Leading on Offshore Wind Through 2029 and Beyond: A Collaborative Playbook for East Coast States

Prepared by The Groundwire Group
on behalf of Clean Air Task Force

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Executive Summary

With 5,825 megawatts (MW) under construction and another 6,500 MW or more of projects in advanced permitting stages[1] - enough to power over four million homes - offshore wind is poised to serve an important role in delivering large, high **capacity factor** energy projects to East Coast states at a time when new supplies are urgently needed. Facing an aging electricity grid, retirements of old, uneconomic generators, and surging demand, states are evaluating how they can ensure reliability and meet energy decarbonization goals in an environment of unprecedented uncertainty.

Offshore wind is the only shovel-ready resource with greater than 50% capacity factor that can be built on the timescales needed to meet near-term needs before 2030 – absent federal obstruction. Its **generation profile** aligns well with the Northeast region's winter heating demand, and because it does not depend on fuel sources with volatile prices, offshore wind helps to stabilize electricity prices once operational. Proximity to coastal population centers means offshore wind can provide sorely needed clean electricity to high demand areas without the added cost and risk of lengthy transmission lines.

Alternatives like new natural gas and nuclear facilities face their own steep cost and risk barriers and long development timelines. New gas power plants – often discussed as the go-to alternative for a quick, high-capacity power source – are hampered by multi-year-long supply chain backlogs, permitting challenges, and gas pipeline infrastructure that is at full capacity. The CEO of GE Vernova recently told investors they expect their entire gas turbine production capacity through 2030 to be spoken for by the end of 2026.[2] These drivers all contribute to high costs and deployment uncertainty around future gas power plants.[3]

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[1] Under construction: Vineyard Wind One (800 MW), Revolution Wind (704 MW), Sunrise Wind (924 MW), Empire Wind One (810 MW), Coastal Virginia Offshore Wind (2587 MW) Advanced permitting: New England Wind (2000 MW), South Coast Wind (1287 MW), Empire Wind Two (1260 MW), Atlantic Shores South (1510 MW), Momentum Wind (1710 MW)

[2] Utility Dive, GE Vernova expects to end 2025 with an 80-GW gas turbine backlog that stretches into 2029

[3] Charles River Associates, The contribution of offshore wind to grid reliability & resource adequacy

Offshore wind thus retains its place as a vital, competitive component of the region's future power mix. However, this resource faces its own challenges that must be addressed to ensure sufficient and swift deployment. Cost overruns, insufficient investment in supportive infrastructure like transmission and **substation** upgrades, and fragmented state markets all inject significant uncertainty into offshore wind deployment.

And, critically, because offshore wind is sited in federal waters, federal cooperation is essential to the industry's success. Recent, targeted efforts by the Trump administration to revoke or withhold critical federal permits for offshore wind projects, rescind lease areas, and add new layers of administrative scrutiny therefore not only threaten the future of the domestic offshore wind industry but also erode trust in doing business in the United States.

While states maneuver these varied, multilevel challenges, there are still significant and important opportunities to make progress toward offshore wind goals, both individually and as collectives. It is essential to continue advancing solutions that address key challenges to offshore wind deployment, like **transmission** planning, formal and informal multistate coordination, procurement reforms, and community engagement.

In producing this playbook, we sought to identify the most impactful actions 10 East Coast states can take to help build a more resilient and cost-effective offshore wind industry. Through stakeholder interviews across industry, advocacy, and state government, we have developed a set of strategic maneuvers to help guide progress toward that goal – from a dual-track paradigm that acknowledges differing needs based on project maturity to broad best practice advice that all states should consider, alongside state profiles with high-impact opportunities tailored to their individual strengths.

Key Insights from our Research

1. Foreign investment in the U.S. offshore wind industry may be reluctant to return without substantial risk protections that limit predevelopment capital exposure.
2. Significant reforms are needed to maximize offshore wind's benefits and viability. Minor adjustments around the way offshore wind is

permitted, financed, and procured will not be enough to overcome the investment hurdles.

3. East Coast states will have the most impact when they work together. Leaders have the opportunity to create a stronger, more resilient offshore wind industry through regional collaboration that maximizes strategic assets, achieves economies of scale, and provides more certainty to investors through combined purchasing power.

What Does This Mean?

Moving forward, strategic state-led collaboration will be the backbone of U.S. offshore wind progress. Aligning on timing, financing, and permitting to reduce the lag in progress across presidential administrations will be more critical than ever. States that continue to rely on private capital must design policies that help projects reach construction-ready status on schedules that anticipate political transitions. Likewise, securing long-lead components and specialized vessels will require careful coordination of financial commitments between states and developers.

Moving forward, strategic state-led collaboration will be the backbone of U.S. offshore wind progress.

The most impactful actions recommended in this playbook focus on reducing risk: a Progressive Design-Build procurement model, a two-track strategy for supporting offshore wind projects at different stages, and multistate collaborative agreements or entities that pool resources and aggregate market opportunities.

Recommendations Snapshot

Essential **state-level actions** include:

- Reintroducing comprehensive energy planning similar to Integrated Resource Planning (IRP) that considers expectations for future demand and state policies that influence the availability of various energy resources, which can be used to inform regional transmission planning processes;
- Shifting to Progressive Design-Build offshore wind procurement models that offer flexibility to adapt to changes over lengthy development timelines, reducing risks and improving project viability;
- Conducting interagency assessment to identify and facilitate major offshore wind-related infrastructure projects that are essential to offshore wind development; and,
- Identifying, preserving, and upgrading key transmission infrastructure to support offshore wind.

States should also consider developing a **two-track strategy** for supporting offshore wind development:

- Specific support for projects with a high degree of maturity and viability that could enter construction in the 2029-2033 timeframe
- Policy reforms geared towards projects not likely to commence construction until 2034 or later

States can have the biggest long-term impact through **multistate agreements** that create a more aligned and optimized offshore wind market. A non-binding region-wide framework of shared goals and principles that aims to build on existing collaboration can help guide the negotiation of more specific cooperation agreements to address opportunities in the following areas:

- Transmission planning
- A multistate permitting and/or procurement clearinghouse
- Multistate procurement coordination
- Multistate financing authorities funded with state infrastructure bonds
- Aligned messaging that tells a clear story about what's happening with our energy system and what everyone stands to gain from offshore wind, alongside coordinated action from Congressional delegates at the federal level
- Multistate programs for building stakeholder engagement capacity
- Recalibrating workforce development efforts to future project development timelines and identifying ways to reduce labor needs for permitting and project development

Introduction

Energy and transportation infrastructure are foundational to the modern economy. The future prosperity of U.S. East Coast states depends on finding workable solutions to these challenges. Between surging electricity demand and aging grid infrastructure in need of replacement, new investments are urgently needed to keep the lights on now and in the future. For large population centers near coastlines, offshore wind remains one of the best commercially available solutions for quickly delivering large amounts of affordable, reliable, and clean energy while also providing unique opportunities for long-term regional economic development.

From Maine to North Carolina, East Coast states are in need of new electricity **generation** – a lot of it, and quickly. Offshore wind is not only positioned to supply power *where* it's needed most, but *when* it's needed most. With nearly 6 gigawatts (GW) of projects operating or under construction[4] and over 7 GW of projects that have won offtake awards and are waiting to move forward[5], offshore wind technology can deliver the energy needed for states to capture the economic opportunities of artificial intelligence (AI), advanced manufacturing, and electrification. Its ability to serve constrained, coastal **load centers** with **winter-peaking** energy systems and to replace obsolete fossil fuel generation by bringing large new injections of energy online make offshore wind a key contributor to the East Coast energy mix.

However, when President Donald Trump took office in January 2025, a series of executive actions and secretarial orders were issued to halt projects and claw back investments across the offshore wind industry. This concerted attack has included freezing and withdrawing federal permits, rescinding lease areas, and adding new layers of administrative scrutiny. As of September 2025, there have been over two dozen federal actions against the offshore wind industry.[6] While a December 2025 court decision found the administration's withholding of offshore wind permits to be

[4] Vineyard Wind, Revolution Wind, Sunrise Wind, South Fork Wind, Empire Wind One, Coast Virginia Offshore Wind
[5] Park City Wind, SouthCoast Wind, Vineyard Northeast, Attentive Energy Two, Leading Light Wind, Atlantic Shores
[6] New Bedford Light, Trump's war on offshore wind: Tracking the actions and impacts

unlawful,[7] and bipartisan interest in ensuring permit certainty for energy infrastructure projects is gaining some traction, this atmosphere of uncertainty increases costs and reduces incentives for offshore wind companies to conduct business in the United States.

Major infrastructure projects, like **transmission lines**, large power plants, ports, and highways, are often exposed to increased commercial risk for developers, investors, and other stakeholders due to their lengthy development and construction timelines. The current administration's actions increase that already high risk. However, over the decade or more these take to build, numerous factors beyond federal policy can impact project viability, including inflation, geopolitical disruptions, economic downturns, natural disasters, and global pandemics. State policies, planning, initiatives, and preparedness can also manage or worsen risk profiles. Now, states face the question of whether or how to sustain their commitment to developing offshore wind, a major infrastructure undertaking, and how to continue advancing their own short-term and long-term energy policy objectives, even as this administration has made targeted efforts to slow the development of offshore wind.

Despite progress being stalled by uncertainty at the federal level, key benefits of offshore wind are clear.

[7] The New York Times, Federal Judge Finds Trump's Halt on Wind Energy Is Illegal

Offshore Wind as a Counter to Rising Energy Prices

States face the complex challenge of meeting surging electricity demand and modernizing an aging grid while keeping electricity prices affordable as Americans struggle with rising cost of living.

In 2024, one in three households had to choose between paying energy bills or other necessities like food or medicine.[8] Between 2022 and 2025, retail electricity prices rose by an average of 13% across the U.S., outpacing inflation. The U.S. Energy Information Administration expects this trend to continue through 2026.[9]

Multiple factors drive these costs upward. Utilities are investing heavily in grid modernization and climate resilience to maintain the durability and reliability of the existing system. Demand is spiking from data centers, reshoring manufacturing, and electrification efforts, requiring the buildout of new grid infrastructure. Meanwhile, dependence on fossil fuels exposes states to volatile global markets; **ISO New England** reported a 112% rise in natural gas prices from 2024 to 2025.[10]

Offshore wind is a stabilizing alternative. With free, renewable fuel and fixed-price contracts, this resource can shield consumers from fossil fuel price swings and global disruptions.

New analyses show that projects like Revolution Wind in Rhode Island and Connecticut could save ratepayers up to $500 million a year by replacing more expensive gas-fired power.[11] Another study estimated that if Empire Wind 1, Sunrise Wind, and South Fork Wind had operated in 2022, New York households could have saved $77 million in a single cold month.[12] Similarly, 3,500 MW of contracted offshore wind online in New England during the 2024–25 winter could have cut $400 million in costs, in large part because offshore wind generates best during times when there is high demand for natural gas heating, reducing the need to dispatch more expensive natural gas electricity generation.[13]

Offshore wind is proving to be both an energy solution and a defense against a growing energy affordability crisis.

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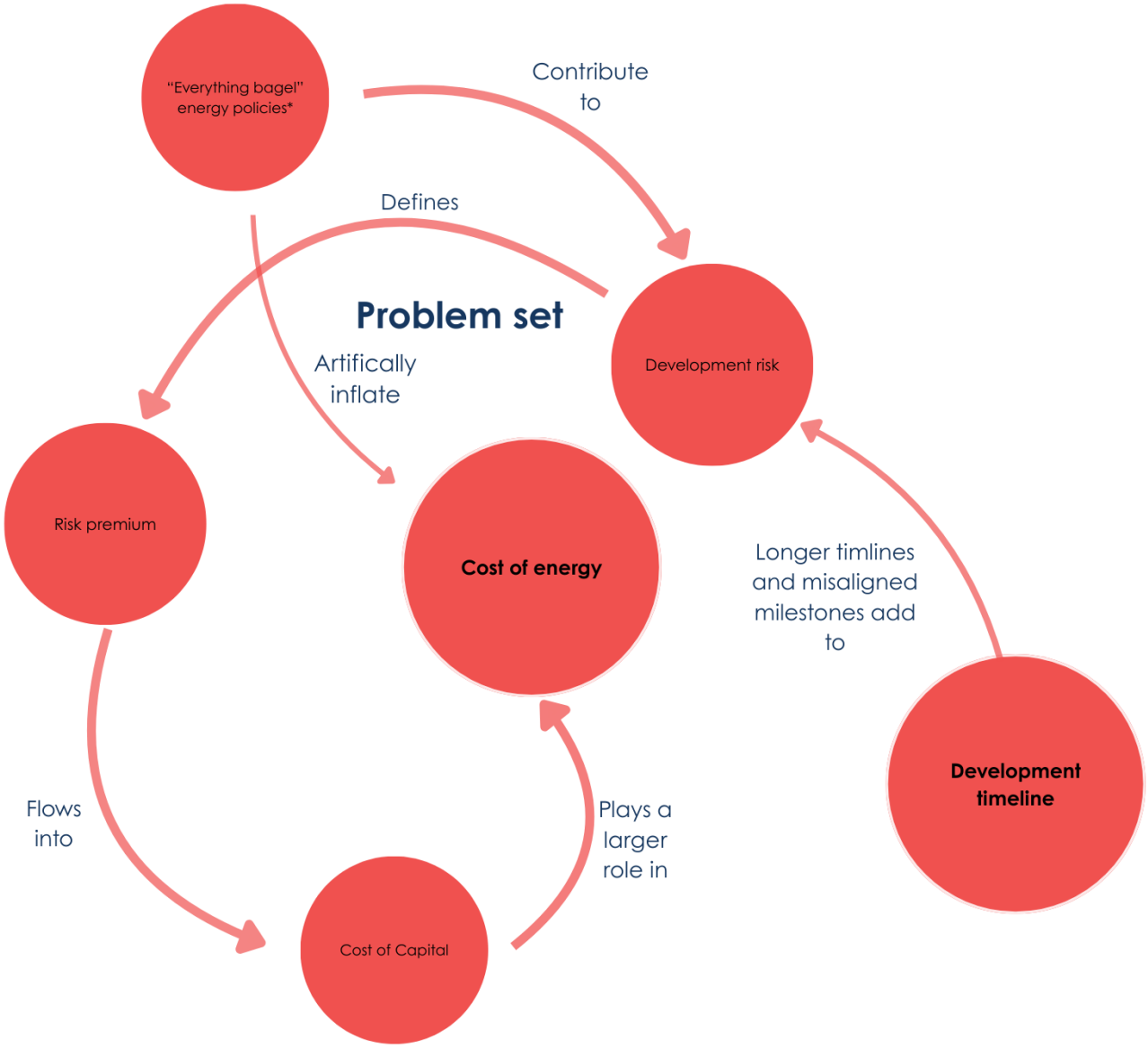
[8] RMI, We can end energy poverty in the electric sector, here's how
[9] U.S. Energy Information Administration, U.S. electricity prices continue steady increase
[10] ISO New England, Spring 2025 Quarterly Markets Report
[11] Connecticut Department of Energy and Environmental Protection, DEEP Preliminary Estimates of Energy Cost Impacts Associated with Revolution Wind Stop Work Order
[12] Aurora Energy Research, Meeting New York's Energy Needs: Reliability & Offshore Wind
[13] Daymark Energy Advisors, Value of Wind in Winter 2024/25

FIGURE 1: Beyond current federal hostility, offshore wind projects face three key challenges that are strongly interrelated: timing, risk, and cost.



*"Everything bagel" energy policies refer to a common approach to offshore wind procurement that bundles investments for supply chain, infrastructure, and community programs into a single bid. Few other forms of energy are required to include such things in the price of their product, skewing the competitive landscape and contributing to perceptions that offshore wind is an expensive form of energy.

The U.S. offshore wind industry operates within the context of a global market. Global investors will seek the highest **returns** at the lowest possible risk. While the U.S. market has slowed, the global market continues securing critical supply chain components and investment dollars, increasing the risk that developers will abandon development in U.S. waters. However, states can counter current market uncertainty caused by actions such as the Administration's issuance of stop work orders on nearly complete projects[14] with actions demonstrating long-term commitment to offshore wind. A strategic approach across states that derisks project development through coordinated regional markets and innovative approaches to procurement will help rebuild a more resilient and cost-effective offshore wind market. In the meantime, individual states can take actions that help reduce cost and risk by re-configuring development timelines and re-aligning incentives.

Creating the Playbook

This playbook, designed for state policymakers and advocates, focuses on the 10 East Coast states with offshore wind goals, spanning from Maine to North Carolina. Drawing from extensive interviews with experts across the policy, development, advocacy and financing communities and coupled with public research, it provides strategic tools states can use to build a new foundation for offshore wind development. The recommended approaches aim to maximize benefits for states and ratepayers that endure political shifts. While these projects – located in federal waters and subject to federal permitting – will always depend on some sort of federal support to move forward, there are many actions states can undertake to accelerate, reinforce, and stabilize offshore wind development.

