Topics for Today

- Brief Introduction to the Office of Strategic Initiatives’ scope and role
- Offshore wind observations
- State led offshore wind efforts
- State energy goals
About OSI

- OSI provides information, data & guidance to assist decision-makers on issues pertaining to energy use, development, land protection & community planning.
- We guide the state's future growth through public policy development, education, research, & partnership building.
Energy Division

- The Office of Strategic Initiatives operates several Energy Programs in partnership with both private and public entities to promote a sustainable, environmentally sound and least-cost energy future for New Hampshire.

- We function as the Governor’s Energy Office & we are administratively attached to the Office of the Governor.
Offshore Wind
Observations
Observed Wind Speeds

- Gulf of Maine has some of the best wind resources anywhere in the world
- Considerably stronger than mid- and southern Atlantic coast states
Federal Waters in Gulf of Maine

- Federal Waters are between 3 to 200 miles offshore
Gulf of Maine Bathymetry

- Gulf of Maine will likely require floating offshore wind turbines, due to water depth >100 meters
- This technology is not yet at commercial scale, but rapidly nearing.
Northern New England is “export constrained” meaning there is insufficient transmission to export power to load centers in southern New England.

- New transmission investment may be required to site and interconnect OSW
NESCOE Offshore Wind Study Request to ISO-NE

- In April 2019 the New England States Committee on Electricity (NESCOE) requested that “ISO-NE perform a comprehensive study of the transmission system and wholesale market impacts related to increasing penetration of incremental offshore wind resources.”

- The goal of the study request is to examine both potential transmission system issues and wholesale market impacts.
Scenarios To Be Studied

- In the request, NESCOE specified the following:
  - Existing scenarios of 1,000 MW and 2,000 MW by 2030 from the 2015 Economic Study *Evaluation of Offshore Wind Deployment*
  - A 4,000 MW scenario of offshore wind by 2030
  - Additional scenarios for 5,000 to 7,000 MW of offshore wind by 2035.
  - ISO New England expects to release results in Q2 of 2020
ISO-NE Wholesale Market is Vulnerable to Winter Price Spikes
Offshore Wind Efforts
Offshore Wind Background

- Jan 2, 2019: Governor Sununu issued a request to BOEM to initiate the offshore wind regulatory process
- April 17, 2019: BOEM returns Acknowledgment Letter, paving the way to begin the Task Force Process
  - For better coordination, BOEM opted to make this a regional effort with Maine & Massachusetts
- December 3, 2019: Governor Sununu issued an offshore wind executive order
Offshore Wind Executive Order

- Establishes 4 Advisory boards:
  - Environmental impacts
  - Port infrastructure
  - Existing offshore industries
  - Transmission and siting

- Requires 2 studies by January 2021:
  - Potential reductions in greenhouse gas (GHG) emissions
  - Opportunities to attract offshore wind supply chain manufacturers

NH Office of Strategic Initiatives | 2019
NH Task Force Membership

- State agency commissioners from:
  - Department of Environmental Services
  - Public Utilities Commission
  - Department of Business and Economic Affairs
  - Department of Safety
  - Department of Natural and Cultural Resources
  - Office of Strategic Initiatives
  - NH Fish & Game

- Elected Officials from Seabrook, Hampton, North Hampton, Rye, New Castle, and Portsmouth
  - Selectmen, State Reps, State Senators, Mayor, and Executive Councilor
  - State Reps from the House Science Technology and Energy Committee
  - Senators from the Senate Environment and Natural Resource Committee
State Energy Goals
NH State Energy Strategy

- Released in April 2017, select goals include:
  - Prioritize cost-effective energy policies.
  - Ensure a secure, reliable, and resilient energy system.
  - Achieve environmental protection that is cost effective and enables economic growth.
  - Encourage market-selection of cost-effective energy resources.
  - Generate in-state economic activity without reliance on permanent subsidization of energy.
  - Protect against neighboring states’ policies that socialize costs.
Emphasis on “All-of-the-Above”

- Fundamental principle that all energy sources should be able to compete on a level playing field in an open energy market.
- Government intervention in energy markets should be limited, justified, and technology-neutral.
Renewable Portfolio Standard

- Statutory obligation of 25.2 percent of total retail electric sales by 2025

- Obligation is divided among 4 classes:
  - Class I: New renewables
    - Class I-thermal carve out
  - Class II: Solar carve out
  - Class III: Existing Biomass/methane
  - Class IV: Existing small hydroelectric
Breaking Down Barriers to Offshore Wind

- By initiating the BOEM process, Wind Energy Areas may be identified in federal waters in the Gulf of Maine
- This is a vital step to identify potential opportunities for future offshore wind development
- Signals to developers that NH is open for business
Let the Offshore Wind Market Continue to Develop

- Prices for offshore wind energy have fallen dramatically in recent years, but are still above the market price.
- NH already pays some of the highest retail electric rates anywhere in the country
- Price is a top concern for ratepayers
Economic Development

- Access lower cost, native electricity generation for NH ratepayers
- Reduction of environmental impact on NH natural resources, a key economic lifestyle and tourism driver
- Diversified opportunities for new industry jobs
- Modernization of NH port facilities
- Diversification options for growing NH component manufacturing industry in OSW supply chains
Existing Offshore Industries

- While pursuing new offshore energy development, NH is cognizant of vital offshore industries in the Gulf of Maine
  - An ocean is open doesn’t mean it is not busy
  - Northeast Ocean Data Portal will be crucial in incorporating all available data in decision making
Stakeholder Engagement

- NH is committed to engaging with stakeholders at every step of the process
- Task Force needs to be transparent, engaged, and responsive throughout the entire process
- Stakeholders should have opportunities to be heard both at BOEM meetings and state led advisory boards.
Key Takeaways

- New Hampshire is preparing for the offshore wind process along with BOEM and our neighboring states.
- This is a long process of stakeholder engagement, permitting, environmental reviews, and siting of potential future resources.
- The region is likely at least 6-10 years away from operational wind farms in the Gulf of Maine.
Questions?

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