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**NCTOWERS QUARTERLY MEETING**  
THURSDAY MAY 2, 2024

## *Update: Offshore Wind-Related Activities*

**JENNIFER MUNDT, ASSISTANT SECRETARY**  
CLEAN ENERGY AND ECONOMIC DEVELOPMENT



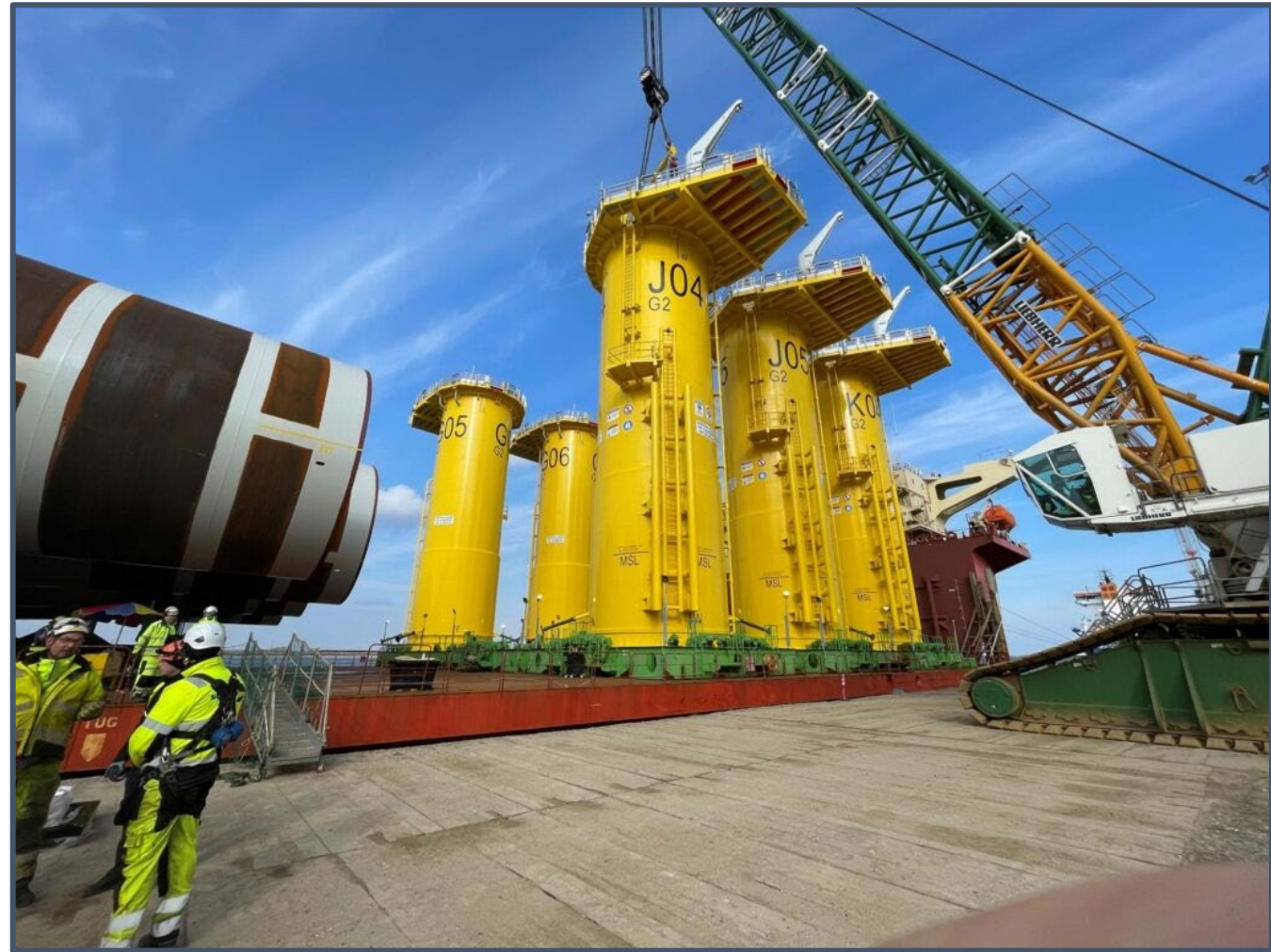
# Remember our Takeaways?