The recommendations in this playbook take three forms:

- Essential state-level actions that all states should consider implementing for their offshore wind programs
- Actions along a two-pronged timing track: 1) specific support for projects that could enter construction during a 2029-2033 presidential administration, and 2) policy reforms geared toward projects unlikely to commence construction until 2034 or later

[14] This playbook is current as of December 23, 2025. For the most up-to-date status of offshore wind projects, visit the Offshore Wind Power Hub.

- Collaborative actions states can take together to reshape or adjust market mechanisms, drive local support, build workforce, and more

The playbook also includes a state-by-state guide exploring each state's assets and strengths, needs and risks, and the highest-impact advocacy goals to be pursued.

This approach seeks to amplify existing strengths at the state level by making a necessary adjustment in perspective – from considering only the needs of one state to how each state can benefit from supporting the needs of the region as a whole.

This approach seeks to amplify existing strengths at the state level by making a necessary adjustment in perspective – from considering only the needs of one state to how each state can benefit from supporting the needs of the region as a whole. It shifts the conversation from "How can every state have its own manufacturing facility?" to "How can we best leverage existing manufacturing, ports, and workforce resources across the many states to maximize efficiencies and opportunities for everyone?"

Finally, this playbook does not include recommendations on topics that are largely outside the states' control, such as vessels, federal tax credits, and project leasing.

The U.S. offshore wind industry stands at a pivotal moment. Despite the sector's challenges – higher interest rates, unstable supply chains, and recent policy uncertainty accompanied by high-profile project cancellations – these disruptions coincide with a new economic imperative for smart energy investments, presenting a rare opportunity to reset the foundation for long-term success.

The current pause on project development at the federal level is precisely the moment state leaders must act boldly to prepare the logistical and physical infrastructure necessary for a more resilient, competitive, and strategically aligned offshore wind industry – one that meets states' power, affordability, and reliability needs.

Offshore Wind and the Energy System: A State of Play

East Coast states face a common set of energy-related challenges, goals, and opportunities that could be addressed through continued efforts to drive offshore wind deployment. This section describes three key challenges policymakers in the region face when making decisions about the future energy system, and the corresponding opportunities that can be unlocked with a strategic focus on advancing offshore wind:

1. Electricity demand growth and projections of future demand have escalated quickly in recent years, while the pace of new generation being added to the grid has been bogged down.
2. An aging electricity grid is struggling from deferred investment, while ratepayers are facing rising energy bills in a broader affordability crisis.
3. Offshore wind deployment has been slowed by political and legal opposition while costs have increased, eroding trust among investors and the broader public.


PROPOSED
LEASED
UNDER CONTRACT
OPERATING
U.S. OFFSHORE WIND MARKET
Source: Oceantic Network Market Dashboard
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OCEANTIC NETWORK
ME
VT
NH
MA
RI
CT
NY
PA
NJ
DE
MD
VA
NC
1 Maine Aqua Ventus I (Diamond Offshore Wind) [11 MW]
2 Revolution Wind (Ørsted / Skyborn Renewables [GIP]) [704 MW]
3 Block Island Wind Farm (Ørsted) [30 MW]
4 South Fork Wind Farm (Ørsted / Skyborn Renewables [GIP]) [132 MW]
5 Sunrise Wind (Ørsted) [924 MW]
6 Bay State Wind (Ørsted)
7 Vineyard Wind 1 (CIP / Avangrid) [800 MW]
8 New England Wind 1 (Avangrid) [791 MW]
9 New England Wind 2 (Avangrid)
10 Beacon Wind (JERA Nex bp)
11 SouthCoast Wind (Ocean Winds) [1,287 MW]
12 Vineyard Wind 2 (Vineyard Offshore)
13 Empire Wind 1 (Equinor) [810 MW]
14 Empire Wind 2 (Equinor)
15 Excelsior Wind (Vineyard Offshore)
16 Bluepoint Wind (Ocean Winds / GIP)
17 Attentive Energy One (TotalEnergies Renewables / Rise Light & Power / Corio Generation)
18 Attentive Energy Two (TotalEnergies Renewables / Corio Generation)
19 Community Offshore Wind (RWE / National Grid)
20 OCS-A 0541 (Atlantic Shores)
21 Leading Light Wind (Invenergy / energyRe) [2,400 MW]
22 Atlantic Shores South Project 1 (EDF)
23 Atlantic Shores South Project 2 (EDF)
24 Atlantic Shores North (EDF)
25 Ocean Wind 1 & 2 (Ørsted)
26 Skipjack Wind Farm (Ørsted)
27 US Wind (US Wind) [1,710 MW]
28 OCS-A 0557 (Equinor)
29 OCS-B 0558 (Dominion Energy)
30 Coastal Virginia OSW - Commercial (Dominion Energy / Stonepeak) [2,587 MW]
31 Coastal Virginia OSW - Pilot (Dominion Energy) [12 MW]
32 Coastal Virginia OSW - South (Dominion Energy)
33 Kitty Hawk Wind (Avangrid)
34 TotalEnergies Carolina Long Bay (TotalEnergies Renewables)
35 OCS-A 0546 (Duke Energy Renewables Wind)

State and Regional Progress Towards Offshore Wind Goals: *As of December 23, 2025*

New England

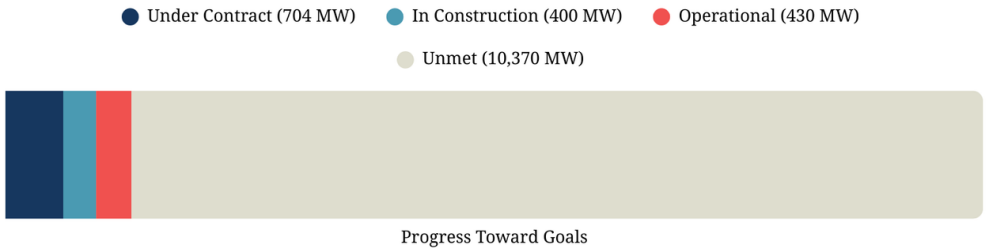
State	OSW Procurement Goals, Targets, and Authorities	OSW Status
Maine	3,000 MW by 2040	0 MW under contract
Massachusetts	5,600 MW by 2027	800 MW under contract – half of which is operational and, in the third quarter of 2025 alone, sold about 136,000 megawatt-hours of electricity
Rhode Island	Up to 1,000 MW by 2022	400 MW in construction 30 MW operational
Connecticut	2,304 MW by 2030	304 MW under contract

Energy Profile

In New England, the country's most energy-efficient region, electrifying transportation and replacing gas or heating oil with electric heat pumps in homes and businesses are raising expectations for future demand, with the most dramatic increases happening in winter **peak loads**.

All of these states are pursuing 100% clean energy goals and some are also pursuing economy-wide net zero goals.

Grid operator ISO New England expects 11% growth in energy usage between now and 2034.



New York

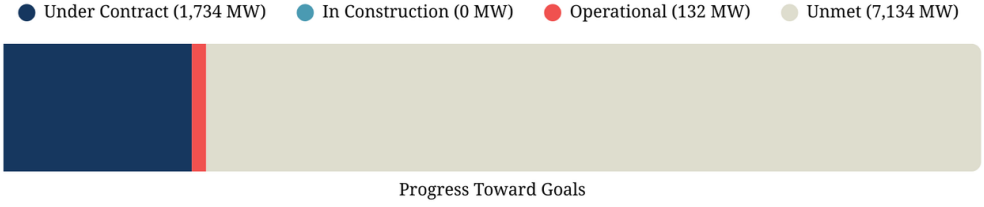
State	OSW Procurement Goals, Targets, and Authorities	OSW Status
New York	9,000 MW by 2035	1,734 MW in construction 132 MW operational through South Fork Wind (53% capacity factor through the first half of 2025)

Energy Profile

An economy-wide decarbonization goal to reduce emissions to 15% of 1990 levels by 2050 and required electrification of many sectors drive long-term electricity demand growth in New York. This transition will shift New York to a winter peaking system by 2040.

In the near-term, New York is also seeing the development of new large load facilities like data centers, industrial facilities, and hydrogen plants. The pace at which this change is unfolding is notable. In 2022, there were six large load projects, accounting for 1,045 MW in **New York ISO**'s Interconnection Queue; by 2025, this grew to 20 large load projects accounting for nearly 4,400 MW.

At the same time, transmission congestion in the state prevents clean, renewable electricity generated upstate from reaching downstate markets, driving up dirty "peaker plant" use in New York City and Long Island during high-demand hours and contributing to air quality issues. 750,000 people live within 1 mile of a peaker plant in New York City – local emissions from these plants cost the entire state an estimated $43 million in health costs every year. Retiring or replacing them all would generate $1.7 billion in health and environmental savings by 2035.



PJM

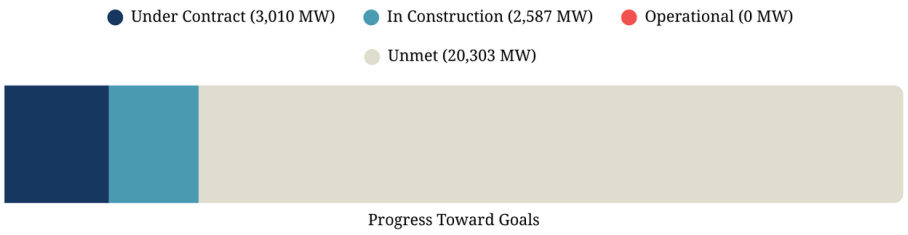
State	OSW Procurement Goals, Targets, and Authorities	OSW Status
New Jersey	3,500 MW by 2030 – Legislated 11,000 MW by 2040 – Executive Order	1,300 MW under contract
Delaware	Permission to procure up to 1,200 MW	0 MW under contract
Maryland	8,500 MW by 2031	1,710 MW under contract
Virginia	5,200 MW by 2034	2,587 MW in construction

Energy Profile

PJM, the country's largest **Regional Transmission Operator (RTO)** has recently been embroiled in debate around **capacity auctions** and their role in rising electricity prices. At the heart of the conflict is a rapid increase in demand and uncertainty around when and how the supply to meet it will come online.

Both industrial facilities and data centers are driving increases, with the latter raising imminent concerns. PJM's Independent Market Monitor recently identified nearly 8 GW of new data center load forecast for 2026. Meanwhile, just over 8 GW of generation serving the PJM region have requested retirement after 2025, and **ratepayers** in the region are making extra payments to keep uneconomic coal plants online.

The question of powering data centers in PJM is also one of managing costs to the public: ratepayers could pay an estimated $70 more per month on their power bills by 2028 due to forecasted data center demand growth.



North Carolina

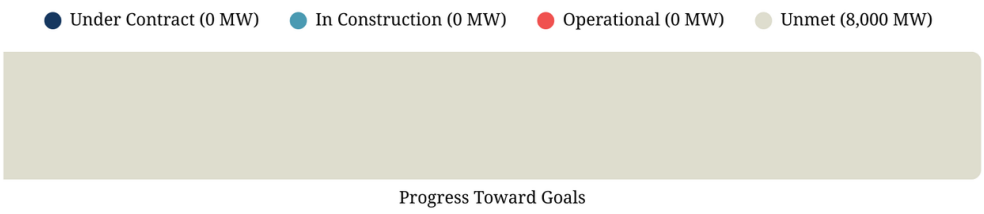
State	OSW Procurement Goals, Targets, and Authorities	OSW Status
North Carolina	8,000 MW by 2040 – Executive Order	0 MW under contract

Energy Profile

After a three-decade decline in manufacturing jobs, North Carolina's economic developers are succeeding in attracting new manufacturing facilities to the state.

In 2024, the state saw 166 new economic development projects announced, many of which were manufacturing projects. These new manufacturing facilities are driving demand growth in Duke Energy's planning areas, with Duke predicting growth over the next 15 years to be eight times higher than growth over the last 15 years.

Policymakers must contend with the risk that some of this projected demand growth will not materialize when determining how much generation will be needed and when.[15]



[15] London Economics International for Southern Environmental Law Center, Uncertainty and Upward Bias are Inherent in Data Center Electricity Demand Projections, pg. 10

Challenge 1: Electricity demand is growing across East Coast States

Across the U.S., utilities, regulators, and grid operators are grappling with a sudden increase in electricity demand growth after decades of a mostly-flat steady state. This surge coincides with a boom in new electricity generation projects clamoring for interconnection to grids with already limited capacity. In response, some grid operators began to reform their interconnection processes, slowing the pace of new energy projects added in the meantime.

The result is a perfect storm of lagging infrastructure, rising costs, and growing concerns about energy supply, also known as **resource adequacy**. Aggregate forecasts for nationwide summer peak load in 2030 rose from 64 GW in 2024 to 166 GW in 2025, according to filings submitted to the **Federal Energy Regulatory Commission (FERC)**. However, projections of actual demand growth vary considerably due to opaque, speculative, and duplicative large load service requests. Grid Strategies suggests in their latest 2025 electricity demand forecast that utility and regional planning authorities could be overestimating data center demand growth by 40%.[16] For more on how to better plan for and support this load growth, see this July 2025 report *Optimizing Grid Infrastructure and Proactive Planning to Support Load Growth and Public Policy Goals* from Clean Air Task Force and The Brattle Group.

Utility and regional planning authorities could be overestimating data center demand growth by 40%.

Opportunity 1: Offshore wind projects offer robust new supply to match unprecedented demand

Offshore wind projects in the Atlantic can offer significant **capacity** additions close to areas where large amounts of new energy supply are needed, particularly in the Northeast where less land is available for developing utility-scale energy projects.[17]

[16] Grid Strategies, Power Demand Forecasts Revised Up for Third Year Running, Led by Data Centers, pg. 3-10
[17] Brookings, Renewables, Land Use, and Local Opposition, pg. 15

For example, in Virginia, where power-hungry data centers are clustered, the Coastal Virginia Offshore Wind Project (CVOW), the largest in the U.S., will provide 2,600 MW of electricity, enough to power 900,000 homes.[24] Local utility and project developer Dominion told investors in a recent earnings call that the project "represents the fastest and most economical way to deliver almost 3 GW of electricity to Virginia's grid to support America's AI and cyber pre-eminence in the largest data center market in the world, support U.S. shipbuilding including Huntington Ingalls (the largest naval ship building company in the United States and one of our largest customers), and support some of the country's largest and most important military and defense installations."[18]

Challenge 2: The grid of the future can't wait – it will be built amid surging energy supply and affordability challenges

Since the first commercial power plant in the U.S. came online in 1882, the grid has expanded and adapted to meet the country's growing population and shifting industries. This critical infrastructure has undergone reorganizations and upgrades over nearly 150 years, but the past two decades have seen few coordinated modernization efforts.[19] Now, policymakers and grid planners face the challenge of meeting unprecedented demand growth just as older generation sources retire and transmission and distribution infrastructure deteriorates – all while managing cost burdens to ratepayers.

An antiquated fossil fuel fleet is retiring, and new generation is slow to come online

Across the U.S., coal capacity is expected to fall from 172 GW in May 2025 to 148 GW by the end of 2028, with many planned retirements in the Mid-Atlantic. Older and less efficient gas plants are being retired as well, with significant gas-fired capacity retiring in

Given these anticipated retirements, every East Coast state with offshore wind goals is in a region at risk of a generation shortfall by 2034.

