BLUEGREEN ALLIANCE

CREATING GOOD JOBS, A CLEAN ENVIRONMENT, AND A FAIR AND THRIVING ECONOMY

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Comments on the Notice of Intent (NOI) to prepare an Environmental Impact Statement (EIS) of US Wind's construction and operations plan, Docket No. BOEM-2022-0025

On behalf of the BlueGreen Alliance, our partners, and the millions of members and supporters they represent, we thank you for the opportunity to comment to inform the Bureau of Ocean Energy Management's ("BOEM") preparation of an Environmental Impact Statement (EIS) for the review of a construction and operations plan (COP) submitted by US Wind under the National Environmental Policy Act (NEPA).

The mission of the Bluegreen Alliance (BGA) is to unite labor unions and environmental organizations to solve today's environmental challenges in a way that creates and maintains quality jobs and builds a clean, thriving, and equitable economy. Americans face the dual crises of climate change and increasing economic inequality, and for far too long, we've allowed the forces driving both crises to create a wedge between the need for economic security and a living environment. We know this is a false choice—we know that we can and must have both, and we need a bold plan to address both simultaneously. Offshore wind energy presents a unique and integral opportunity to do this, if developed in a way that lifts up workers with high-road employment practices, equitable career pathways, maximum job creation, and creation of a domestic supply chain. Robust NEPA analysis is key to ensuring that projects fulfill their potential as transformational solutions to the intersecting environmental, public health, and economic crises of our time and move nimbly through the permitting process in compliance with state and federal laws.

Soon after entering office, the Biden-Harris Administration made sweeping commitments to address climate change, including setting a national offshore wind target (NOWT) to deploy 30 GW of offshore wind energy by 2030. In a March 2021

offshore wind Fact Sheet about the goal, the White House wrote:[1]

"The President recognizes that a thriving offshore wind industry will drive new jobs and economic opportunity up and down the Atlantic Coast, in the Gulf of Mexico, and in Pacific waters. The industry will also spawn new supply chains that stretch into America's heartland, as illustrated by the 10,000 tons of domestic steel that workers in Alabama and West Virginia are supplying to a Texas shipyard where Dominion Energy is building the Nation's first Jones Act compliant turbine installation vessel.

"Federal leadership, in close coordination with states and in partnership with the private sector, unions and other key stakeholders is needed to catalyze the deployment of offshore wind at scale. "...the Administration is taking coordinated steps to support rapid offshore wind deployment and job creation:

1. Advance ambitious wind energy projects to create good-paying, union jobs
2. Investing in American infrastructure to strengthen the domestic supply chain and deploy offshore wind energy,
3. Supporting critical research and data-sharing."

In the National Environmental Policy Act ("NEPA"), Congress declared "that it is the continuing policy of the Federal Government...to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations of Americans." In undertaking an EIS of the US Wind project, BOEM should ensure it is fulfilling that policy by taking efforts to create a high-road offshore wind industry that:

- Maximizes the creation of quality, family-sustaining, union jobs throughout the lifetime of the project;
- Expands domestic manufacturing along a robust domestic supply chain;
- Delivers community benefits with attention to stakeholder engagement—including ocean users and the commercial fishing industry—and improves access to benefits, including jobs, for Black, Brown, Indigenous, and People of Color ("BIPOC") and low-wealth communities; and Protects wildlife and marine ecosystems by avoiding, minimizing, mitigating, and monitoring impacts over the course of site assessment and project development, including through the utilization of the best available science and data.

To achieve all of this in preparation for the EIS for the US Wind COP and with regards to all offshore wind project development off U.S. shores, we appreciate your attention in analyzing the following matters:

[1] "Fact Sheet: Biden Administration Jumpstarts Offshore Wind Energy Projects to Create Jobs," The White House (The United States Government, March 29, 2021). Available online: https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/29/fact-sheet-biden-administration-jumpstarts-offshore-wind-energy-projects-to-create-jobs/

Environmental Impacts

To comply with state and federal policies and achieve all necessary permits, all offshore wind energy must be developed in an environmentally responsible manner that avoids, minimizes, and mitigates impacts to ocean wildlife and habitat and traditional ocean uses, meaningfully engages stakeholders from the start, and uses the best available science and data to ensure science-based and stakeholder-informed decision making. This includes analysis of cumulative impacts and adaptive management strategies, obtaining all necessary and relevant data, and requires BOEM to identify all methodologies and indicate when information is incomplete or unavailable, acknowledge scientific disagreement and data gaps, and evaluate intermediate adverse impacts based on approaches or methods generally accepted in the scientific community. Avoiding sensitive habitat areas, requiring strong measures to protect wildlife throughout each stage of the development process, and comprehensive monitoring of wildlife and habitat before, during, and after construction are all essential for the responsible development of offshore wind energy.