1. Offshore wind is a reality in the U.S.
2. Commerce is working on multiple fronts to ensure that NC benefits from the growing offshore wind industry
3. You are a key part of NC's clean energy future



# Overview

- **Market roundup**
- **Federal activities**
  - BOEM
  - DOE
  - IRS
- **State activities**
  - Central Atlantic 2.0
  - Conferences
  - Additional OSW READY training coming fall 2024!
  - Carbon Plan update

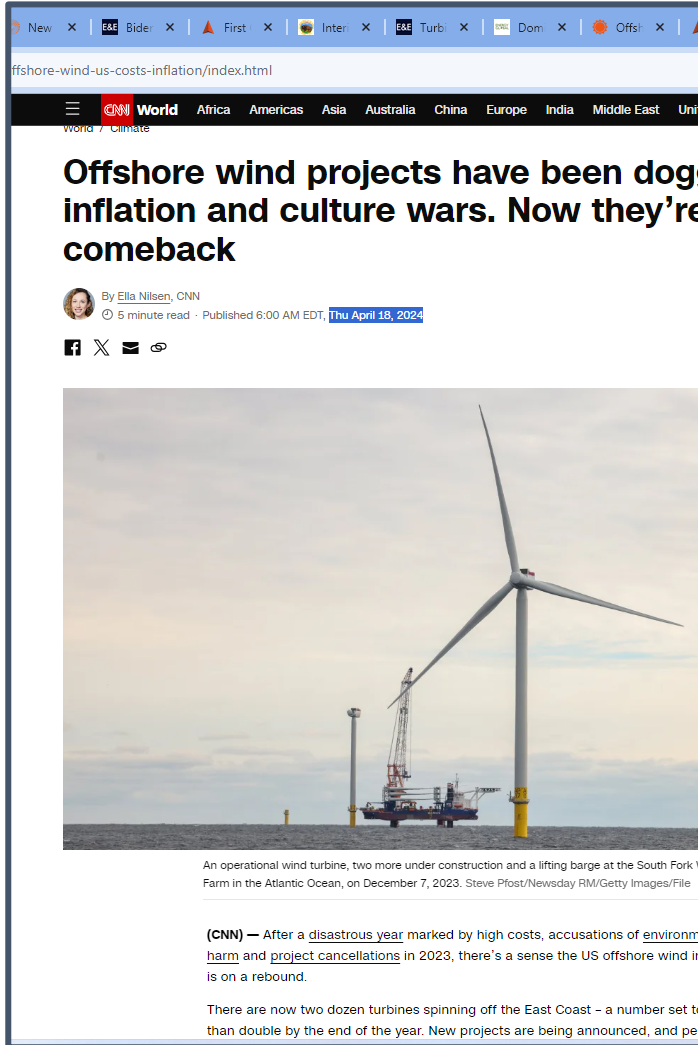


<https://www.offshorewind.biz/2024/04/29/first-coastal-virginia-transition-pieces-begin-journey-to-us/>