[18] RTO Insider, Dominion Reports Continued Demand Growth, CVOW 60% Complete
[19] RPA Lab, History of the Grid and Major Projects

PJM.[20] Meanwhile, additions to the grid are being throttled by slow interconnection processes – in PJM, the time to interconnect a new generation project has risen from an average of less than two years in 2008 to over eight years in 2025.[21] Given this inability to bring new energy online, every East Coast state with offshore wind goals is in a region at risk of a generation shortfall by 2034.[22] In PJM and the Southeast, new additions are already failing to keep up with retirements and growing demand. Risks of shortfalls across several states are particularly high in winter due to generator performance and fuel issues.[23] Despite these pressing needs, this administration is actively working to hold back low-cost solar and wind buildout, while the U.S. Department of Energy (DOE) has begun taking steps to force uneconomic power plants to remain open, putting the costs or operating these dirty coal- and oil-fired facilities on the backs of local ratepayers.[24]

Delivering power reliably and affordably

Grid planners and policymakers are now reckoning with how we should generate power and how we can continue to deliver it reliably and affordably. Most (70%) of the nation's transmission lines are over 25 years old and many are approaching the end of their typical 50-80 year lifespans.[25] The issue worsens the longer it remains unaddressed: in its 2025 Report Card for America's Infrastructure, the American Society of Mechanical Engineers graded the grid a D+, down from a C- in 2021.[26] Modernizing aging infrastructure, integrating new energy generation, and enhancing **resilience** could cost $1.4 trillion between 2025 and 2030.[27] Investment in the grid is necessary for reliability, resilience, and long-term affordability, but managing the costs is challenging during a time when ratepayers are already facing a surge in energy affordability pressures.[28]

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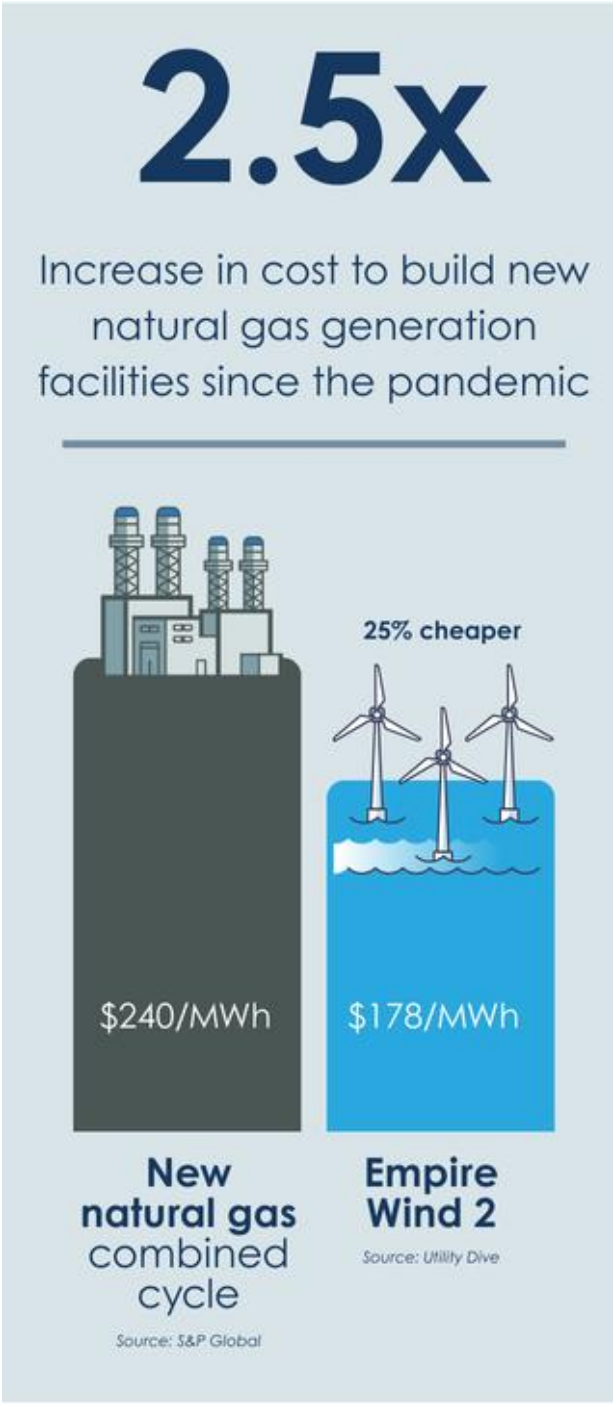
[20] EIA, Most of the planned coal capacity retirements are in the Midwest or Mid-Atlantic regions
[21] RMI, PJM's Speed to Power Problem and How to Fix It
[22] NERC, 2024 Long-Term Reliability Assessment, pg. 20
[23] ibid, pg. 7
[24] Pennsylvania Capital-Star, Pa. electric customers will pay to keep an old power plan running under federal orders
[25] DOE, What does it take to modernize the U.S. electric grid?
[26] ASCE, 2025 Report Card for America's Grid Infrastructure, pg. 82
[27] Deloitte, Funding the growth in the US power sector
[28] EIA, U.S. electricity prices continue steady increase

Natural gas is risky business

Some grid planners are turning to new natural gas capacity to address the shortfall created by retirement of coal-fired power plants and older gas-fired power plants. Notably, 742 MW of gas capacity has been announced or approved for 2025 in PJM.[29] But making up for fossil fuel plant retirements with new fossil generation poses serious risks over the long term, and even credit rating agencies have taken notice.[30] Economic, market, regulatory, and political and social pressures are dampening the outlook for new fossil fuel plants.



In regions like New England, natural gas infrastructure cannot be expanded quickly enough to meet near-term rising demand, and increased exports of liquified natural gas (LNG) drive up the price of natural gas for U.S. consumers.[31] Meanwhile, the wait for new natural gas turbines can extend upwards of five to seven years, and costs to build new natural gas generating facilities has risen by more than 2.5x since the pandemic, with one analyst quoting $240/MWh for a new GE H-class combined cycle natural gas plant.[32] For context, in 2023 when the developer of the Empire Wind 2 offshore wind project requested an adjustment to its Power Purchase Agreement (PPA) from the New York Public Service Commission,

[29] S&P Global, COMMODITIES 2025: US renewables growth to surge as fossil plant retirements tick up
[30] IEEFA, A Matter of Opinion, pgs. 13 and 28
[31] Clean Air Task Force and Acadia Center, The Energy is About to Shift: Pathways to a Community-Centered, Resilient, and Decarbonized Grid for New England, pg. 10
[32] S&P Global, US gas-fired turbine wait times as much as seven years; costs up sharply

the new proposed price was roughly $178/MWh – 25% less than the quote for a new natural gas plant.[33] As the current administration continues to promote LNG exports, natural gas prices, and the price for gas-powered electricity, for U.S. consumers are expected to rise in tandem with increased exports.[34]

Opportunity 2: Offshore wind is a tool for maximizing investments in the grid of the future

Planning and building the resilient and reliable grid of the future affordably, and with minimum harm and maximum benefit to the public, is a multi-state challenge with complex trade-offs and considerations. Offshore wind can serve as a technological tool in the toolkit of grid planners and policymakers as they rise to meet it.

LCOE and offshore wind's role in energy systems

Levelized Cost of Energy (LCOE), a calculation of the average cost of energy generated from a power plant over its lifetime, is an important metric for informing decisions on energy generation investment, but it should not be the sole determining factor. Policymakers and grid planners must think beyond LCOE to evaluate the full needs and assets of an energy system – including the people it serves – and determine how to fill the needs of that system in the most cost-competitive manner.[35] Offshore wind, while not the cheapest form of new generation, is cost-competitive[36] and delivers important attributes that are not captured by LCOE alone, like the value of energy deliverability to congested zones or the timing of when the energy is produced. State energy regulators in Northeast states are grappling with how to better value and plan for the comprehensive set of attributes that drive energy availability, price, and demand.

Using offshore wind to transition today's grid into tomorrow's

Business as usual is no longer an option to continue powering the East Coast. As old generators come offline, new fossil generation faces serious

[33] Utility Dive, New York rejects Orsted, Equinor and BP bids to adjust offshore wind contracts
[34] IEEFA, LNG exports and U.S. power price
[35] CATF, Beyond LCOE, pg. 3
[36] Lazard, Levelized Cost of Energy+ 2025, pg. 8

challenges and the aging grid demands modernization. Offshore wind can be a critical asset in transitioning to the grid of the future.

Offshore wind projects are large projects with high capacity factors that can contribute substantial increases in capacity to regions facing shortfalls. In a decarbonized economy, by 2050, offshore wind is predicted to represent as much as 28% of generating capacity, but as much as 49% of overall generation because of its high capacity factor.[37]

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East Coast states are home to some of the most densely populated cities in the world.[38] One method for improving and modernizing the existing grid is to design infrastructure to efficiently deliver power from generation sources to regions with the greatest demand.[39] Offshore wind can be placed near densely populated areas where available land is limited.[40]

When built strategically, offshore wind projects and their supporting infrastructure can also reduce costs by maximizing the usefulness of both new and existing infrastructure. Proactive planning of offshore wind transmission will allow grid planners to make more strategic investments in existing onshore grids while also creating opportunities for interregional transmission links offshore that help reduce **congestion**.[41,42] Offshore wind projects can also make use of infrastructure from retired fossil fuel-powered plants: connection points from decommissioned fossil plants can serve as landing points for new offshore wind projects.[43]

[37] Acadia Center, The Energy is About to Shift, pg. 14
[38] World Population Review
[39] ASCE, 2025 Report Card for America's Grid Infrastructure, pg. 82
[40] McKinsey, Winds of change? Why offshore wind might be the next big thing
[41] Brattle, Why and How to Start Planning for Offshore Wind Transmission, pg. 5
[42] NREL, Atlantic Offshore Wind Transmission Study, pg. 103
[43] Acadia Center, The Energy is About to Shift, pg. 6

Challenge 3: Cost increases, political conflict, and misinformation are creating uncertainty for the industry and eroding public trust

Under legacy processes, the construction of an offshore wind project can take seven years or more.[44] Much can happen between the time a developer secures an **offtake contract** and when power begins flowing to the grid. The ability of developers to navigate uncertainty, and of states to reduce the level of uncertainty, will hugely impact the viability of future offshore wind projects on the East Coast.

Cost uncertainties for offshore wind

Economic challenges and supply chain disruptions led to a 50% increase in the cost of offshore wind projects from 2020 to 2025.[45] When these conditions change during a project's development, it may no longer be financially viable for a developer to deliver power at the cost stated in the offtake contract. As a result, project developers might elect to terminate their contract and rebid to reflect the new cost.

Twelve U.S. offshore wind lease holders with offtake contracts established between 2019 and 2022 terminated their projects, and four had price adjustment petitions rejected by state regulatory authorities.[46] One leaseholder in New York cited "rampant inflation, global supply chain disruptions and soaring interest rates associated with the COVID-19 pandemic, the Russia-Ukraine conflict and the increasing pace of the energy transition" as contributors to its inability to meet the terms of its offtake agreement.[47] These factors are driving higher costs for all forms of energy and infrastructure investment. By comparison, the National Highway

Nonetheless, in an era of increasing affordability concerns, cost will be the major driver determining which energy projects get built. Driving down the cost of offshore wind is key to the industry's ability to rebound from uncertainty.

[44] Iberdrola, Everything you'd like to know about offshore wind farm construction
[45] NREL, The Cost of Offshore Wind Energy in the United States From 2025 to 2050, pg. vii
[46] Ibid, pg. 4
[47] Public Service Commission of New York, In the Matter of Offshore Wind Energy

Construction Cost index shows a 67% jump in the cost to build new highways since 2021.[48]

Nonetheless, in an era of increasing affordability concerns, cost will be the major driver determining which energy projects get built. Driving down the cost of offshore wind is key to the industry's ability to rebound from uncertainty.[49]

Coordinated attacks on the offshore wind industry and public pushback

Since 2012, well-funded fossil fuel interests have seeded a misinformation network across the country that is effectively fueling local efforts to obstruct offshore wind development.[50] Overcoming opposition at a local and state level – whether it's directly linked to this network or not – has become critical to the success of the offshore wind industry.[51]

Strong opposition at the hyper-local level – often driven by sincere concerns over environmental impacts, viewsheds, changes to community and recreational areas, or impacts to livelihoods, but pushed further by the spread of misinformation – can hamper clean energy projects. Nearly 500 clean energy projects across 49 states are currently facing organized local opposition, according to a June 2025 study by Columbia University's Sabin Center for Climate Change Law, an increase of 32% over the previous year.[52] These include many of the offshore wind projects proposed along the East Coast.

[48] U.S. Department of Transportation: Federal Highway Administration, National Highway Construction Cost Index, Interactive Dashboard
[49] McKinsey, Offshore wind: Strategies for uncertain times
[50] Brown University, Against the Wind, pg. 4
[51] CATF, Rough seas for offshore wind: A hard look at causes for delay
[52] Columbia University Sabin Center for Climate Change Law, Opposition to Renewable Energy Facilities in the United States: June 2025 Edition

Opportunity 3: A new reality can also mean a new story for offshore wind

Despite unprecedented political headwinds in the U.S., renewables are experiencing strong market fundamentals globally.[53] Total clean energy investments surpassed investments in upstream oil and gas for the first time in 2025, and over $100 billion has been invested in offshore wind.[54] Meanwhile, the new surge in expected future energy demand reframes the market opportunity as one of scarcity and need. In the energy market of 2025 and beyond, offshore wind policies and messages should focus on offshore wind's core product – affordable electrons. A 2024 Pew study showed that while 56% of registered Republicans view climate policies as harmful to the economy, 59% of all survey respondents rated keeping consumer costs low as "very important" when considering their climate policy priorities.[55]

In the energy market of 2025 and beyond, offshore wind policies and messages should focus on offshore wind's core product – affordable electrons.

Building local knowledge and support

Political capacity to act on offshore wind at the state and county level requires local support. While enthusiasm for renewable energy broadly has waned in recent years, support for wind and solar remains strong. Sixty percent of Americans today say expanding the use of wind and solar is more important than expanding the use of fossil fuels, according to a 2025 Pew Research Center poll.[56] A survey by Republican research and polling firm The Terrance Group conducted on behalf of offshore wind advocacy group Turn Forward showed that nearly 70% of voters surveyed approved of offshore wind being built in their home states.[57]

The foundation for building support already exists.

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[53] BloombergNEF, New Energy Outlook 2025, pg. 1
[54] S&P Global, Top Cleantech Trends for 2025, pg. 3
[55] Pew Research Center, How Americans View Climate Change and Policies to Address the Issue
[56] Pew Research Center, Americans' Views on Energy at the Start of Trump's Second Term
[57] Turn Forward, Multi-state Survey

With Americans feeling the strain of rising electric bills and states looking for ways to support projects that qualify for expiring tax credits, every energy-related regulatory proceeding in 2026 is an opportunity for states to engage with and educate the public about the current realities facing our energy system that are contributing to the affordability challenge.

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Helping local communities understand the need for more power and investments in the grid, and how that relates to energy reliability and affordability, is essential to motivate support for specific offshore wind projects now and in the future.

Give host communities a stake in the planning and the benefits

Connecting the benefits of offshore wind directly to the needs of local communities, workforce, and livelihoods can also help build support. Canvassing efforts conducted by People's Action Institute in both New Jersey and Maine showed that vocal opposition to offshore wind projects may not be as deep as it appears, and that community sentiment can be shifted when development is tagged to specific community benefits.[58] Discussions of community benefits agreements, for example, and the role locals can play in shaping those agreements, gave community members a sense of agency over projects proposed in their towns, and increased enthusiasm. For more on how states and project developers can build local support in partnership with communities, including a case study on the transmission line built to connect the Vineyard Wind 1 offshore wind farm to the town of Barnstable, see this November 2025 resource *Beyond the Wires: Community Benefits from Transmission Projects* from the Environmental Defense Fund and Clean Air Task Force.

[58] Climate Advocacy Lab, Nothing About Us Without Us, pgs. 9-10

Developing a collaborative offshore wind future with clarity and focus

Collaborative planning among East Coast states can help state policymakers define and create opportunities for both jobs and economic development best suited to their state's unique strengths and assets.[59]

The impacts of fossil fuel-funded and current administration opposition on the offshore wind industry are serious, but they should be seen as one piece of a much bigger picture. Strong market fundamentals and promising opportunities for communities create a foundation for state policymakers to build on.

This playbook helps states do just that. It makes clear what regulatory powers states possess to act on offshore wind and offers creative ways to continue building the industry by collaborating on everything from planning and regulations, procurement, financing, public engagement, communications and more. Importantly, it offers bold yet actionable solutions states can undertake collectively to address today's energy demand, reliability, and affordability needs.

This playbook offers bold yet actionable solutions states can undertake collectively to address today's energy demand, reliability, and affordability needs.

[59] Center for Strategic & International Studies, Aligning Ambitions: State Strategies for Offshore Wind

A High-Impact Toolkit for State Policymakers

When the lights go out or power bills go up, voters turn to their local lawmakers for answers. It is crucial for state governments to apply every tool at their disposal to answer this moment of multifaceted energy crisis. States hold significant authority and responsibility for ensuring sufficient and affordable energy supply to their constituents, and have an array of regulatory, financial, and policy levers at their disposal.

This toolkit begins with a brief primer on relevant state and regional authorities, followed by a set of specific recommendations designed to drive responsible, affordable development of offshore wind by tackling the main drivers of cost and development risk.

Figure 2: Energy development is a complex and interconnected system

Most risk and cost implications for offshore wind projects flow downhill from the duration and staging of commitments during the project development phase, prior to the final investment decision to build the project. Improvements in each of the orange categories can benefit multiple parts of the offshore wind problem statement, but how they are implemented can affect or undermine other elements of the solution.

Policymakers must balance competing needs and maintain a consistent dialogue with impacted stakeholders to develop a lasting solution.

