including the two mentioned above) would fall dramatically in the out-years, at the same time they projected offshore wind would come online. They helpfully capped one chart with the blunt message "Renewables Reduce Usage and Emissions of Fossil Fuel Plants" A failure to reasonably lease the New York Bight is a failure to uphold commitments to environmental justice for communities that are unfortunately and unfairly long-accustomed to aging plants in their backyards (literally and figuratively).

However, the benefits provided by a New York Bight offshore wind lease sale are not only in reduced environmental impacts. As mentioned, we commissioned a study by Wood Mackenzie to look at the implications of leasing in the New York Bight. In short, they found that activity in the New York Bight would bring *enormous* economic opportunities. These are highlighted in

<sup>&</sup>lt;sup>10</sup> https://www.eia.gov/analysis/studies/powerplants/capitalcost/pdf/capital cost AEO2020.pdf

<sup>&</sup>lt;sup>11</sup> https://www.naacp.org/wp-content/uploads/2016/04/CoalBlooded.pdf

<sup>12</sup> https://www.realtor.com/news/trends/things-that-affect-your-property-value/

<sup>&</sup>lt;sup>13</sup> https://www.nature.com/articles/s41560-020-0600-2

<sup>&</sup>lt;sup>14</sup> https://www.liherald.com/stories/ef-barrett-generation-station-in-island-park-to-follow-new-dec-guidelines,121588

<sup>&</sup>lt;sup>15</sup> https://www.lung.org/clean-air/outdoors/what-makes-air-unhealthy/nitrogen-dioxide

<sup>&</sup>lt;sup>16</sup> https://www.lipower.org/wp-content/uploads/2016/10/Irp20Presention20BEST1.pdf



short below, but we would call your attention to the entirety of the Wood Mackenzie report for further details. <sup>17</sup>

# **New York Bight**

(2022-2030)

- 32,300 jobs supported every year on average
- \$3.3 billion in annual wages
- \$183 million in annual state tax creation
- · \$45.9 billion in total capital investment

## LEASES SHOULD HAVE MINIMAL "STRINGS ATTACHED"

We understand Interior is working with significant acreage and seeking ways to potentially lease it in a way that is equitable. We applaud this and recognize that the Department is *particularly* interested in building up the domestic supply chain and helping bring jobs to long-disenfranchised communities. The majority of NOIA's members are in the service and supply industries—rather than large operators and developers—and we know that many of them are doing their due diligence to find ways to invest in communities across the eastern seaboard. We would caution, however, that it may not be appropriate to put contingencies on leases *requiring* certain types of local investment. Quite simply, we feel that such requirements at the pre-leasing stage would create undue burdens on stakeholders, would be difficult to coordinate and plan as companies examine ways to deploy capital and target investments, and would drain planning resources from companies who may not secure a bid anyway. This is particularly important knowing that the Biden Administration is already looking at ways to spur domestic manufacturing.<sup>18</sup>

Further, our members are navigating the potential of *state* local requirement rules already. Developers and their partners in the service and supply side are making decisions on how best to invest ahead of what will prove to be a trans-regional opportunity. Some equipment will made at existing facilities along the Gulf Coast that have historically served the oil and gas industry with a diverse workforce. Other equipment will best be made in facilities on the east coast and will certainly serve wide swaths of the region. As business decisions are being made, flexibility and *certainty* of a project pipeline are the best ways to attract investment. Letting our members know that leases are coming and a reasonable pipeline for reviewing and (possibly) approving Construction and Operations Permits will follow will provide the certainty to attract capital and invest in facilities.

 $<sup>^{17}</sup>$  https://www.noia.org/wp-content/uploads/2020/08/Offshore-wind-economic-impact-analysis-white-paper-final-1.pdf

<sup>&</sup>lt;sup>18</sup> https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/29/fact-sheet-biden-administration-jumpstarts-offshore-wind-energy-projects-to-create-jobs/



We would also *continue* to caution about the outlook for prescriptive requirements on spacing for transit of vessels. We know that there are reasonable approaches to allowing the transit of fishing, shipping, or recreational vessels through turbine areas. To the extent the Department is examining designated spacing or separation *within* lease areas/between individual leases, the distancing should be as consistent as possible and use existing terminology and standards to avoid undue confusion. The Department should focus on coordinating with the U.S. Coast Guard to ensure that these fairways have workable guidelines for vessel transit and have clear and consistent aids to navigation. However, we continue to believe that corridors between leases and lanes *withing* lease areas are not—and should not be mandated as—a one-size-fits-all-regions matter.

NOIA agrees that uniformity and predictability is key to safe transit for vessels.

### OFFSHORE WIND CAN BE REALIZED FAIRLY AND RESPONSIBLY

As we have seen in the Environmental Impact Statement reviews related to the South Fork and Vineyard Wind, offshore wind can be undertaken with minimal negative impacts. We have every reason to believe this trend will continue in the New York Bight. For example, while there has been no shortage of focus on subjects like marine mammal protection, we remain proud of the notable coordination between developers, their contractors, and the environmental community. With that being said, two areas we would particularly like to address revolve around viewsheds and the fishing communities.