# OSW Market Roundup

## Good News



**Offshore wind projects have been dogged by inflation and culture wars. Now they're coming back**

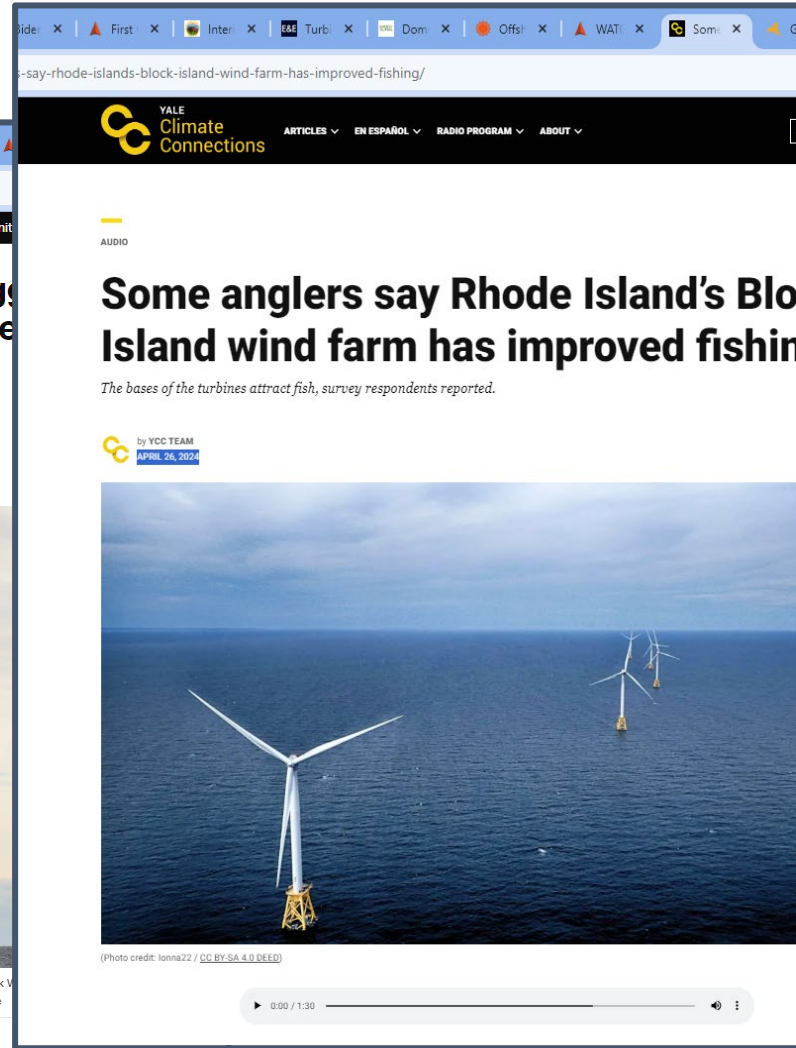
By Ella Nilsen, CNN  
5 minute read · Published 6:00 AM EDT, Thu April 18, 2024



An operational wind turbine, two more under construction and a lifting barge at the South Fork V Farm in the Atlantic Ocean, on December 7, 2023. Steve Pfozt/Newsday RM/Getty Images/File

**(CNN)** — After a disastrous year marked by high costs, accusations of environmental harm and project cancellations in 2023, there's a sense the US offshore wind industry is on a rebound.


There are now two dozen turbines spinning off the East Coast – a number set to more than double by the end of the year. New projects are being announced, and perhaps



**Some anglers say Rhode Island's Block Island wind farm has improved fishing**

The bases of the turbines attract fish, survey respondents reported.

by YCC TEAM  
APRIL 26, 2024



(Photo credit: Ionna22 / CC BY-SA 4.0 DEED)



**US Forged Rings Announces Construction of Tower Fabrication Facility, Steel Forging Plant**

By Michael Bates · February 7, 2024



**Giacomo Sozzi**

**US Forged Rings** (USFR) has announced a \$700 million investment in servicing the offshore wind industry through construction of a tower fabrication facility and steel forging plant.

Designed to be expandable, the tower fabrication facility once operational is expected to produce 100 fully coated towers annually. The steel forging facility will produce large flanges up to 40 feet in diameter and will also produce forged components required in other heavy industries.

"This substantial investment serving U.S. offshore wind was spurred by our confidence in the medium and long-term prospects of the U.S. market, which is in its early phases of development and needs a local supply chain to rely on," says Giacomo Sozzi, USFR president.

<https://www.cnn.com/2024/04/18/climate/offshore-wind-us-costs-inflation/index.html>;  
<https://yaleclimateconnections.org/2024/04/some-anglers-say-rhode-islands-block-island-wind-farm-has-improved-fishing/>; <https://nawindpower.com/us-forged-rings-announces-construction-of-tower-fabrication-facility-steel-forging-plant>



# OSW Market Roundup

## Not-So Good News

UTILITY DIVE Deep Dive Opinion Library Events Press Releases Topics


DIVE BRIEF

### New York nixes 3 offshore wind projects, notes GE Vernova move to abandon 18-MW turbine

The three cancelled projects represented 4 GW of provisionally awarded capacity.