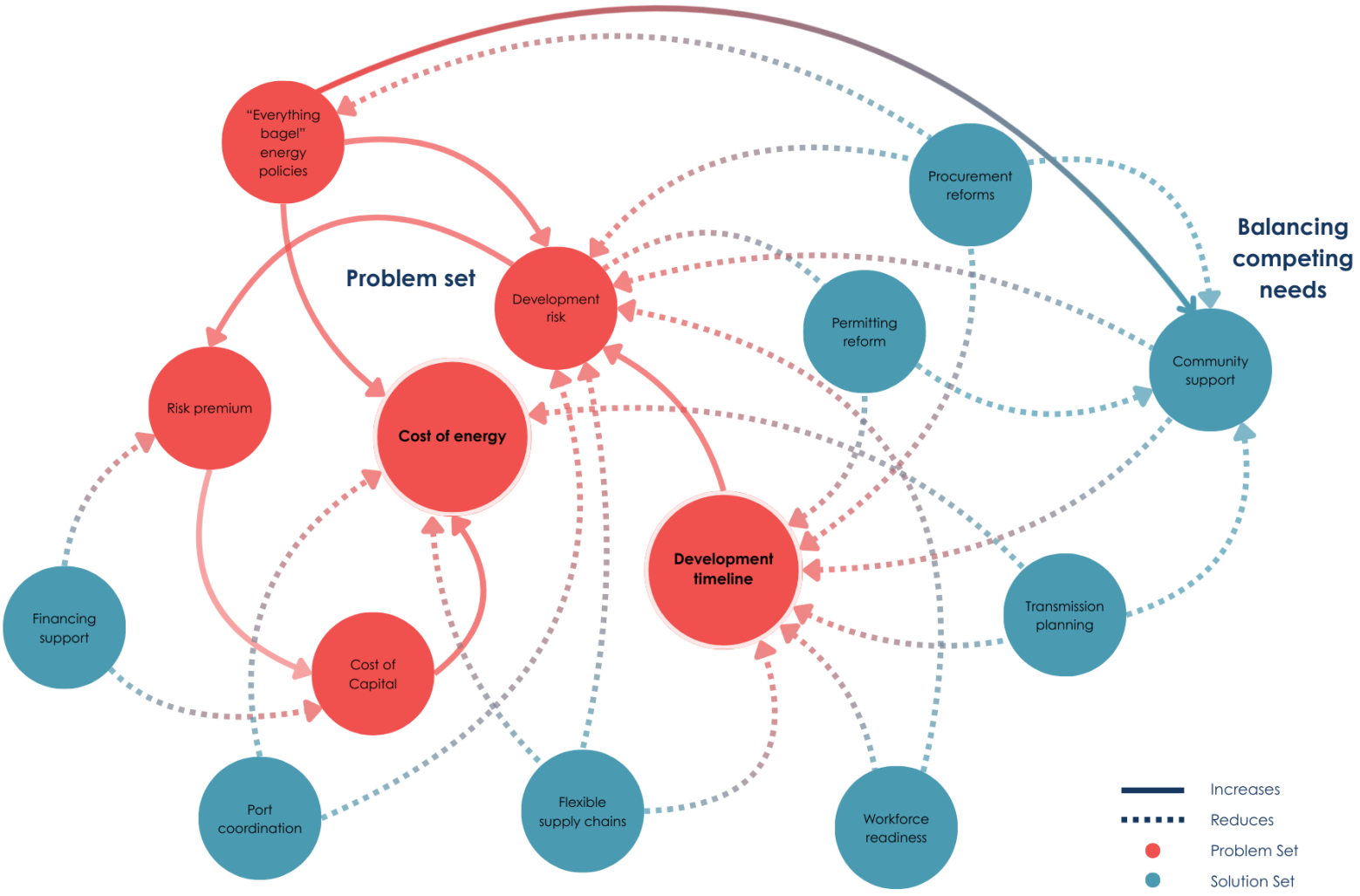

Table 2: State and Regional Authorities

	Market Rules & Planning		Siting & Permitting	
	Federal	**State**	**Federal**	**State**
Electricity generation	Regulates wholesale energy markets, sets reliability standards for electrical equipment and bulk power system operation, and can mandate some plants to run for security reasons in some circumstances.[60]	In states with regulated utility markets, utility commissions review and authorize all utility investments in new generation. In states without regulated utility markets, utility commissions can direct utilities to purchase certain types of energy from independent producers.[61]	Holds exclusive authority for leasing and permitting of all activities on the U.S. Outer Continental Shelf (OCS) at distances >3 nautical miles from shore via the Bureau of Ocean Energy Management (BOEM).	States do not hold any siting or permitting authority for offshore wind generation projects on the OCS (excluding the cables that bring energy to shore and the onshore infrastructure).

[60] Section 202(c) of the Federal Power Act gives DOE the authority to temporarily require plants to produce electricity, even if uneconomic, in cases of war or certain emergencies, and to temporarily waive related environmental regulations that would otherwise restrict the plant's ability to run. The DOE has issued several of these orders since the beginning of the year, which are currently being challenged in court. (See State Power Project: Challenges to DOE 202(c) Orders).

[61] States with regulated utility markets manage their grids by allowing a utility company to own all generation and transmission assets within a specific area, while states that have de-regulated their electricity markets open their markets to competition from independent project developers and asset owners. For the purposes of this playbook, North Carolina and Virginia are considered regulated utility states while the rest of the states are deregulated utility states. Most regulated states do not participate in wholesale energy markets, but Virginia and parts of North Carolina fall within the PJM system operator footprint.

	Market Rules & Planning		Siting & Permitting	
	Federal	**State**	**Federal**	**State**
Transmission lines (high-voltage lines that carry electricity over longer distances, aka the bulk power grid)	FERC rules dictate how wholesale energy markets plan, build, and pay for transmission lines.	State utility commissions can require utilities to conduct long-term resource planning, including expected transmission needs. States can also be part of RTOs/ISOs that operate regional grids.	FERC holds some backstop siting authority for transmission lines in specific corridors, but has not yet successfully exercised it.[62]	Fundamentally, transmission siting and permitting authorities lie with the states. Some states share siting and permitting authority with local municipalities, while other states streamline permitting or allow utility commissions to supersede local authority.
Distribution lines (low-voltage lines that connect homes and businesses to the bulk power grid)	Federal authorities do not generally apply, beyond standards or regulations related to electrical equipment safety.	State utility commissions review and improve the investment plans of the regulated utilities that own distribution and transmission lines.	Federal authorities do not apply unless lines are built across state lines or on federally-owned or managed lands.	Some states share siting and permitting authority with local municipalities, while other states streamline permitting or allow utility commissions to supersede local authority.

[62] Federal Energy Regulatory Commission, FERC Unanimously Approves Backstop Transmission Siting Procedures

Electricity Planning and Regulation

Under the United States Constitution, state governments hold exclusive authority over all matters that are not explicitly granted to the jurisdiction of the federal government. This includes forms of commerce, such as the production and sale of electricity, that take place solely within a single state. However, the Commerce Clause grants federal authority over the regulation of interstate trade. Based on this authority, the FERC was formed to regulate the wholesale electricity and natural gas markets that trade energy across state boundaries.[63] All East Coast offshore wind states participate in a **wholesale energy market** regulated by FERC, although only a small portion of North Carolina falls within the PJM market territory.[64]

These markets, known as **Regional Transmission Operators (RTOs)** or **Independent System Operators (ISOs)**, are managed by independent boards of directors with input from stakeholders. Their role is to establish fair and transparent markets that encourage competition among energy suppliers, while also ensuring that the region has an adequate supply of energy resources at all times. The policies and methodologies developed by these wholesale market operators have a significant influence on the price and availability of different energy resources within their territory.

Transmission Planning and RTO/ISO Governance

State governments can participate in RTO and ISO planning processes via various pathways:

1. Committees and working groups, like the Inter-regional Planning Stakeholder Advisory Committee (IPSAC)[65] or the Organization of PJM States (OPSI)[66] that help inform market design as part of stakeholder engagement processes, and;

[63] Federal Energy Regulatory Commission, Frequently Asked Questions about FERC: Where can I find a history of FERC?
[64] A portion of Northeast North Carolina is served by a division of Dominion Energy, which is a member of the PJM market. The rest of the state is served predominantly by Duke Energy, a monopoly regulated utility.
[65] Daymark Energy Advisors, U.S. Northeastern RTOs ISO-NE/NYISO/PJM Inter-regional Transmission Planning Landscape
[66] Organization of PJM States, OPSI Fact Sheet

2. Regional guidance bodies like the New England States Committee on Electricity (NESCOE) that play a direct role in translating state energy policies into market design.

In these venues, state regulators and governments provide input and guidance to long-term planning exercises that identify transmission system investments that benefit the entire system, with costs shared accordingly across the member states. These groups also help inform electricity generation planning procedures, such as how new projects connect to the system and how to conduct auctions that ensure sufficient electricity availability in the coming years, also known as capacity auctions. While states have varying degrees of influence over their local RTO or ISO throughout the region, all decisions and actions taken by RTOs and ISOs must be consistent with the rules and regulations set forth by FERC. States, RTOs/ISOs, and incumbent utilities may petition FERC for studies, rulings, or new regulatory proceedings to support evolving market needs.[67]

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For a comprehensive resource on how states can influence transmission development, see this primer: "State Policies to Advance Transmission Modernization and Expansion" from Americans for a Clean Energy Grid.

Utility Regulation - Rates

States play a key role in energy supply decisions and customer affordability through their **utility commissions**, which review and approve the investment decisions of the state's electric utility providers, often referred to as **incumbent utilities**. The degree to which the political priorities of a state government are reflected by its utility commission often depends on how the commission is appointed and the scope of its authority.[68]

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[67] Federal Energy Regulatory Commission, Rulemaking Explainer: Navigating the Rulemaking Process of the Federal Energy Regulatory Commission

[68] In most East Coast offshore wind states, the Governor appoints utility commissioners. The only exceptions are Virginia, where the General Assembly appoints commissioners, and North Carolina, where the 5-member commission is appointed as follows: two

Most East Coast offshore wind states have competitive retail electricity markets, where customers have a choice in their energy supplier. In these states, incumbent utilities only own the transmission and **distribution lines** within their territory, often referred to as "poles and wires." They do not own electricity generation and instead purchase electricity through wholesale markets to supply their customers. In Virginia and North Carolina, the incumbent utilities own the energy generation, transmission, and distribution networks and are known as "vertically integrated" utilities.

That said, incumbent utilities in these deregulated states are often still supplying electricity to a large portion of the state's ratepayers. Their prices, generally known as "Standard Offer Service" prices, are approved by state utility commissions in what are called **rate cases** or ratemaking proceedings. These prices serve as an important market benchmark for retail suppliers.

Utility Regulation - Planning

An unintended consequence of utility deregulation across the region is that it has become increasingly difficult to plan and build transmission to meet future energy needs. Most states in the U.S. Northeast have introduced retail competition into their electricity markets through deregulation. After deregulation, few of these states continue to require their utilities to conduct long-term, comprehensive planning exercises known as **integrated resource plans (IRPs)**.[69] In states where the incumbent utility is the sole electricity provider in its territory and owns the electricity generation and power line infrastructure it needs to serve its customers, the incumbent

After deregulation, few of these states continue to require their utilities to conduct long-term, comprehensive planning exercises.

appointed by the Governor, one appointed by the Senate, one appointed by the House, and one appointed by the State Treasurer (an elected position).

[69] Connecticut and Maine are the only deregulated East Coast offshore wind states that still conduct an IRP or similar process. In Connecticut's case, the IRP is written by the state's Department of Energy and Environmental Protection (DEEP) rather than the state's investor-owned utilities and focuses more on potential state actions, such as DEEP-run competitive procurements for new energy resources, rather than utility investment decisions or proposals, to meet Connecticut's anticipated electricity needs. In Maine, the incumbent utilities must develop 10-year transmission planning roadmaps.

utility looks 10 or more years into the future and projects how much demand they will need to serve to identify the most desirable mix of energy resources and transmission necessary to meet that demand. Without this type of comprehensive analysis, planning exercises conducted by the RTO or ISO often do not include a robust view of future demand or market changes driven by state policy, and planners may not have access to important utility data.[70]

Incumbent utilities rely heavily on IRPs to present the case for new investments to their regulators. If those investments are approved, incumbent utilities are allowed to build the project and collect a pre-defined profit on top of the authorized costs incurred.

State governments exercise considerable authority over their incumbent utilities. Even deregulated states can implement an IRP-like process to oversee utility compliance with regulatory requirements, identify future needs, and enforce policy priorities such as transitioning to cleaner sources of energy.

For a more comprehensive overview of energy markets, see this Energy Primer: A Handbook of Energy Market Basics from FERC.

Offshore Wind Energy Procurement

States approach contractual guarantees for offshore wind energy production in various ways, but nearly all leverage a competitive procurement model that solicits bids from various offshore wind project developers who hold lease areas. The state generally directs its incumbent utilities to purchase the electricity and/or associated **environmental attributes** produced by the offshore wind projects that have submitted winning bids. Each state applies a unique evaluation and project development standard to its projects, but in most cases, once a project is awarded a contract, the price for the energy and/or attributes is fixed at the time of the contract. The developer takes on the risk that costs could

[70] In 2024, FERC enacted new rules to require RTOs and ISOs to conduct long-term transmission planning that takes into account state policy requirements and to improves access to utility data when identifying transmission needs over the next 20 years. *See, Bldg. for the Future Through Elec. Reg'l Transmission Plan & Cost Allocation*, Order 1920, 89 Fed. Reg. 49280 (June 11, 2024), 187 FERC 61,068 (2024). However, RTO/ISO compliance with the rule has been largely delayed while litigation around the rule proceeds, and nothing in the rule requires that any particular line be built and paid for as part of the planning process.

increase in bringing the project to commercial operation, and often will include a risk premium in their bids, inflating the cost of the final contract.

In the U.S., offshore wind projects routinely win awards seven or more years before expected completion, exposing them to significant economic, inflationary, permitting, and political risks that can influence construction costs.

In the U.S., offshore wind projects routinely win awards seven or more years before expected completion, exposing them to significant economic, inflationary, permitting, and political risks that can influence construction costs. Outside investors are needed to finance these multibillion-dollar projects, and these investors are only willing to proceed if the project can meet their profitability standards. State agencies are often unwilling or unable to renegotiate the terms of the awarded contract after a competitive award has been made, resulting in projects being canceled when faced with rising supply chain costs or delays.[71]

One solution is to modify the project procurement process to allow for a more stepwise approach to project commitment and a more collaborative relationship between project developers and state agencies. **Progressive Design-Build (PDB)** procurement is a collaborative development model that establishes the final contract price at a later stage. A state agency could select a project developer from a prequalified pool of candidates and work collaboratively to advance the design and construction plan for the project, waiting until the project is further along in permitting and design before establishing the final price.[72] This approach brings numerous co-benefits:

1. Transparency in the design process between the developer and the state ensures that projects are built in a way that reduces cost, maximizes benefits, and minimizes risks.

[71] New England Wind, South Coast Wind, Vineyard Wind Two, Empire Wind Two, Attentive Energy One, Leading Light Wind, and Atlantic Shores South have all withdrawn or declined to proceed with the PPAs they had previously been awarded.
[72] Design-Build Institute of America, Progressive Design-Build: A Design-Build Done Right Primer

2. Minimizing the window between a final price commitment and commencement of construction reduces exposure to risks and aligns with real-time market conditions.

This strategy can be applied with varying degrees of competition and sharing of costs and risks between the state and the project developer. In what's known as the **competitive dialogue model**, selected prequalified developers fund and manage predevelopment activities for their projects while working collaboratively with state agencies to advance permitting and design efforts before competing for a final contract at a much later stage. States can mitigate the financial risk for those who are not awarded contracts by providing for cost recovery mechanisms and preferred contracting in the next round, or help reduce predevelopment costs by conducting data collection or other predevelopment activities on behalf of project developers. Streamlining data collection carries the added benefit of reducing the cumulative effects and duplicative costs associated with overlapping surveys. This model has been used successfully in the Netherlands and has driven a very high rate of successful projects to **financial close**.[73]

Other solutions could leverage the state's incumbent utilities as developer partners or seek to mimic the investment profile of utility-built generation under a **modified cost-of-service model**. Under this model, a state could select a project based on its maturity and viability and guarantee cost recovery for the investments needed to build the project. Guardrails around maximum total cost relative to alternatives and performance incentives to contain costs and meet schedule milestones can protect ratepayers while substantially reducing the risk premium that investors would require to build these projects. The state regulator can be empowered to evaluate external circumstances like political changes, permitting delays, changes in the **cost of capital**, and other risk factors that can emerge through the life of a major infrastructure project and approve contractual changes that are in the best interests of ratepayers.

The legislation that established the Commonwealth of Virginia's offshore wind goal outlined several guardrails guiding the state's utility regulatory commission in their review and approval of Dominion Energy's investment in the Coastal Virginia Offshore Wind Project:

[73] Malte Jansen et al, *Energy Policy*, Policy choices and outcomes for offshore wind auctions globally

Figure 3: Annotation of General Assembly of Virginia, HB 1526[74]

"[…] the Commission shall determine the reasonableness and prudence of any such costs, provided that ***such costs shall be presumed to be reasonably and prudently incurred*** *if the Commission determines that (i) the utility has complied with the competitive solicitation and procurement requirements pursuant to subsection E;* ***(ii) the project's projected total levelized cost of energy, including any tax credit, on a cost per megawatt hour basis, inclusive of the costs of transmission and distribution facilities associated with the facility's interconnection, does not exceed 1.4 times the comparable cost, on an unweighted average basis, of a conventional simple cycle combustion turbine generating facility as estimated by the U.S. Energy Information Administration in its Annual Energy Outlook 2019;*** *and (iii) the utility has commenced construction of such facilities for U.S. income taxation purposes prior to January 1, 2024, or has a plan for such facility or facilities to be in service prior to January 1, 2028.* ***The Commission shall disallow costs, or any portion thereof, only if they are otherwise unreasonably and imprudently incurred. In its review, the Commission shall give due consideration to (a) the Commonwealth's renewable portfolio standards and carbon reduction requirements, (b) the promotion of new renewable generation resources, and (c) the economic development benefits of the project for the Commonwealth, including capital investments and job creation.*** *"*

Creates certainty for investment recovery

Market comparison benchmark

Pro: Choosing a date in the near past means the cost cap number is known

Con: In an inflationary environment, a benchmark from the past can quickly become outdated

Assures project developer of cost recovery when acting in good faith

Reinforces the state's energy policy priorities as part of the state's broader priorities

[74] General Assembly of Virginia, "HB 1526"

A state could implement the modified cost of service model in partnership with an independent project developer, or it could instruct developers to partner with the state's regulated utility to access cost recovery mechanisms via the state's utility ratemaking process. Either of these options would require legislative change and would represent a significant departure from the way most East Coast states have approached offshore wind development in the past.