For viewshed issues, the best example we have is Vineyard Wind, because it is furthest along. We also know it is using one of the largest turbines in the world, the GE Halide X. According to the Department of Interior's EIS for the project, the turbines could *in theory* be seen if you are facing them from an elevated point on land on a day with excellent visibility, and even then "offshore wind projects would appear relatively small to an observer, appearing to be less than 0.1 inch (0.25 centimeter) tall on the horizon."<sup>20</sup>

<sup>&</sup>lt;sup>19</sup> https://www.nrdc.org/experts/francine-kershaw/landmark-offshore-wind-agreement-protects-right-whales

 $<sup>^{20}\,</sup>https://www.boem.gov/sites/default/files/documents/renewable-energy/Vineyard-Wind-1-Supplement-to-EIS.pdf$ 



Further, we know that BOEM has already studied viewshed issues in the waters of New York and New Jersey at the hypothetical level<sup>21</sup>, a study which included this visualization of viewshed models.

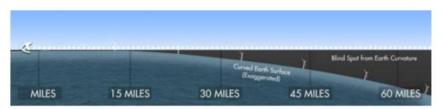
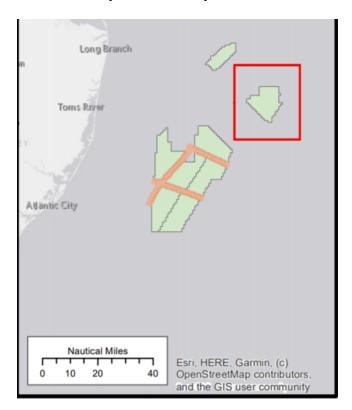


Figure 7–1. Influence of curvature of the earth on potential visibility of offshore wind turbines as demonstrated by viewshed models

We would note that the proposed areas for auction, as shown in this BOEM figure<sup>22</sup>, are well-off the coast of Toms River, Atlantic City, and other key areas.



 $<sup>^{21}\</sup> https://www.boem.gov/sites/default/files/renewable-energy-program/State-Activities/NY/Visual-Simulations/Compendium-Report.pdf$ 

 $<sup>^{22}\</sup> https://www.boem.gov/sites/default/files/documents/renewable-energy/state-activities/Nautical_Chart_OCS_A_0537.pdf$ 



Likewise, in regards to the fishing community, we find the areas under consideration in the New York Bight imminently workable. *For recreational fishing*, the early results from the Block Island Wind Farm offshore Rhode Island are encouraging. Similar to Gulf of Mexico platforms, offshore wind turbine foundations serve as artificial reefs. The Rhode Island Saltwater Anglers Association, which has about 7,500 members, has said the Block Island Wind Farm may have even slightly improved fish habitats:

"Our bottom-line impression is that those five turbines are not causing any kind of a negative effect. And they may be causing a slight positive affect." <sup>23</sup>

On the commercial fishing side, we understand there are concerns raised by the scallop, clam, flounder, and other fishing communities. However, we know from decades of experience in the Gulf of Mexico that while every region is different, commercial fishing and energy development can co-exist. BOEM has acknowledged there are ways to mitigate those impacts that are related to the deployment of offshore wind<sup>24</sup>. This can include ensuring proper fairway design, as discussed above, to allow fishermen access to grounds. It also comes down to adequate surveys and reliance on science, something our members are already doing with first-mover projects.<sup>25</sup> Even before securing a lease, we have member companies drafting plans<sup>26</sup> for best practices to work *with* the fishing community and have designated a point of contact for fishermen. Similarly, we understand that BOEM has proposed<sup>27</sup> further studies regarding how best to protect commercial interests—particularly clam—with novel mitigation measures in the New York Bight region.

We agree with these efforts. However, it is critical to note that the areas open to wind energy have already been pared back. In short, we are already leaving behind renewable energy resources and investible waters to accommodate the fishing community, and rightfully so. We stand ready to work with fishermen who would seek *further* coordination, mitigation, and even compensation, but in the end feel that this <u>public</u> resource—America's federal waters—can be shared in a way that allows all stakeholders to thrive and preserve the region for the next generation.

#### **CONCLUSION**

In sum, leasing in the New York Bight offers enormous economic and environmental benefits and is, in fact, necessary to meet the goals set by state and federal officials. We encourage the

<sup>&</sup>lt;sup>23</sup> https://energynews.us/2019/11/04/in-rhode-island-offshore-wind-farm-emerging-as-popular-fishing-spot/

<sup>&</sup>lt;sup>24</sup> https://cleanpower.org/wp-content/uploads/2021/02/FAQ OffshoreWind ACP.pdf

<sup>&</sup>lt;sup>25</sup> https://www.vineyardwind.com/fisheries-science

<sup>&</sup>lt;sup>26</sup> https://www.enbw.com/media/enbw us/docs/fisheries-outreach.pdf

<sup>&</sup>lt;sup>27</sup> https://www.boem.gov/sites/default/files/documents/environment/environmental-studies/SDP\_2022-2023.pdf



Department to quickly move forward with leasing in the region, and it do so without so many qualifications that the opportunity is lost.

Very respectfully,

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//Submitted Electronically