Published April 22, 2024

By Diana DiGangi Reporter



The three projects canceled are the 1,404-MW Attentive Energy One, the 1,314-MW Community Offshore Wind, and the 1,314-MW Excelsior Wind. TebNad via Getty Images

UTILITY DIVE

DIVE BRIEF

### After offshore wind cancellations, New York releases clean energy action plan

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### Wind woes threaten US climate targets — report

By Adam Aton | 02/21/2024 06:13 AM EST

A slump last year for wind power came as other green sectors saw progress.



An American flag hangs on a ferry as it passes by Ørsted's Block Island Wind Farm off Rhode Island on Dec. 7, 2023. Ted Shaffrey/AP

The power sector is flashing warning signs for U.S. climate goals, according to a new analysis that finds wind energy deployment lags what experts anticipated under the Inflation Reduction Act.

The United States connected wind energy to the grid last year at a slower pace than during the Trump administration, despite President Joe Biden's financial and administrative support for renewables. The slump — due in part to higher borrowing costs and supply chain snags — risks putting U.S. climate targets out of reach unless wind energy rebounds quickly from [a year of canceled projects](#).

Other green sectors fared better last year, according to the [report released Wednesday](#). Electric and hybrid vehicle sales registered at the top end of forecasts, despite concerns that consumers are cooling on them.

RELATED ARTICLES

**ENERGYWIRE**  
Offshore wind faces more financial turbulence in 2024  
BY HEATHER RICHARDS | 01/08/2024 06:20 AM EST

**ENERGYWIRE**  
Offshore wind is at a crossroads. Here's what you need to know.  
BY HEATHER RICHARDS | 11/13/2023 06:56 AM EST

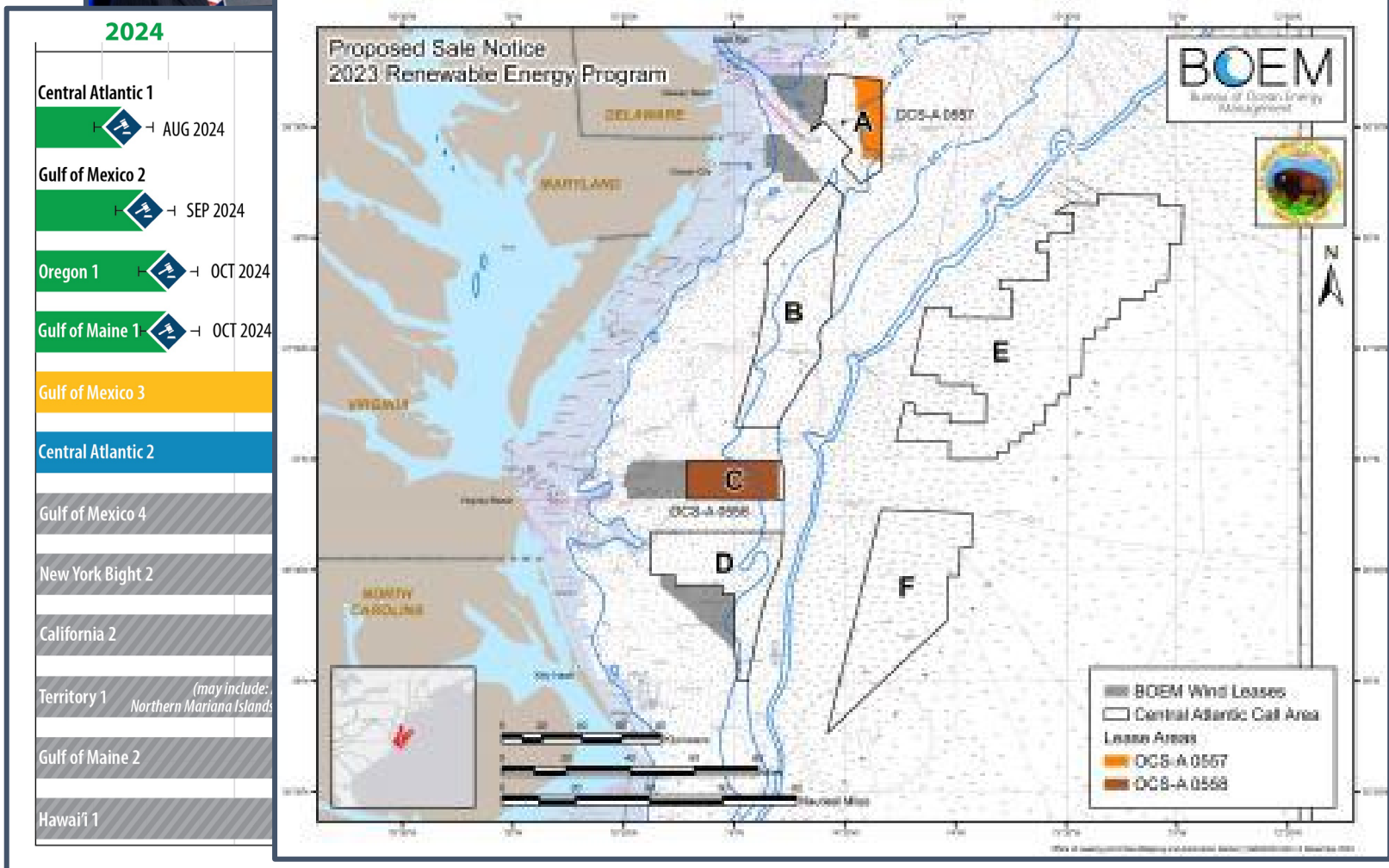
<https://www.utilitydive.com/news/new-york-offshore-wind-projects-cancelled-turbine/713833/>; <https://www.utilitydive.com/news/new-york-hochul-offshore-wind-clean-energy-action-plan/714092/>; <https://www.eenews.net/articles/wind-woes-threaten-u-s-climate-targets-report/>