Financing

States have long relied on a variety of funding sources to support energy development. As the landscape for federal grant funding and tax policy remains uncertain, they will need to take a broader view of available financing tools to advance projects for local benefit. This includes exploring how mechanisms traditionally used for other major infrastructure investments can also be applied to the offshore wind sector. This could involve:

Bonding Authority: States often issue **bonds** through state or local bonding authorities to raise large amounts of upfront capital. Bonding allows states to fund infrastructure immediately while spreading costs over many years, often at low interest due to the tax-exempt status of municipal bonds. To learn more about how public-private financing stands to save Californians $3 billion every year, see this analysis from Clean Air Task Force: Wired for Savings.

Example: In 2024, California voters approved a $10 billion Climate Bond, which included $475 million specifically earmarked to fund port infrastructure related to offshore wind projects.[75]

Direct Public Investments, State Infrastructure Banks, and Green Banks: States can commit their own resources by directly funding projects, creating revolving loan funds called State Infrastructure Banks (SIBs) or through public or quasi-public financing institutions called Green Banks. Green Banks and SIBs provide low-interest loans and credit assistance to both public and private sponsors. These institutions help leverage additional federal and private capital, making infrastructure more affordable. SIBs most commonly focus on direct lending, but occasionally

[75] California Legislature, SB-867

offer other financial products. These can include **loan guarantees** or bond insurance to help project sponsors secure supplemental financing.[76]

Example: The Rhode Island Infrastructure Bank acts as a hybrid green bank and infrastructure bank, offering low- or no-interest loans, revolving funds, and technical assistance across multiple sectors.[77]

Public-Private Partnerships: Public-private partnerships are long-term contractual agreements between a government entity and a private party to design, build, finance, operate, fund and/or maintain infrastructure or provide public services, with the private partner typically assuming significant risk and management responsibility linked to performance.

Example: The Louisiana Department of Transportation and Development entered a public-private partnership with Calcasieu Bridge Partners to replace the 70-year-old Calcasieu River Bridge in Lake Charles. Some $1.2 billion of the $2.3 billion cost will come from federal and state funds, including private activity bonds approved by the Louisiana State Bond Commission in 2024, with toll revenue covering the rest.[78]

Grant-making: States may offer competitive grant funding to cover part of project costs or to cover cost for projects that support the buildout of renewable energy industries, like supply chains and workforce development.

Example: The Maryland Energy Administration's Offshore Wind Grant Program supported the state's Maryland Offshore Wind Supply Chain Investment Program (SCIP) and its Maryland Offshore Wind Workforce and Education Program (Workforce) programs through 2025.[79] *These program priorities will be administered by the Maryland Departments of Commerce and Labor going forward.*

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[76] University of Maryland, Build America Center, Status of State Infrastructure Banks: Overcoming Challenges and Leveraging Successes, May 6, 2025
[77] Rhode Island Infrastructure Bank, Case Studies
[78] Louisiana Department of Transportation and Development, Major step forward in new I-10 Bridge as DOTD and Calcasieu Bridge Partners achieve financial close on new Calcasieu River Bridge Project
[79] Maryland Energy Administration, Maryland Offshore Wind Supply Chain Investment Program

Additional resources:

- Local Infrastructure Hub: Innovative Financing for Public Infrastructure
- National Governors Association: State Resource Center: Innovative Infrastructure Funding, Financing and Delivery

Greater collaboration between state authorities and industry is needed to adapt and apply current financing tools to meet the unique funding needs of offshore wind projects.

Infrastructure and Permitting

Publicly-backed, semi-independent agencies could be leveraged to streamline or accelerate permitting.

State governments often finance and manage major infrastructure investments via publicly-backed, semi-independent entities like Port Authorities, Transportation Authorities, Economic Development Authorities, and Infrastructure Banks. While these entities often bring financial benefits to project development in the form of reduced risk and publicly subsidized capital, they could also be leveraged to streamline or accelerate permitting of projects.

State involvement in early project development that helps to jumpstart data collection or align various state permitting agencies around a shared review timeline significantly reduces project development risk. This can be especially valuable for high-cost and high-impact project development needs, like **Points of Interconnection (POIs)** where the offshore wind projects land cables to connect to the onshore electricity grid.

There are relatively few strategic transmission cable landing points for offshore wind projects, and they are subject to local permitting requirements and are often owned by private entities. The value of some of these POIs could be undermined by adjacent development or suboptimal utilization, such as the bifurcation of the Mystic power plant property in Everett, MA. While local utility Eversource acquired a portion of the property, the other portion was purchased by a developer aiming to build a

new soccer stadium, which could limit the scope of activity in the adjacent parcel.[80]

Essential State-Level Actions

The following four actions can be taken by individual states within their own regulatory and legislative authority. These foundational reforms address key barriers to offshore wind development and should be prioritized regardless of a state's chosen approach to the dual-track framework or regional collaboration outlined in subsequent sections:

1. Direct a state agency or incumbent utilities to undertake long-term **integrated resource planning** or similar exercises that consider expectations for future demand and state policies that influence the availability of various energy resources. The results of these plans can then be incorporated into long-term planning processes with the regional **RTO** or **ISO**.
2. Shift to a **Progressive Design-Build** Procurement model for offshore wind projects. Bringing a greater degree of flexibility and transparency in offshore wind development helps account for changing circumstances and better aligns policy priorities with project outcomes.
3. Take actions to align transportation, energy, and economic development authorities for the purposes of identifying major offshore wind-related infrastructure needs. Further, states can prioritize these projects to qualify for state financial backing, fast-tracked or streamlined permitting processes, or other state investments. Such projects could include port or manufacturing infrastructure, transmission-related infrastructure, or even elements of the offshore wind projects themselves. The European Union has implemented a similar strategy for major infrastructure projects, where Projects of Common Interest and Projects of Mutual Interest are eligible for accelerated permitting and financing opportunities.[81]
4. Identify key infrastructure assets like ports and **Points of Interconnection** and work to preserve and enhance their utility for offshore wind. This could include enacting or augmenting state laws

[80] The Boston Globe, From natural gas plant to clean energy hub: Eversource buys part of Mystic site
[81] European Commission, Projects of Common Interest and Projects of Mutual Interest

that prohibit certain types of activity adjacent to key **substations**, right of first refusal or eminent domain authorities, or enabling preparatory activities like securing and permitting corridors for offshore wind cable landings, investing in substation upgrades, or reserving interconnection capacity.

While these state-level actions lay critical groundwork, the current federal policy environment and unique timing considerations for offshore wind projects require states to think strategically about how they sequence and target their efforts.

The following section outlines a dual-track framework to guide state decision-making on project prioritization and market reforms.

A Dual-Track Approach: Making Up Ground While Setting the Stage for the Future

With a new degree of uncertainty in federal policy shaping investor attitudes, it is important to consider the timing of election cycles when evaluating strategies for future offshore wind procurement. Current federal government inaction on permitting for offshore wind means that with little progress being made, developers with less mature projects will have several years of federal work ahead before they can reach **financial close**. Federal agencies and development teams, having shed workforce during the Trump administration, will need time to ramp up – pushing the expected timeline for these federal project approvals close to or beyond the transition point between the upcoming administration and the one that will follow.

It is important to apply the Essential State-Level Actions outlined above strategically across two distinct project timelines, each requiring different types of support and different levels of urgency:

Track 1: Projects with a high degree of maturity and viability to be constructed in the 2029-2033 timeframe would substantially benefit from targeted support strategies to sustain project readiness. This could include states taking an equity interest in the projects to unlock public financing mechanisms, state support for ongoing data collection or other permitting needs, letters of credit to support transmission queue reservations, or

implementing regulatory changes to enable states to procure energy from these projects through more flexible, collaborative mechanisms that better reduce investment risk.

Important evaluation criteria for states to consider:

- Federal, state, and local permit status
- Strength of support and opposition to the project
- Development risks outside the state's jurisdiction (such as cable landfall in another state)
- Degree to which the project will contribute to meeting state needs
- How the project development timeline aligns with state political timelines

Track 2: Longer-term, comprehensive offshore wind policies and market reforms should consider that any projects without complete or functionally-complete federal approvals are highly unlikely to commence construction during the upcoming administration. In the face of federal hostility and global market pressures, it will be difficult for private developers to justify ongoing investment to advance less mature projects during the current administration. Targeted state support can help position these projects to submit federal permit requests early in the upcoming federal administration.

Actions for states to consider:

- Supporting important predevelopment activity, like environmental and biological surveys, metocean and geotechnical data collection, cable routing studies, or **interconnection** studies.
- Developing a more robust and attractive marketplace for offshore wind investment using the collaboration tools and framework recommendations outlined in the following section.

Multistate Agreements: Tools for Regional Collaboration

From Individual Action to Regional Collaboration

Is the U.S. East Coast a 53 GW market or 10 smaller, standalone markets?

Is the U.S. East Coast a 53 GW market or 10 smaller, standalone markets? For the most part, the market has traditionally operated more like the latter, putting the U.S. at a serious disadvantage relative to other global markets competing for investment. Offshore wind developers have long pointed to inconsistency, instability, and fragmentation in the state-driven U.S. offshore wind market as a major barrier to cost reduction and economies of scale.

The Essential State-Level Actions and dual-track framework outlined in previous sections can be implemented by individual states. However, the following regional collaboration opportunities would substantially amplify opportunities to reduce costs, accelerate timelines, and strengthen market signals to the global investment community. Regional collaboration can take many forms, from legally binding multistate compacts to more flexible Memoranda of Understanding (MOUs).

State governments have the authority to enter into strong, legally binding agreements with other states via **multistate compacts**. These compacts are binding contracts between party states and are resilient in the face of changes in state law. The stable and binding nature of a multistate compact would give developers more visibility and confidence in the U.S. market. A formal multistate compact could create a larger, more uniform marketplace where states collectively agree to procurement criteria, methodologies, workforce and supply chain reciprocity, and coordinated timelines. Legal analysis related to the Regional Greenhouse Gas Initiative multistate compact indicates that a compact to coordinate energy needs could be achievable without requiring Congressional consent, based on Supreme Court precedent, but only if the compact does not grant enforcement authority.[82]

[82] Harvard Law Review, The Compact Clause and the Regional Greenhouse Gas Initiative

Such a regime would deliver substantial benefits in the form of lower costs, fewer duplicative or inefficient investments, a more attractive market profile for supply chain companies, and lower risk premiums for project financing.

These compacts can also be used to create independent, multistate, governmental authorities that could act as a shared financing authority or be empowered to make decisions that benefit the broader region, creating distance between state leaders and difficult or controversial investment decisions. For more about multistate compacts, see this guide "Multistate Problem Solving with Interstate Compacts," from the Council for State Governments.

While formal multistate compacts might be considered the "gold standard" for creating a strong legal framework for a more regionalized market approach, their binding nature makes them much more challenging to secure. A combination of less-binding agreements, like MOUs or similar voluntary frameworks, could achieve some of the same objectives with greater speed and agility. For example, several New England states conducted a coordinated multistate offshore wind procurement solicitation in 2023 under an MOU framework.[83] In 2020, North Carolina, Maryland, and Virginia formed a regional SMART-POWER Partnership to "cooperatively promote, develop, and expand offshore wind energy and the accompanying industry supply chain and workforce."[84] New York and New Jersey have also collaborated on their Offshore Wind Supplier Forum under a joint agreement with the Bureau of Ocean Energy Management (BOEM).[85]

These examples share important common elements: they bring together a small group of states with existing economic ties, focus on specific areas of collaboration, and they do not bind participating states to take any specific action. However, their nonbinding nature offers less market stability to a global investment community at a time when strong signals and certainty are needed.

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[83] The Office of Governor Healey and Lt. Governor Kim Driscoll, Massachusetts, Rhode Island, and Connecticut Sign First-Time Agreement for Multi-State Offshore Wind Procurement

[84] Maryland Energy Administration, Maryland Virginia and North Carolina Regional SMART-POWER Partnership

[85] Bureau of Ocean Energy Management, A Shared Vision on the Development of an Offshore Wind Supply Chain

The Special Initiative on Offshore Wind is actively convening states to collaborate on finding solutions to these barriers. The framework below identifies specific areas where multistate collaboration delivers the greatest value. States can pursue these collaborations selectively based on their regional partnerships, shared infrastructure assets, and aligned policy timelines. Not every state needs to participate in every collaboration area – the key is strategic alignment among states with complementary strengths and shared challenges.

A Framework for Multistate Collaboration

A formal, nonbinding framework of goals and principles for meeting the region's offshore wind targets by 2040 would help guide the process of negotiating more specific sub-agreements and signal an organized and coherent market approach to the global investment community. States should build upon existing collaboration venues to align offshore wind strategies and develop a set of shared priorities that can be pursued via distinct, subregional, subject-specific MOUs, or more binding agreements where possible. The framework should consider the following six high-impact opportunities for multistate collaboration:

Multistate Collaboration Priority Areas:

Transmission Planning – Coordinate RTO/ISO inputs and align state transmission investments to reduce interconnection costs.

Permitting and Procurement Clearinghouse – Pool resources for data collection, permitting coordination, and regulatory alignment.

Procurement Coordination – Align solicitation timelines, optimize port utilization, and create regional buying pools.

Financing – Leverage bonding authorities for shared infrastructure and explore multistate financing entities.

Communications and Community Engagement – Develop unified messaging and share capacity-building resources.

Education and Workforce Development – Coordinate training programs and align certification requirements.

Transmission planning

The Northeast States Collaborative on Interregional Transmission was organized by an MOU in 2024 and includes eight of the 10 East Coast offshore wind states (Virginia and North Carolina are not active members). This group has issued a Strategic Action Plan for State-led Interregional Transmission Priorities and a Request for Information to identify potential interregional transmission projects that would benefit the wider region. This initiative has the potential to deliver tangible project development opportunities that can demonstrate the value of multistate collaboration and offer offshore wind development benefits by reducing interconnection costs and expanding market opportunities.

Each of the region's RTOs and ISOs are actively engaged with the implementation of new, forward-looking transmission planning processes. States should consider including offshore wind transmission needs in future solicitations and planning activities:

Each of the region's RTOs and ISOs are actively engaged with the implementation of new, forward-looking transmission planning processes.

- In New England, the first Request for Proposal has been issued under their Longer-Term Transmission Planning (LTTP) process. This multistate process identifies transmission projects that deliver regional benefits and allocates costs among those states' ratepayers according to a pre-agreed methodology.[86]
- New York's NYISO grid operator initiated a proactive offshore wind transmission planning process in 2023 under its Public Policy Transmission Need (PPTN) process to address a challenge in delivering electricity to New York City through the highly constrained New York Harbor. While the Public Service Commission (PSC) decided to terminate its solicitation for projects that would address the constraint due to shifting project timelines from federal permitting delays, state agencies are actively evaluating how to meet future needs.[87]

[86] ISO Newswire, ISO-NE issues request for proposals for transmission solutions
[87] New York State Department of Public Service, Commission Acts to Protect Ratepayers as Federal Offshore Wind Permitting Stalls

- PJM, the RTO covering New Jersey, Delaware, Maryland, Virginia, and parts of North Carolina, is in the process of developing long-term transmission planning and multistate cost allocation methodologies to meet FERC Orders 1920, 1920-A, and 1920-B. The outcome of this process, and the extent to which it will result in transmission projects being identified that benefit offshore wind, remains to be seen.
- New Jersey had previously undertaken a proactive offshore wind transmission planning process under PJM's State Agreement Approach (SAA), which was expected to save New Jersey ratepayers $900 million, but the New Jersey Board of Public Utilities (NJ BPU) recently paused the process due to shifting project timelines from federal permitting delays.[88]
    - For more on how states can participate in PJM's FERC Order 1920 compliance process, see the Institute for Policy Integrity's "Guide to State Participation in PJM Long-Term Scenario Development Under FERC Order No. 1920."
- The Maryland Public Service Commission (MD PSC) is also progressing toward an SAA transmission solicitation with PJM to support offshore wind, and the solicitation has not yet been issued.[89]
- Collectively, the east coast RTOs and ISOs have been collaborating on interregional transmission opportunities for offshore wind via two primary venues: the POINTS Consortium[90] and the Joint ISO/RTO Planning Committee (JIPC). States should apply insights from these venues into their inputs for ongoing Order 1920 compliance planning within their RTO and ISO regions. For more on the opportunities and barriers for interregional transmission in this region, see the New England States Committee on Electricity

[88] New Jersey Board of Public Utilities, IN THE MATTER OF DECLARING TRANSMISSION TO SUPPORT OFFSHORE WIND A PUBLIC POLICY OF THE STATE OF NEW JERSEY, ORDER ON THE STATE AGREEMENT APPROACH (SAA) - PROJECT ADJUSTMENTS - DOCKET NO. QO20100630
[89] Maryland Public Service Commission, Case Number: 9800
[90] U.S. Department of Energy, Standardization for Interregional Offshore Wind Transmission

(NESCOE) white paper: "U.S. Northeastern RTOs ISO-NE/NYISO/PJM Inter-Regional Transmission Planning Landscape".