Socio-Economic Impacts

To achieve the Biden Administration's vision for maximizing union job creation and comply with NEPA's requirement that federal projects "fulfill the social, economic, and other requirements of present and future generations of Americans," the EIS should include a robust analysis of socioeconomic impacts associated with US Wind's COP.

In particular, BOEM's analysis of socioeconomic impacts should include:

- Consideration of US Wind's commitments around the use of domestic content;
- Project Labor Agreements (PLAs), Labor Peace Agreements (LPA's), Community Benefits Agreement (CBAs);
- Utilization of registered apprentices and other labor-management training programs;
- Protection against worker misclassification and wage theft, and
- Neutrality agreements, local hire, and prevailing wage.

BOEM's analysis should also account for impacts on fisheries and engage fishing industry stakeholders at all possible opportunities.

The Maryland Public Service Commission (PSC) announced that the decision to award offshore wind renewable energy credits (ORECs) to expand the US Wind and Skipjack projects would yield nearly $1 billion in additional in-state spending and spur the

creation of more than 10,000 new direct jobs in Maryland.[2] In Maryland's 2019 Clean Energy Jobs Act (CEJA), the state required that, in order to obtain state funding for renewable energy projects, offshore wind developers enter into PLA's and give preference to projects that maximize local jobs in manufacturing and construction. In their application to the state to receive ORECs, Maryland law requires that offshore wind developers submit:

"(3) a cost-benefit analysis that shall include at a minimum:

(i) a detailed input-output analysis of the impact of the offshore wind project on income, employment, wages, and taxes in the State with particular emphasis on in-State manufacturing employment;

(ii) detailed information concerning assumed employment impacts in the State, including the expected duration of employment opportunities, the salary of each position, and other supporting evidence of employment impacts;

(iii) an analysis of the anticipated environmental benefits, health benefits, and environmental impacts of the offshore wind project to the citizens of the State;

(iv) an analysis of any impact on residential, commercial, and industrial ratepayers over the life of the offshore wind project;

(v) an analysis of any long-term effect on energy and capacity markets as a result of the proposed offshore wind project;

(vi) an analysis of any impact on businesses in the State; and

(vii) other benefits, such as increased in-State construction, operations, maintenance, and equipment purchase."[3]

Maryland also puts forth criteria for selecting offshore wind projects who apply to receive ORECS:

"(d)(1) The Commission shall use the following criteria to evaluate and compare proposed offshore wind projects submitted during an application period:

(i) lowest cost impact on ratepayers of the price set under a proposed OREC pricing schedule;

(ii) potential reductions in transmission congestion prices within the State;

(iii) potential changes in capacity prices within the State;

(iv) potential reductions in locational marginal pricing;

[2] "Maryland PSC Decision Expands Offshore Wind Development Orecs Awarded …," Maryland Public Service Commission, December 17, 2021. Available Online: https://www.psc.state.md.us/wp-content/uploads/Maryland-PSC-Decision-Expands-Offshore-Wind-Development_12172021.pdf

[3] Md. Code, Pub. Util. § 7-704.1(c)(3)

(v) potential long-term changes in capacity prices within the State from the offshore wind project as it compares to conventional energy sources;

(vi) the extent to which the cost-benefit analysis submitted under subsection (c)(3) of this section demonstrates positive net economic, environmental, and health benefits to the State;

(vii)the extent to which an applicant's plan for engaging small businesses meets the goals specified in Title 14, Subtitle 5 of the State Finance and Procurement Article;

(viii) the extent to which an applicant's plan provides for the use of skilled labor, particularly with regard to the construction and manufacturing components of the project, through outreach, hiring, or referral systems that are affiliated with registered apprenticeship programs under Title 11, Subtitle 4 of the Labor and Employment Article;

(ix) the extent to which an applicant's plan provides for the use of an agreement designed to ensure the use of skilled labor and to promote the prompt, efficient, and safe completion of the project, particularly with regard to the construction, manufacturing, and maintenance of the project;

(x) the extent to which an applicant's plan provides for compensation to its employees and subcontractors consistent with wages outlined under §§ 17-201 through 17-228 of the State Finance and Procurement Article;