# Federal Activities

## *BOEM Updates*



- Announced 5-Year Offshore Wind Leasing Schedule
- Central Atlantic
- Finalized Rules to Streamline and Modernize Renewable Energy Regulations



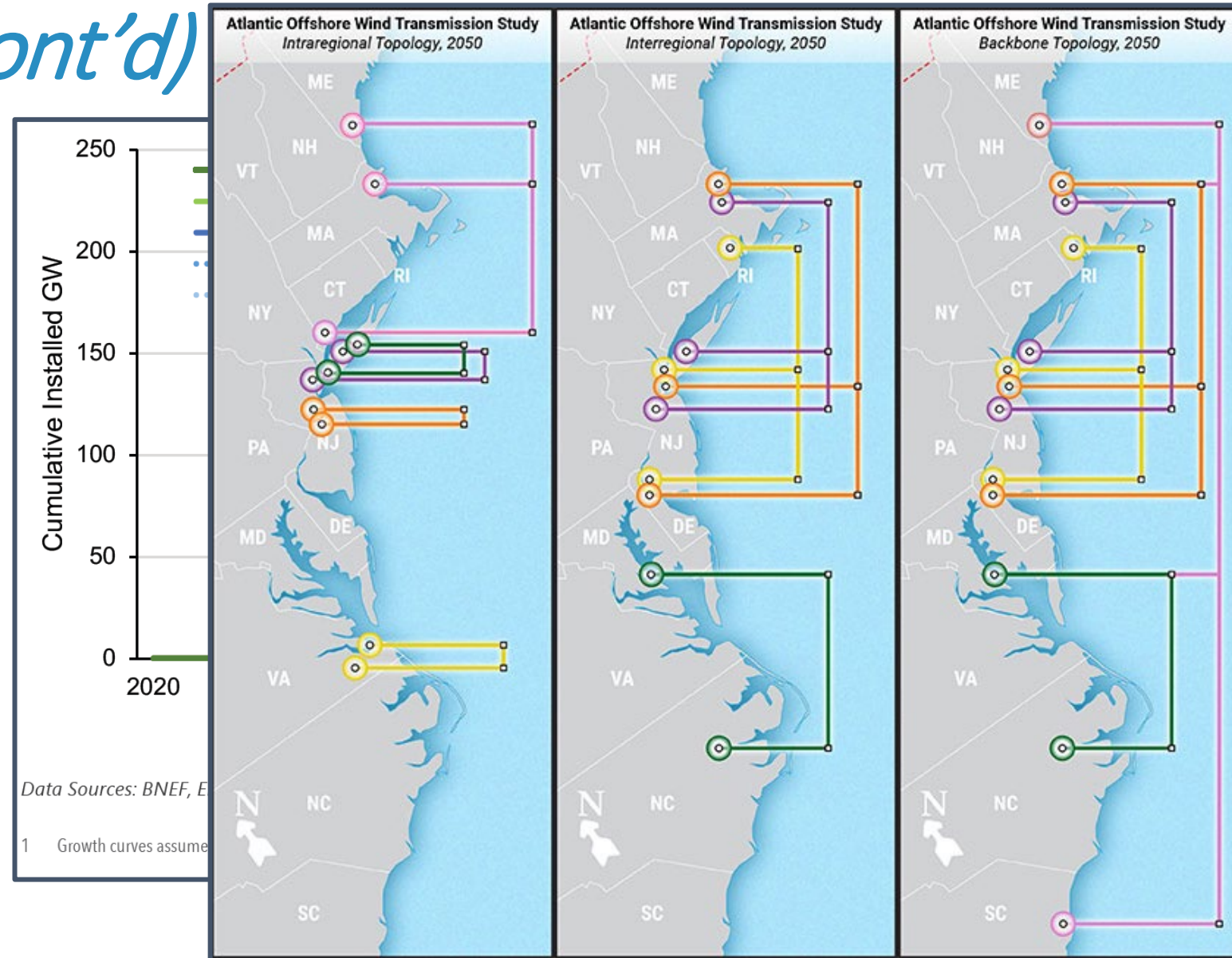
<https://www.workboat.com/wind/new-boem-five-year-plan-could-offer-12-offshore-wind-leases>; <https://www.doi.gov/pressreleases/secretary-haaland-announces-new-five-year-offshore-wind-leasing-schedule>; <https://www.boem.gov/renewable-energy/lease-and-grant-information>; <https://www.boem.gov/renewable-energy/state-activities/central-atlantic>