Permitting and Procurement Clearinghouse

A group of states could consider forming a quasi-government entity, funded by participating states, that can act as a complete offshore wind permitting authority or even conduct the offshore wind procurements themselves. To the extent that such a multistate development entity could be created (likely requiring the more-binding multistate compact methodology), states could pool financial and human resources into a single team to advance the data collection projects need for permitting on behalf of project developers. This group could also work to align federal- and state-level permitting requirements across compact states and even serve as a centralized permitting clearinghouse for certain activities. Project developers can then reimburse the cost of these services when they are awarded contracts in future offshore wind procurements.

Procurement Coordination

Multistate collaboration on procurement is a model that can support a more consistent and cost-effective offshore wind market than individual state procurements that are conducted in isolation. The benefits associated with a streamlined multistate RFP, where developers only submit one proposal, are substantial, but can sometimes be inaccessible due to regulatory constraints. One developer interviewed for this report put the average cost of bid preparation for state offshore wind procurements at anywhere from $5-7 million. The MOU that guided the 2023 New England RFP specified that each state would run its own procurement process, with clear boundaries and separate submission requirements.

Some state utility regulators do not have the authority to enter into truly joint RFPs that share a single application for energy projects. An RFP issued by the Maine PUC in December 2025 is one of the first examples of a truly joint multistate RFP for energy projects, where developers may submit a single proposal and those responses will be shared and evaluated by Maine, Massachusetts, Rhode Island, and Vermont. Notably, Connecticut is also participating in this RFP but requires that an identical bid be submitted directly to them due to regulatory constraints that prevent them

from considering a project proposal not submitted directly to their state agency by the developer.[91]

To unlock even more benefits from procurement collaboration, states should consider how a strategic partnership among states can bring together the key elements for successful offshore wind development: port facilities, workforce, supply chain, points of interconnection and grid capacity, and strong demand for new electricity generation.

Port coordination in particular offers significant opportunities for states to work together to maximize the value of existing assets, reduce the need for duplicative investments, and substantially reduce project development risk. Under the status quo, adjacent states that issue procurements for projects with similar **Commercial Operations Dates (CODs)** risk overwhelming local ports, forcing developers to utilize suboptimal ports further away or risk missing their contractual deadlines. By aligning procurement and installation timelines across a group of states and a network of ports through an MOU construct, the entire region can benefit from a steady, predictable pace of installation.

Stakeholder interviews suggest that regional clustering for coordinated multistate procurement is more likely to deliver results: New England, NY/NJ, and Mid-Atlantic States are the groupings suggested most often.

States can also think of themselves as buyers, with the ability to form buying pools.

States can also think of themselves as buyers, with the ability to form buying pools. One way to reduce risk and cost for offshore wind projects is for a state-owned entity to place reservation agreements or make bulk purchases for key components, such as substations, transformers, and other essential components with highly constrained supply chain capacity. Industry analyst group Spinergie identifies subsea cables as a major supply chain bottleneck, with lead times spiking quickly from two years to five and even seven years.[92] A multistate authority could make key component purchases and reservation agreements on behalf of a group of states to help drive down project development timelines and lock in prices.

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[91] Maine Public Utilities Commission, Request for Proposals for Renewable Energy Generation and Transmission Projects Pursuant to the Northern Maine Renewable Energy Development Program (2025-00361)
[92] Spinergie, New challenges lay ahead as demand for offshore cables increases

Financing

States could consider leveraging bonding authorities to finance long-lived or multi-use infrastructure to support offshore wind deployment, like transmission upgrades and ports. Including these costs in offshore wind project bids artificially inflates the cost of energy and fails to capture the longer-term amortization and borrowing cost benefits of public finance. Funding these investments using bonding authorities allows states to repay costs over a longer time horizon using state revenues, which is funded through a more progressive taxation structure than electricity rates, which pose an outsized burden for lower-income household budgets.

States could also consider forming a multistate financing entity that can be used to make bulk purchasing or reservation agreements for long-lead time supply chain components.

Communications and Community Engagement

Joint messaging to build political will

Cost of living was the defining issue of the 2024 election cycle, and energy affordability is shaping up to set the tone for the 2026 midterm elections.[93] Misinformation and disinformation abound, blaming energy price increases on clean energy policies. The volume and intensity of coverage on this topic have the potential to shift broad cultural mental models about energy affordability in durable, long-lasting ways.

With clean energy tax credits expiring, states are looking for ways to support a surge in renewable energy project development over the next four years. Many states will engage in regulatory proceedings to streamline or otherwise expedite project development, and each of these proceedings is an opportunity to build public awareness about their local energy mix. A clear and consistent message that states work to reinforce across venues can help build political durability for the long term.

Many states will engage in regulatory proceedings to streamline or otherwise expedite project development, and each of these proceedings is an opportunity to build public awareness about their local energy mix.

[93] The New York Times, Trump Tries to Seize 'Affordability' Message

It is crucial for states to work together on crafting a message that positions offshore wind, transmission investment, and the broader suite of clean energy policies as solutions to the energy affordability crisis. Offshore wind projects are super-sized energy generators, with substantial price tags to match - past communications strategies that translated costs to monthly household bill impacts unfairly positioned offshore wind against the costs of a legacy system. With an aging grid and explosive new demand, household energy bills are bound to increase, with or without offshore wind.

States can combine forces by sharing materials and messages that align around common themes and conduct message testing on the regional, state and local levels to land on the messages that will best speak to residents. Exploring messages on community health and affordability could drive support for cleaner sources of energy over dirtier forms of energy. Building public understanding and awareness of energy system needs and trade-offs better positions clean energy resources on their merits and undermines disinformation efforts. States can also collaborate by sharing materials, learnings, resources, and best practices for educating the public and internal state agency staff about offshore wind.

Developers will struggle to sustain a robust presence in local communities during this period of development uncertainty, and states can help maintain continuous public outreach and education by tabling at community events, hosting town halls, and offering programming at Cooperative Extension offices.

States should also proactively identify federal policy needs for offshore wind and coordinate messaging and policy advocacy among their federal Congressional delegations.

States should also proactively identify federal policy needs for offshore wind and coordinate messaging and policy advocacy among their federal Congressional delegations. Coordinated action and messaging among governance collectives like the National Governors Association and the National Conference of State Legislatures can be impactful at the state, regional, and national level.

Technical capacity-building for effective engagement

Information on how to engage with critical stakeholders – including local communities, Tribes, fisheries, and labor unions – is readily available and often focuses on consulting stakeholders early and often. Addressed less frequently is the ability of host communities, who are often not clean energy or permitting experts, to effectively engage with the development process. States can collaborate to offer critical capacity-building support for local governments. This can take the shape of financial support, trainings and materials on the permitting and development process, and development of community benefits agreements or frameworks.

Helpful examples and resources include:

- National Renewable Energy Lab's Capacity Accelerator for Tribal Offshore Wind Engagement
- Canada-Nova Scotia Offshore Energy Regulator's Participant Funding Program providing financial support to "Indigenous groups and rights holders, the fishing sector, the public, and other stakeholders to support participation in the [offshore wind] Call for Information process."
- The Northeast Grid Planning Forum's recent paper: Community Powered Progress: A pathway to Greater Community Participation in Transmission Infrastructure Projects
- Clean Energy States Alliance's Strengthening Offshore Wind Community Engagement – Recommendations for State Agencies

Education and workforce development

Multiple stakeholders flagged key risks related to offshore wind workforce: the loss of institutional knowledge as project developers, states, and government agencies reduce offshore wind staff; the expiration of offshore wind workforce certifications; and the ongoing attractiveness of an offshore wind career path in light of its uncertainties.

Multiple stakeholders flagged key risks related to offshore wind workforce: the loss of institutional knowledge as project developers, states, and government agencies reduce offshore wind staff; the expiration of offshore wind workforce certifications; and the ongoing attractiveness of an offshore wind career path in light of its uncertainties.

Strategies that utilize shared permitting resources or reduce labor needs within development teams and government agencies will be essential to a successful rapid restart of offshore wind project permitting. This could include multistate permitting authorities or data sharing pools and leveraging artificial intelligence applications to automate and streamline various permitting and predevelopment activities.

States should consider shared workforce strategies and evaluation methodologies for future competitive project procurements to avoid overtraining a local workforce to serve an uneven project construction pipeline. Coordination across existing training centers offering Global Wind Operator (GWO) training and state-funded support for certifications can help stabilize and sustain a consistent offshore wind workforce. Future workforce pipeline efforts should begin earlier, showcasing career opportunities as early as middle school to align young workers with expected future project development timelines.

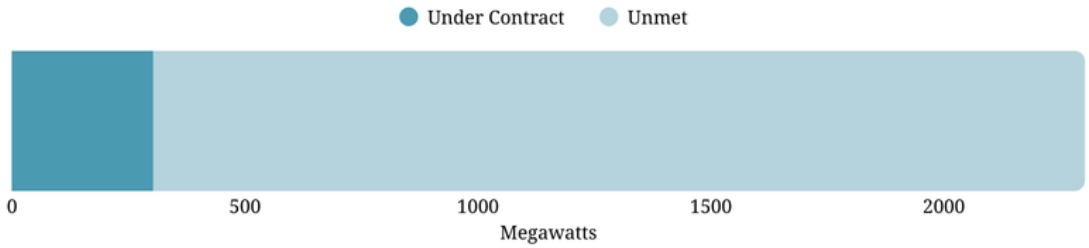
State-by-State Policy Playbook

The following state-by-state guide highlights each state's energy needs and considerations, its assets and strengths that can contribute to a robust regional offshore wind market, and recommendations for the highest-impact advocacy actions to be pursued over the next 3-4 years.

States covered include, in alphabetical order: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Jersey, New York, North Carolina, Rhode Island, and Virginia.

Connecticut

Offshore Wind Progress



Offshore Wind Goal	2,300 MW by 2030
Offshore Wind Under Contract	304 MW
State Energy Permitting Authorities	Connecticut Siting Council
Energy Fast Facts	• 100% zero carbon electricity mandate by 2040 • 3rd highest electricity rates in the US • Over 75% of homes use oil or natural gas for heating

Assets and Strengths

- New London State Pier is well established and operational. The port facilities are actively being used for construction staging and operations to support Revolution Wind and Sunrise Wind, after previously supporting the construction of South Fork Wind.
- Benefits of past and ongoing offshore wind activity include:
    - Local workforce, defense and marine service supply chain capabilities
        - CT Wind Collaborative, CT Office of Workforce Strategy, and the Department of Economic and Community Development's Office of Clean Economy
    - Public awareness and exposure to construction activities and visual evidence of positive economic impacts at the New London State Pier
    - Strong local and state coalitions supporting offshore wind mounted fierce opposition to the Revolution Wind federal work stoppage
        - The Revolution Wind stop work order prompted broad outcry from stakeholders across the region
- Access to a multistate transmission planning process via the ISO-NE Longer-Term Transmission Planning (LTTP) tariff, which is currently conducting its first solicitation to address transmission needs in Northern Maine for onshore wind.
- The Connecticut Statewide Siting Council has broad jurisdiction over major energy and related transmission project approvals, streamlining onshore transmission and substation reviews for offshore wind projects and reducing development risk.

Needs and Risks

- High population density and land costs limit the potential of onshore renewables like solar and wind to displace local fossil fuel generation – offshore wind can meet this local need, but must do so affordably.

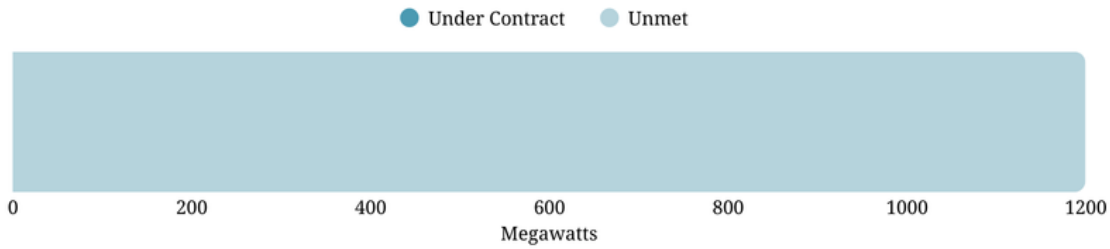
- Smaller buying power compared to some of its neighbors could put it in a less competitive position to attract project bids – Connecticut may access higher-quality bids in multistate procurements.
- The State will serve as an important landing point for significant amounts of offshore wind into the region. While not specifically related to offshore wind, there are examples of community opposition to onshore transmission in Connecticut driving demands to underground the line, which could nearly triple the cost of the project.

Recommendations

1. Participate in a regional collaboration effort with New England states to reform and align offshore wind market design, procurement, workforce strategies, and ports.
2. Support DEEP in pursuing transmission siting and permitting support for the POIs and upgrades identified in the Power Up New England proposal.
3. Engage and educate the public on energy system issues and the role offshore wind can play in future energy affordability and reliability, highlighting successes from Revolution Wind and the benefits of transmission investments.

Delaware

Offshore Wind Progress



Offshore Wind Goal	1,200 MW
Offshore Wind Under Contract	0 MW
State Energy Permitting Authorities	Some statewide authority over the approval of transmission substation projects for offshore wind that meet a limited set of criteria
Energy Fast Facts	• 40% clean electricity goal by 2035 and 100% Greenhouse Gas Reduction by 2050 • Consumes 100 times the energy it produces • Natural gas is displacing coal in the generation mix

Assets and Strengths

- Coastal landing points for OSW projects – the state has already secured 150,000 Renewable Energy Credits (RECs) per year from US Wind's offshore wind project as part of its negotiations to land cables in a Delaware State Park.
- Strong state leadership on climate and offshore wind, from the Governor's office to the legislature and DNREC. This trend in Delaware toward stronger political support for offshore wind and other forms of clean energy should not be overlooked, and appears to be unique within the region.

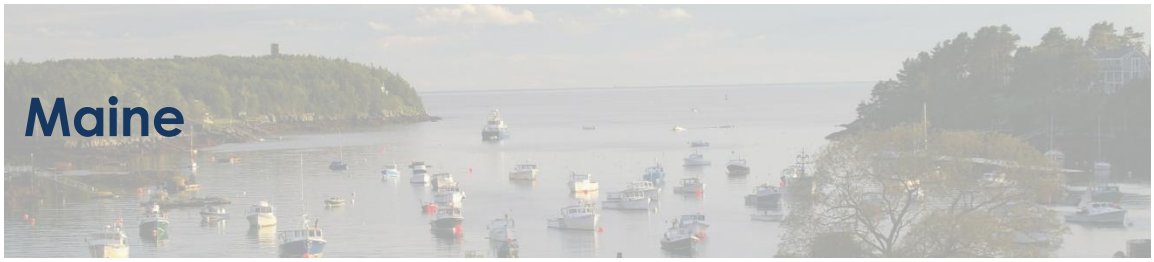
Needs and Risks

- Delaware has the lowest mean elevation of any U.S. state, making it uniquely exposed to climate change risks.
- The state's only regulated incumbent utility has a relatively small rate-base, with many smaller municipally-owned electric utilities throughout the state. Offshore wind projects that are procured would be spread across only the non-municipal rate base, skewing the ratepayer impact higher than if every Delaware ratepayer were to contribute.
- Smaller buying power compared to some of its neighbors puts Delaware into a less competitive position to attract project bids, but the state procurement law explicitly encourages multistate collaboration on offshore wind and transmission investments.
- Local opposition to offshore wind transmission infrastructure – state override of local permit denial could trigger more backlash.
- PJM's long-term transmission planning and cost allocation process mandated by FERC Order 1920 is still under development, and the diverse state interests among PJM's memberships are creating tension around shared costs for transmission built to meet state renewable energy policies. Transmission to support offshore wind and other resources could be excluded from region-wide cost-sharing measures that would otherwise help reduce the ratepayer impacts of transmission investments needed for offshore wind. The timeline and implementation of PJM's process is uncertain, which

presents challenges to states who need to make investment decisions now.