(xi) siting and project feasibility;

(xii)the extent to which the proposed offshore wind project would require transmission or distribution infrastructure improvements in the State;

(xiii) estimated ability to assist in meeting the renewable energy portfolio standard under § 7-703 of this subtitle; and

(xiv) any other criteria that the Commission determines to be appropriate."[4]

A robust analysis of socioeconomic impacts will include analysis of these factors while also taking equitable access to benefits into consideration for historically underserved communities—not only with regard to small business opportunities but construction and manufacturing jobs as well. The EIS should also include analysis of job quantity and job quality. The decline in union density is cited as a reason for growing economic inequality, growing wage gaps for women and workers of color, and declining voice in

[4] Md. Code, Pub. Util. § 7-704.1(d)(1)

our democracy for working-class Americans. In particular, the decline in U.S. manufacturing has devastated to the middle-class, especially for Black and Hispanic workers and other workers of color who disproportionately do not hold college degrees and experience discrimination limiting access to better-paying jobs.[5] Manufacturing wages are substantially larger for median-wage, non-college-educated employees, with Black workers in manufacturing earning 17.9% more than in non- manufacturing industries; Hispanic workers earning 17.8% more, Asian American Pacific Islander (AAPI) earning 14.3% more, and white workers earning 29% more.[6]

The March 2022 offshore wind energy supply chain report by the National Renewable Energy Laboratory (NREL) also underscores the importance of U.S. manufacturing, stating that supply chain constraints caused by global bottlenecks are one of the greatest risks for achieving the NOWT.[7] The modeling in the report also shows that average and maximum job creation utilizing 25% domestic content versus 100% domestic content in offshore wind projects results in a difference of approximately 30,000-40,000 jobs from 2023-2030.[8] According to analysis from Brookings, having onshore suppliers is also a "key tenet" of supply chain resilience.[9]

US Wind states in their COP: "the Project will play a critical role in advancing the offshore wind targets set forth by the federal government and the state of Maryland…and support economic development growth in the region, including thousands of union jobs."[10] Although US Wind has made commitments with labor unions, including building the state's first offshore wind steel fabrication facility at Sparrows Point Shipyard, which will create 500 local permanent jobs and signing major labor agreements[11], these details are not stated in the COP. Neither does the COP include detailed economic benefits as described in the MD state contract for projects contained within this project envelope.[12] In its proposed sale notice (PSN) for the sale of commercial wind energy leases on the Outer Continental Shelf (OCS) in the New York Bight, BOEM stated that high road labor standards, specifically PLAs and building a domestic supply chain, may support the achievement of Outer Continental Shelf Lands Act factors"—including expeditious development and potentially more years of receipt of operating fees—by assuring labor stability."[13] These factors should be included in the DEIS.

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[5] Robert E. Scott, Valerie Wilson, Jori Kandra, and Daniel Perez. January 31, 2022. Botched policy responses to globalization have decimated manufacturing employment with often overlooked costs for Black, Brown, and other workers of color. Page 2. Available Online: https://files.epi.org/uploads/239189.pdf
[6] Ibid, page 3
[7] Shields, Matt, Ruth Marsh, Jeremy Stefek, Frank Oteri, Ross Gould, Noé Rouxel, Katherine Diaz, Javier Molinero, Abigayle Moser, Courtney Malvik, and Sam Tirone. 2022. The Demand for a Domestic Offshore Wind Energy Supply Chain. Golden, CO: National Renewable Energy Laboratory. Page vii. Available Online: https://www.nrel.gov/docs/fy22osti/81602.pdf
[8] Ibid, page 45
[9] Eleftherios Iakovou and Chelsea C. White, "How to Build More Secure, Resilient, Next-Gen U.S. Supply Chains," Brookings Institute, December 3, 2020. Available online: https://www.brookings.edu/techstream/how-to-build-more-secure-resilient-next-gen-u-s-supply-chains/
[10] "Construction and Operations Plan: Maryland Offshore Wind Project," US Wind, May 2022. Available Online: https://www.boem.gov/sites/default/files/documents/renewable-energy/state-activities/US%20Wind%20Construction%20and%20Operations%20Plan%20Volume%20I.pdf
[11] US Wind Announces Major Offshore Wind Progress, August 2021. Available Online: https://uswindinc.com/us-wind-announces- major-offshore-wind-progress/
[12] Maryland Public Service Commission, ORDER GRANTING OFFSHORE WIND RENEWABLE ENERGY CREDITS, CASE NO. 9666, December 17, 2021, Available Online: https://www.psc.state.md.us/wp-content/uploads/Order-No.-90011-Case-No.-9666-Order-Granting-Offshore-Wind-Renewable-Energy-Credits.pdf
[13] Department of the Interior, Atlantic Wind Lease Sale 8 (ATLW–8) for Commercial Leasing for Wind Power on the Outer Continental Shelf in the New York Bight—Proposed Sale Notice, Available Online: https://www.boem.gov/sites/default/files/documents/renewable-energy/state-activities/86-FR-31524.pdf