# Federal Activities *(cont'd)*

## *DOE/National Labs*

- Released Atlantic Offshore Wind Transmission Study
- Released Report *Pathways to Commercial Liftoff: Offshore Wind*



The intraregional, interregional, and backbone topologies investigated in the Atlantic Offshore Wind Transmission Study, each representing different potential offshore networks. Illustrations by Billy Roberts, NREL

# Federal Activities (cont'd)

IRS

- **Guidance for Energy Communities and Bonus Credits Released**

The screenshot shows the IRS website's news release page. The page title is "IRS issues guidance for energy communities and the bonus credit program under the Inflation Reduction Act". The date is "IR-2024-77, March 22, 2024". The main text states: "WASHINGTON — The Internal Revenue Service today issued [Notice 2024-30](#) [PDF] that expands certain rules for determining what an energy community is for the production and investment tax credits. The IRS also released [Appendix 1](#) [PDF], identifying additional Metropolitan Statistical Areas (MSAs) and non-MSAs that meet the Fossil Fuel Employment threshold, and [Appendix 2](#) [PDF], identifying additional MSAs and non-MSAs that qualify as energy communities in 2023 by meeting the Fossil Fuel Employment threshold and the unemployment rate requirement for calendar year 2022. The Inflation Reduction Act allows for increased credit amounts or rates if certain requirements pertaining to energy communities are satisfied. There are three categories of energy communities: 

- Brownfield sites,
- Certain metropolitan statistical areas and non-metropolitan statistical areas based on unemployment rates (MSA/non-MSA), and
- Census tracts where a coal mine closed after 1999 or where a coal-fired electric generating unit was retired after 2009 (and directly adjoining census tracts).

The increased credit amount or rate available for meeting the requirements of the energy community provisions is generally 10 percent for the production tax credit and 2 percentage points for the investment tax credit. If prevailing wage and apprenticeship requirements or certain other requirements are met, 10 percentage points. This notice expands the Nameplate Capacity Attribution Rule in [Notice 2023-29](#) [PDF] to include additional attribution property. It also adds two 2017 North American Industry Classification System (NAICS) industry codes to the table in section 3.03(2) of

<https://www.irs.gov/newsroom/irs-issues-guidance-for-energy-communities-and-the-bonus-credit-program-under-the-inflation-reduction-act>