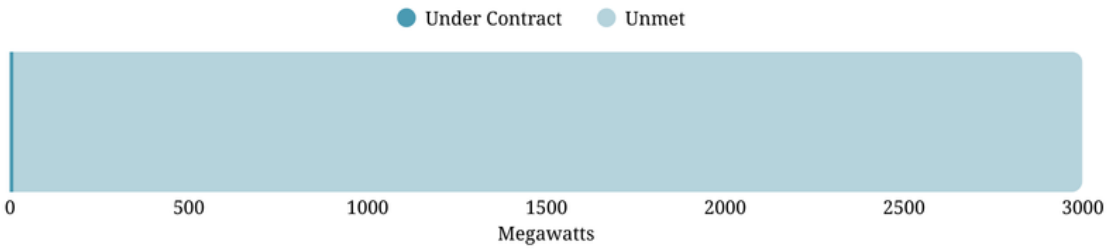
Recommendations

1. Delaware should collaborate with neighboring PJM states on a shared transmission investment strategy that can be implemented using a State Agreement Approach or as a set of inputs into future PJM capacity expansion models used for long term transmission planning.
2. Develop the state's first offshore wind solicitation in partnership with neighboring states (Maryland and/or New Jersey).
3. Explore opportunities to host O&M facilities for mid-Atlantic projects as part of a regional partnership, or to develop a network of maritime assets along the Delaware River that can support the New Jersey Wind Port.



Maine

Offshore Wind Progress



Offshore Wind Goal	3,000 MW
Offshore Wind Under Contract	11 MW
State Energy Permitting Authorities	Limited statewide authority over permitting of energy and transmission assets
Energy Fast Facts	• 100% clean by 2040 and GHG neutral by 2045 • Half of households use petroleum products for home heating • 6th highest residential retail electricity price in the USA

Assets and Strengths

- University of Maine Ocean Energy Engineering research facilities are best in class.
- Longer development timeline in the Gulf of Maine is a chance to get things right, plan transmission and port investments in advance.
- Access to a multistate transmission planning process via the ISO-NE Longer-Term Transmission Planning (LTTP) tariff, which is currently conducting its first solicitation to address transmission needs in Northern Maine for onshore wind.
- Resources to meet Maine's offshore wind goal must be located in the Gulf of Maine but can interconnect anywhere within ISO-NE.
- Procurement legislation offers lots of flexibility to collaborate with neighboring states.
- Maine is currently conducting a transmission infrastructure study informed by a stakeholder group, with results expected in September 2026.
- Gulf of Maine lease areas were identified after considerable process improvements by BOEM, which could make them less controversial or vulnerable to litigation risk.

Needs and Risks

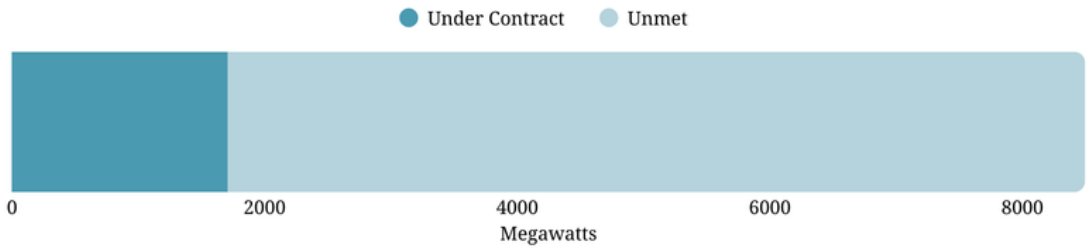
- Floating offshore wind port investment is needed, but the $456 million federal grant the state submitted through a highly competitive solicitation was not selected.
- The state's ability to finance this investment is limited.
- Gulf of Maine lease areas can also supply Massachusetts, which has more buying power, potentially reducing the amount of investment that could be realized in Maine.
- Price pressures could limit the viability of developing floating offshore wind until learnings from scale bring down costs.

Recommendations

1. Support Maine Department of Energy Resources (ME DOER) in its work to implement the Maine Offshore Wind Roadmap, including continued transmission study work and facilitating strong stakeholder engagement.
2. Work with ME DOER and the legislature to implement recommendations from the transmission study.
3. Participate in regional collaboration via the New England Governors and Eastern Canadian Premiers on offshore wind market design, procurement, workforce, ports, and supply chain.

Maryland

Offshore Wind Progress



Offshore Wind Goal	8,500 MW by 2031
Offshore Wind Under Contract	1,710 MW
State Energy Permitting Authorities	Utility regulator has primary jurisdiction over the construction of generation and transmission infrastructure – Maryland Coordinated Permitting Review Council recently launched
Energy Fast Facts	• 100% clean energy goal by 2035 and net-zero Greenhouse Gas emissions by 2045 • 40% of generation comes from one nuclear plant • Home to third largest coal exporting terminal in the U.S.

Assets and Strengths

- Big uncontracted appetite and opportunity to develop a new kind of procurement process.
- Major retirement planned for coal + fuel oil facility that needs to find a local replacement.
- The Maryland Public Service Commission's (MD PSC) "Maryland Offshore Wind Roadmap to 8.5 GW" was published in early 2025 and accounts for recent changes in market conditions. The report comprehensively identifies challenges, opportunities, and recommendations for how the state should proceed.
- US Wind's singular project focus and sustained presence in the state has built strong local relationships.
- The establishment of a steel fabrication supply chain for offshore wind remains in full swing, with Hellenic Cables having broken ground at a Wagner Point facility[94] and Crystal Steel Fabricators employing 50 skilled workers to support the industry.[95] Employees of Tradepoint Atlantic, host to the future US Wind steel facility at Sparrow's Point, are helping support cleanup for the Francis Scott Key Bridge replacement project.[96]

Needs and Risks

- The US Wind project has been under development for a long time, and still faces some challenges with its cable landing plans in Delaware.
- Development activity on Orsted's Skipjack project has slowed in recent years.
- New lease holders in the Central Atlantic haven't begun permitting or site investigation activities yet – those projects are a long way from production.

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[94] The Baltimore Banner, "The new factory coming to South Baltimore that (almost) no one is talking about"
[95] Oceantic Network, "Oceantic Releases Video Highlighting Offshore Wind Energy's $6.1 Billion Impact on U.S. Manufacturing"
[96] Technical.ly, "'Beast of the East': A timeline of Sparrows Point's 137-year transformation, from industrial highs to post-Key Bridge potential"

- Maryland may not have access to sufficient lease area to meet its entire 8,500 MW goal and is unlikely to make significant progress toward the goal before the 2031 deadline.
- Entrenched opposition in Ocean City, Maryland creates negative publicity and is a major driver behind litigation against offshore wind development.[97]
- PJM's long-term transmission planning and cost allocation process mandated by FERC Order 1920 is still under development, and the diverse state interests among PJM's memberships are creating tension around shared costs for transmission built to meet state renewable energy policies. Transmission to support offshore wind and other resources could be excluded from region-wide cost-sharing measures that would otherwise help reduce the ratepayer impacts of transmission investments needed for offshore wind. The timeline and implementation of PJM's process is uncertain, which presents challenges to states who need to make investment decisions now.

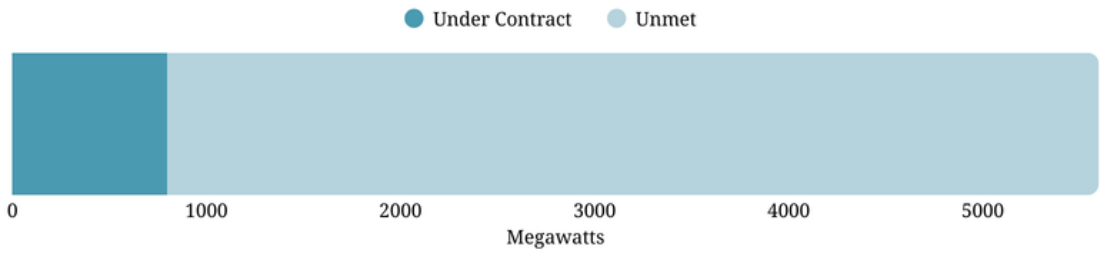
Recommendations

1. Work alongside local supporters and workforce organizations to move the US Wind project into construction as soon as possible.
2. Support the implementation of the MD PSC's recommendations for Offshore Wind Program Modernization.
3. Leverage the NOWRDC SMART-POWER regional supply chain study to develop a strategy for marketing these assets to support offshore wind and related industries in other states.
4. Support MD PSC in developing a solicitation jointly with PJM for projects to address their State Agreement Approach study request.
5. Collaborate with neighboring PJM states on a shared transmission investment strategy that can be implemented using a State Agreement Approach or as a set of inputs into future PJM capacity expansion models used for long term transmission planning.

[97] Institute for Energy Research, "Ocean City, Maryland Continues to Fight US Wind Project Off Its Coast"

Massachusetts

Offshore Wind Progress



Offshore Wind Goal	5,600 MW
Offshore Wind Under Contract	800 MW
State Energy Permitting Authorities	Massachusetts Energy Facilities Siting Board
Energy Fast Facts	• Net zero emissions electricity goal by 2050 and economy-wide net zero by 2050 • Nearly 100,000 heat pumps were installed in homes from 2021-2024 • 4th highest retail electricity price in the US

Assets and Strengths

- Early learnings and real job creation from Vineyard Wind construction activity: the project supported more than 1,300 local construction jobs in 2024.[98]
- Large buying power means Massachusetts can benefit from economies of scale.
- Costs have generally been lower for offshore wind in Massachusetts compared to other markets due to lower emphasis on local content.
- Access to a multistate transmission planning process via the ISO-NE Longer-Term Transmission Planning (LTTP) tariff, which is currently conducting its first solicitation to address transmission needs in Northern Maine for onshore wind.
- The Governor's office is actively focused on procurement reforms to reduce the cost of offshore wind and support project viability and has demonstrated consistent support for offshore wind.

Needs and Risks

- Vineyard Wind blade incident continues to drive some local opposition to offshore wind.[99]
- Multiple PPA cancellations or bid withdrawals have damaged confidence that offshore wind can deliver.[100]
- Local opponents to offshore wind cable landings have blocked permit approvals in Barnstable.
- Affordability is a pressing issue in the state – a bill in the Massachusetts Legislature proposes to roll back binding targets and cut clean energy programs if they "adversely impact the affordability of energy," while the Governor has also proposed an energy

[98] Vineyard Wind has not yet released its 2025 jobs report for Vineyard Wind One Year 4.
[99] On July 13, 2024, a blade broke off a turbine during project construction. Debris from the blade forced some local beaches to close. For more on how the incident shapes local outlook one year later, see this article from the Nantucket Current: One Year Later, Vineyard Wind Blade Failure Still Unfolding
[100] New England Wind, South Coast Wind, Vineyard Wind 2

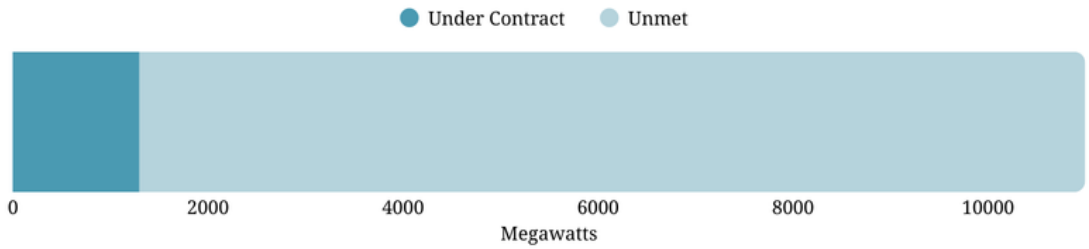
affordability bill that promises to save customers $10 billion over 10 years.

Recommendations

1. Work with MA DOER to pursue transmission siting and permitting support for the POIs and upgrades identified in the Power Up New England proposal.
2. Support Governor Healey's efforts to reduce the cost of offshore wind and support project viability through procurement reforms.
3. Participate in a regional collaboration effort with New England states to reform and align offshore wind market design, procurement, workforce strategies, and ports, including exploration of opportunities with international partners via the New England Governors and Eastern Canadian Premiers (NEG/ECP).
4. Engage and educate the public on energy system issues and the role offshore wind can play in future energy affordability and reliability, highlighting successes and personalized stories from Vineyard Wind.

New Jersey

Offshore Wind Progress



Offshore Wind Goal	11,000 MW: 3,500 MW by 2030 – Legislated 11,000 by 2040 – Executive Order
Offshore Wind Under Contract	1,300 MW
State Energy Permitting Authorities	Utility regulator can override local authority for offshore wind siting and related transmission infrastructure
Energy Fast Facts	• 100% clean energy goal by 2035 by Executive Order • Over 90% of energy comes from natural gas or nuclear • Home to two active oil refineries

Assets and Strengths

- The New Jersey Economic Development Authority (NJ EDA) has successfully attracted strategic investments to the state. New Jersey Wind Port marshalling capabilities are ready for use to support offshore wind, and monopile manufacturing capabilities at Paulsboro have continued utility to support the industry. Their Wind Institute for Innovation & Training offers a template for other states to administer successful workforce development programs.
- Significant remaining unmet offshore wind contracting authority and strong geographic advantages: proximity to a wide array of lease areas at different stages of maturity, centrality to the broader U.S. offshore wind market, and ample coastline with numerous potential cable landing locations.
- Early state leadership on transmission planning with the New Jersey State Agreement Approach (NJ SAA) that identified an investment strategy for interconnecting 3,500 MW of offshore wind at a shared landing location.
- The New Jersey BPU has the authority to override local permit denials for energy projects when it is deemed in the public interest but rarely exercises this authority, recognizing the importance of local support.

Needs and Risks

- The majority of New Jersey's offshore wind commitments are not codified in legislation but are the result of Executive Orders.
- While it doesn't represent a true majority of public opinion, opposition to offshore wind has become loud and entrenched along much of the Jersey Shore. Shore towns are an important political constituency in New Jersey.
- The cancellation of Orsted's Ocean Winds 1 & 2 and EDF/Shell's Atlantic Shores projects have raised concerns about the viability of offshore wind in the state.
- Developer pull-back from the state has resulted in fewer advocacy and engagement resources on the ground.

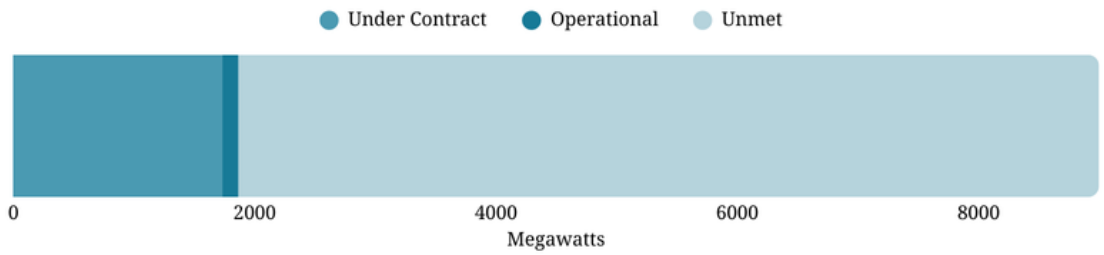
- Lease areas near New Jersey are among the closest to shore, contributing to viewshed concerns - especially as turbine sizes have grown.

Recommendations

1. Codify the 11,000 MW offshore wind target in legislation and modify procurement processes to create more flexible and durable project awards.
2. Support the NJ BPU in proceeding with their SAA plans.
3. Protect the utility of key offshore wind assets like the Wind Portand Paulsboro.
4. Rebuild a public engagement ground game in the state, including a increased focus on non-coastal areas that stand to gain from the health and economic benefits of offshore wind development while continuing to engage with coastal communities.
5. Collaborate with neighboring PJM states on a shared transmission investment strategy for future projects that can be implemented using a State Agreement Approach or as a set of inputs into future PJM capacity expansion models used for long term transmission planning.

New York

Offshore Wind Progress



Offshore Wind Goal	9,000 MW
Offshore Wind Under Contract	1,734 MW + 132 MW operational
State Energy Permitting Authorities	Office of Renewable Energy Siting and Electric Transmission
Energy Fast Facts	• 100% clean electricity goal by 2040 and economy-wide net zero by 2050 • Relies on other states for four-fifths of its energy needs • Large economic development projects are driving up demand

Assets and Strengths

- Ongoing investment in the South Brooklyn Marine Terminal (SBMT) marshalling port
- South Fork wind farm is already operational and producing exceptional results
- A substantial offshore wind workforce is active on the ground in New York. The Empire Wind and Sunrise Wind projects are actively under construction.
- Large unmet contracting authority and legislative certainty make New York an attractive market for investors.
- NYSERDA is actively seeking to improve its offshore wind processes and thinking creatively about future procurements, and is empowered to enact change. The agency is known for its willingness to support predevelopment efforts, as seen in their offshore wind ports and manufacturing Requests for Proposal (RFPs) and has demonstrated strong collaborative instincts by issuing exploratory Requests for Information (RFIs) to solicit feedback prior to issuing project solicitations.
- Strong political leadership and commitment to the state's foundational climate law.
- NYISO has a process for proactive transmission planning and investment under the Public Policy Transmission Need (PPTN) program.