PLAs benefit union and nonunion workers because they ensure that wages and benefits are defined and protected at local standards. PLAs can also help achieve a fair return to the U.S. from offshore wind development because they often reduce project costs for developers, save public funds in the long run, and result in increased economic benefits for the local economy.[14] PLAs use a skilled labor workforce and often avoid labor disputes which allows for a project to move forward with greater efficiency.[15] PLAs see fewer cost overruns thanks, at least in large part, to the stabilizing effects of PLAs.[16]

Further, PLAs often lead to safer working conditions as a result of a more skilled workforce. Data suggests that the construction industry is volatile, resulting in a constant loss of human capital. Additionally, accidents, including death, are more common in states with low-road contractors.[17] PLAs and high-road labor standards can mitigate construction industry volatility and increase site safety. Reports indicate that PLAs decrease the significant gap between expected and realized energy savings in various energy efficiency measures.[18]

PLAs also provide opportunities and benefits for communities as they offer hiring opportunities to historically marginalized communities, including racial minorities, women, and veterans.[19] Targeted hire agreements can also help achieve this goal. Targeted Hire provisions mandate or incentivize the hiring of workers on a project from certain communities, which may include women, people of color, veterans, the formerly incarcerated, indigenous people, and economically disadvantaged communities, communities heavily impacted by climate change or climate change policies, and many others. These communities may be targeted through contracting requirements, hiring requirements, or the use or establishment of pre-apprenticeship programs. Ideally, these provisions establish long-lasting pipelines for members of disadvantaged communities to access good jobs and careers in the clean economy.

Plans to support the utilization and growth of a domestic supply chain should be analyzed and evaluated to maximize U.S. employment for the projected life cycle of the project. A recent study by researchers at Princeton University found that increasing domestic content in renewable energy projects can create tens of thousands of American jobs without significantly increasing capital costs.[20]

The EIS should also evaluate the programs necessary for training and expanding the domestic workforce with an emphasis on ensuring opportunities for displaced energy workers, as well as fostering equitable access to career pathways in the industry.

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[14] Frank Manzo et al., Efficiencies of Project Labor Agreements, 2015. Available online: https://illinoisepi.org/site/wp-content/themes/hollow/docs/wages-labor-standards/Illinois-PLAs-in-CDB-Projects-FINAL.pdf
[15] Ibid.
[16] Ibid.
[17] Donald Vial et al., Workforce Issues and Energy Efficiency Programs: A Plan for California's Utilities, 2014. Available online: https://laborcenter.berkeley.edu/pdf/2014/WET-Plan-Appendices14.pdf
[18] Ibid.
[19] Frank Manzo et al., *Efficiencies of Project Labor Agreements*, 2015. Available online: https://illinoisepi.org/site/wp-content/themes/hollow/docs/wages-labor-standards/Illinois-PLAs-in-CDB-Projects-FINAL.pdf
[20] Erin N. Mayfield and Jesse D.Jenkins, Working Paper: Influence of High Road Labor Policies and Practices on Renewable Energy Costs, Decarbonization Pathways, and Labor Outcomes, April 13, 2021. Available online: https://www.dropbox.com/sh/ad9pzifo9w1a49u/AAC2milGD44MIwXo1Sk7EAgsa?dl=0&preview=Working_Paper-High_Road_Labor_and_Renewable_Energy-PUBLIC_RELEASE-4-13-21.pdf

Particular attention should be paid to creating jobs in construction, manufacturing, and operations and maintenance for residents of the impacted region.

When done right, offshore wind power will create thousands of high-quality, family-sustaining jobs in manufacturing, construction, operations and maintenance, and in the development of port facilities, transmission, and other associated infrastructure. We appreciate your work to prepare an EIS, informed by early-stakeholder input, and to conduct a diligent socioeconomic review of this project so that we may realize the thousands of jobs and millions of dollars in economic benefits that will be provided by offshore wind.

Signed,

Jason Walsh,

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