Needs and Risks

- NYSERDA is looking to better understand how various procurement reforms would impact project development budgets and ability to attract investment.
- The New York PSC recently decided to terminate the NYC PPTN process that was intended to deliver essential transmission investments for offshore wind to be delivered to New York City, due to federal permitting uncertainty. Without these upgrades, only one or two projects will be able to access key points of interconnection in New York City.

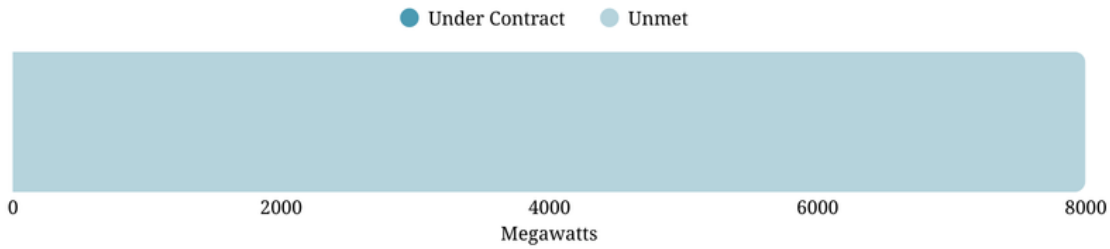
- The state's most recent Draft Energy Plan found that the state is at risk of an energy shortfall in meeting its 2040 goals under a restricted build scenario where the pace of deployment is slowed.

Recommendations

1. Build a stronger base of support among PSC staff to move forward expediently with the NYC PPTN.
2. Support NYSERDA in developing a novel procurement strategy that better shares risk and promotes project viability.
3. Leverage funding that has already been allocated and expand funding for activities that benefit offshore wind infrastructure or supply chain investments, which would otherwise be included in project bids.
4. Work alongside NYSERDA to tell a stronger statewide story about how offshore wind benefits all New Yorkers.
5. Seek to increase the state's offshore wind procurement authority, and include mechanisms that promote the state's ability to collaborate with other states.

North Carolina

Offshore Wind Progress



Offshore Wind Goal	8,000 MW – Executive Order
Offshore Wind Under Contract	0 MW
State Energy Permitting Authorities	Utilities Commission holds primary authority for large generation and transmission infrastructure
Energy Fast Facts	• Carbon neutral electricity goal by 2050 – recently modified to remove an interim target of 70% reduction by 2030 • Natural gas is coming online as coal is retired • 4th in the U.S. for solar energy and home to the southeast's first utility-scale onshore wind farm

Assets and Strengths

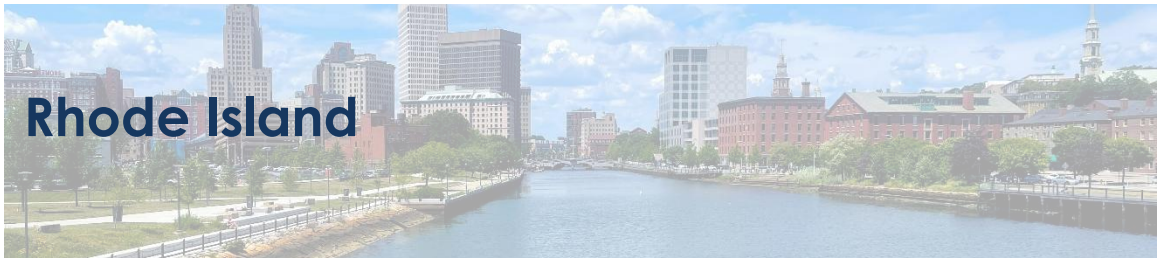
- The state could play an important role in developing a domestic offshore wind supply chain, as a comparatively lower-cost state with a strong reputation for attracting new industry. North Carolina was ranked 2024 Best State for Manufacturing in a multifactor evaluation by the Site Selection Group, and ranks 6th in the nation for its contribution to manufacturing-related GDP, with an average of 474,000 workers employed in the sector.
- Development of offshore wind by regulated utilities may bring unique advantages, based on the success of Dominion's CVOW project. The non-regulated subsidiary of Duke Energy (Cinergy Corp.), North Carolina's largest regulated utility, owns one of the state's adjacent lease areas, while Dominion acquired Kitty Hawk North (now CVOW-South) from Avangrid in 2024.

Needs and Risks

- The state's legislature is one vote shy of a Republican supermajority while a Democrat holds the Governor's office. This has created political gridlock and Republicans have considerably weakened the powers of the Governor. Entrenched partisan hostility against offshore wind, and a recent shift in how the members of the Utilities Commission are appointed skews power away from the Governor.
- The Legislature enacted a bill in fall 2025, overriding the Governor's veto, eliminating the interim target for achieving 70% reduction in carbon emissions from the power sector by 2030.
- While its manufacturing assets stand on their own, without an active local offshore wind market North Carolina could be a less desirable future partner for other states working collaboratively through reciprocity agreements that establish mutual recognition of local content, workforce, or other localized criteria in future offshore wind procurements.

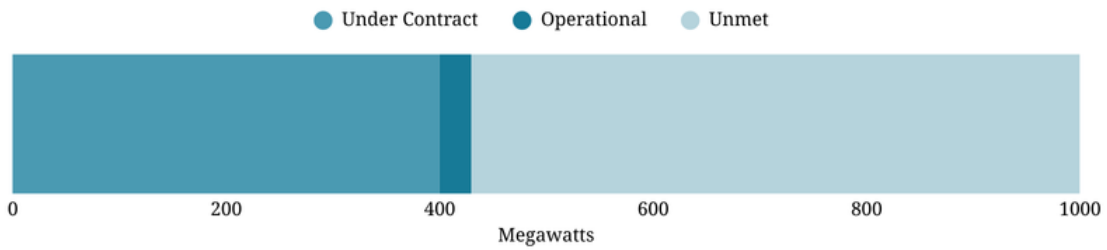
Recommendations

1. Work to build a stronger and diverse coalition of advocates and trusted experts to provide baseline of knowledge about offshore wind, its benefits, and its challenges among key members of the state legislature, Utilities Commissioners and their staff, and local, particularly coastal, officials.
2. Engage with Duke Energy and the Utilities Commission to encourage the inclusion of offshore wind in upcoming Carbon Plans and IRPs and conduct updated analyses that demonstrate the value offshore wind can deliver to North Carolina.
3. Leverage the SMART-POWER MOU to formalize and execute further regional collaboration on offshore wind market design, procurement, workforce, and infrastructure assets – with a focus on promoting the North Carolina's manufacturing and workforce strengths.
4. Stretch Recommendation: codify the 8 GW offshore wind goal into law.



Rhode Island

Offshore Wind Progress



Offshore Wind Goal	600-1,000 MW (by 2022)
Offshore Wind Under Contract	400 MW + 30 MW operational
State Energy Permitting Authorities	Consolidated state siting and permitting authority for energy projects over 40 MW
Energy Fast Facts	• 100% renewable energy goal by 2033 • Nearly 90% of in state generation is from natural gas • Nearly a third of households use oil for heating

Assets and Strengths

- Block Island Wind Farm has been operational for nearly a decade and enjoys strong local support.
- $100 million investment at Provport is supporting construction for Revolution Wind, which is underway. The Port of Davisville at Quonset Point has also served an important role supporting project construction, though its $35 million federal grant for additional improvements was recently canceled. Rhode Island is one of the only states where offshore wind, marine robotics, naval R&D, composites, and advanced manufacturing physically co-locate in a dense, collaborative ecosystem. This convergence increases workforce adaptability, supply-chain resilience, shared infrastructure utility, and long-term economic durability beyond a single OSW procurement cycle. This is particularly important in the current climate, where resiliency comes from multi-market viability, not single-sector dependency.
- Local workforce mobilized en force to push back against the work stoppage of the Revolution Wind Farm earlier this year.

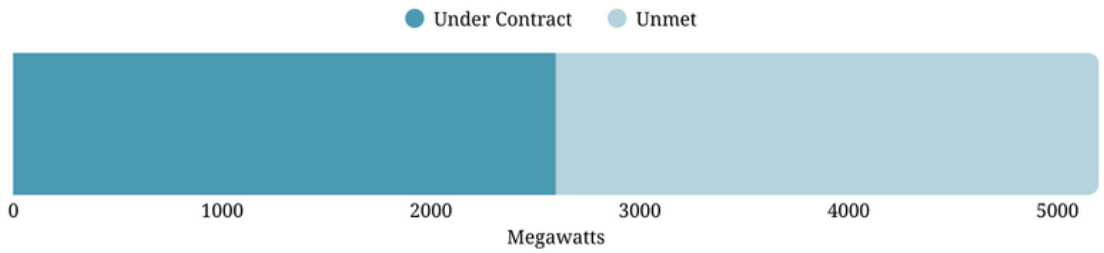
Needs and Risks

- Small amount of remaining unmet offshore wind contracting capacity means the state will need to continue to collaborate with neighboring states on group procurements.

Recommendations

1. Codify updated targets to clarify future offshore wind opportunities to meet the state's energy needs.
2. Continue support for ProvPort and Port of Davisville port improvements to support the offshore wind industry.
3. Participate in a regional collaboration effort with New England states to reform and align offshore wind market design, procurement, workforce strategies, and ports, including exploration of opportunities with international partners via the New England Governors and Eastern Canadian Premiers (NEG/ECP).

Offshore Wind Progress



Offshore Wind Goal	5,200 MW
Offshore Wind Under Contract	2,600 MW
State Energy Permitting Authorities	Utility regulator holds primary authority for large transmission infrastructure
Energy Fast Facts	• 100% clean electricity and economy-wide decarbonization by 2050 • Produces most of its natural gas from coalbeds • Home to largest coal exporting terminal in the U.S.

Assets and Strengths

- Dominion's Coastal Virginia Offshore Wind (CVOW) project has remained on time and closer to its original budget than other U.S. offshore wind projects currently under construction. Dominion owns the lease area and is the regulated utility that serves the majority of Virginia.
- Offshore wind marshalling capabilities at Portsmouth Marine Terminal makes it the only U.S. port facility that can support the use of a jack-up installation vessel, the most efficient way to install offshore wind turbines. Dominion owns the only Jones Act compliant jack-up installation vessel, the Charybdis, and plans to charter the vessel to other projects.
- Dominion owns a second lease area that is contiguous to their existing lease area and recently bought a third lease, previously known as Kitty Hawk and initially developed by Avangrid. The project has been renamed CVOW-South.
- Strong demand growth in Virginia driven by data center demand presents a substantial unmet market opportunity that can be well-served by offshore wind.
- LS Greenlink recently announced plans to build a cable manufacturing facility for offshore wind in Virginia. The state is attractive to manufacturers due to its lower cost profile and strong workforce.

Needs and Risks

- Regulated utility model means Dominion needs to drive continued development, and doesn't typically look to partner with independent project developers or procure energy via Power Purchase Agreements. Lack of competitive dynamics could mean cost savings opportunities aren't fully realized.
- Dominion's lease for its CVOW-East project is quite new, and they likely haven't made much progress on permitting.

Recommendations

1. Once the CVOW project is completed, seek to increase offshore wind procurement goals in the legislature and establish a schedule for future development.
2. Collaborate with neighboring states on transmission investment and improved system planning processes at PJM.

Glossary

Bonds – Debt securities issued by governments or utilities to raise capital for infrastructure projects, offering investors fixed interest payments over time.

Capacity – The maximum amount of electricity that a power plant or the grid can generate or transmit, typically measured in megawatts (MW) or gigawatts (GW).

Capacity auctions – Competitive procurement processes where generators bid to provide electric capacity to meet future demand, ensuring resource adequacy years in advance.

Capacity factor – The ratio of actual electricity generation to the maximum possible generation over a given period, expressed as a percentage; a key metric for evaluating renewable energy performance.

Commercial Operations Date (COD) – The date when a power generation facility begins delivering electricity to the grid and earns revenue under its offtake contract.

Competitive dialogue model – A procurement approach that allows extensive negotiation between public entities and private developers to refine project specifications, costs, and risk allocation before final contract award.

Congestion – When transmission lines lack sufficient capacity to deliver electricity from generators to load centers, resulting in higher costs and curtailed generation.

Cost of capital – The rate of return required by investors to finance a project, reflecting the cost of debt and equity; lower costs enable more affordable energy development.

Distribution lines – Low-voltage electrical lines that connect homes and businesses to the bulk power grid, delivering electricity for end-use consumption.

Environmental attributes – Certificates that are created through the production of clean electricity, such as Renewable Energy Credits (RECs) and Offshore Wind Renewable Energy Credits (ORECs) and can be purchased and sold through exchanges. They are often used by utility

companies to demonstrate their compliance with Renewable Energy Portfolio Standards (RPS).

Federal Energy Regulatory Commission (FERC) – The independent federal agency that regulates interstate transmission of electricity, natural gas, and oil, and oversees wholesale electricity markets.

Financial close – The milestone when all project financing is secured, contracts are signed, and construction can commence; a critical step in project development.

Generation – The production of electricity from various energy sources, including offshore wind, solar, natural gas, and other power plants.

Generation profile – The pattern of electricity production from a specific source over time, showing when and how much power is generated under varying conditions.

Incumbent utilities – Established electric companies that have historically held monopoly rights to generate, transmit, and distribute electricity in designated service territories.

Independent System Operator (ISO) – A nonprofit organization that coordinates, controls, and monitors the operation of the electrical grid within a specific region to ensure reliable electricity delivery.

Integrated resource plan (IRP) – A comprehensive planning document that utilities develop to identify the most cost-effective mix of energy resources to meet future electricity demand while meeting policy goals.

Interconnection – The physical connection and integration of a new generation facility to the existing electrical grid, involving technical, regulatory, and financial requirements.

ISO New England – The Independent System Operator responsible for operating the wholesale electricity market and managing the power grid across the six New England states.

Levelized Cost of Energy (LCOE) – A measure of the average cost per unit of electricity generated over a project's lifetime, accounting for capital costs, operations, maintenance, and financing.

Load centers – Geographic areas with high electricity demand, typically large cities or industrial regions where significant amounts of power are consumed.

Loan guarantee – A federal or state commitment to cover debt obligations if a borrower defaults, reducing financing risk and lowering the cost of capital for energy projects.

Modified Cost-of-Service model – A rate-setting mechanism that adapts traditional utility rate-setting by allowing recovery of specific costs while introducing competitive elements or performance incentives.

Multistate compact – A formal agreement among multiple states to coordinate policies, regulations, or infrastructure planning, often used to advance regional transmission or renewable energy goals.

New York ISO – The Independent System Operator that manages New York's wholesale electricity markets and ensures reliable operation of the state's power grid.

Offtake contract – A long-term agreement where a buyer commits to purchasing electricity from a generator at predetermined prices, providing revenue certainty for project financing.

Peak loads – The maximum levels of electricity demand experienced by the grid, typically occurring during extreme weather or high-use periods.

PJM – The Regional Transmission Organization coordinating the wholesale electricity grid across 13 Mid-Atlantic and Midwest states and the District of Columbia.

Point of Interconnection (POI) – The specific location where a generation facility physically connects to the transmission grid to deliver electricity.

Progressive Design-Build (PDB) – A project delivery method that overlaps design and construction phases, allowing early contractor involvement while design is still being refined to accelerate timelines.

Rate case – A formal regulatory proceeding where utilities request approval from utility commissions to change the rates charged to customers, based on demonstrated costs and capital investments.

Ratepayers – Electricity consumers – residential, commercial, or industrial customers – who pay for electricity service and often bear the costs of grid infrastructure and generation investments.

Regional Transmission Organization (RTO) – An organization that coordinates, controls, and monitors a multi-state electrical

grid, operates wholesale electricity markets, and ensures regional reliability.

Resilience – The ability of the electrical grid to withstand and rapidly recover from disruptions, including extreme weather events, cyber threats, or equipment failures.

Resource adequacy – The requirement that sufficient generation and transmission capacity exists to reliably meet electricity demand, even during peak periods or unexpected outages.

Returns – The financial gains or profits that investors, developers, or utilities earn from energy projects, typically expressed as a percentage of capital invested.

Substation – A facility where voltage is transformed between high transmission levels and lower distribution levels, or where transmission lines interconnect to manage power flow.

Transmission – The bulk movement of high-voltage electricity from power plants to distribution systems, carried over long distances via transmission lines.

Transmission lines – High-voltage electrical infrastructure that transports large quantities of electricity across long distances from generation sources to load centers.

Utility commissions – State regulatory agencies that oversee electric utilities, approve rates, ensure service reliability, and implement state energy policies.

Wholesale energy market – A competitive marketplace where electricity is bought and sold in bulk among generators, utilities, and large consumers before distribution to end users.

Winter-peaking – A load pattern characteristic of regions where maximum electricity demand occurs during winter months, typically due to heating requirements.

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