# State Activities

- Central Atlantic 2.0

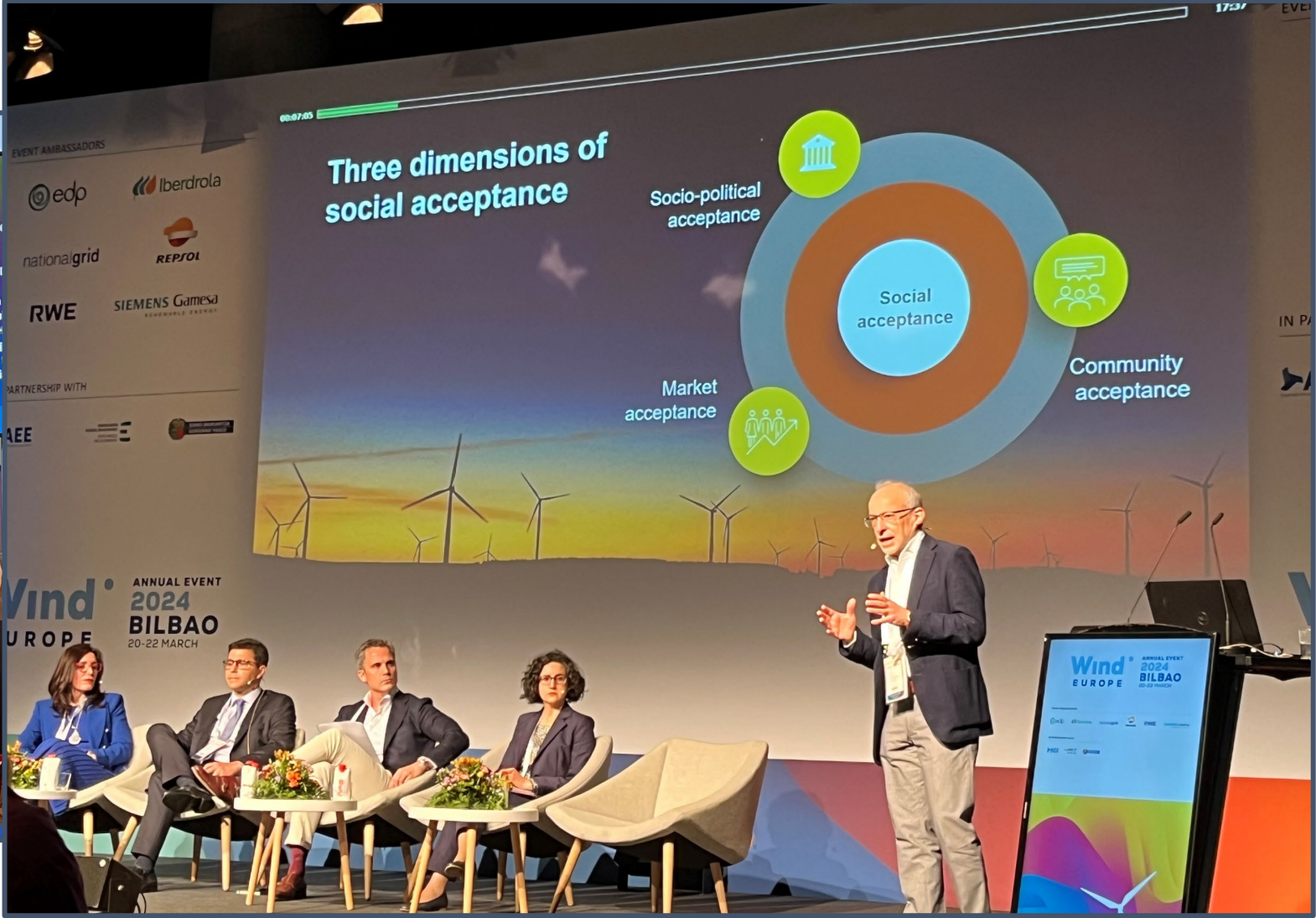




# State Activities (cont'd)

## Spring is Conference Season

- **Wind Europe 2024**



<https://windeurope.org/annual2024>



# State Activities (cont'd)

## Spring is Conference Season

- IPF 2024





# State Activities *(cont'd)*

- **Additional *Offshore Wind READY* Training Sessions coming this fall!**

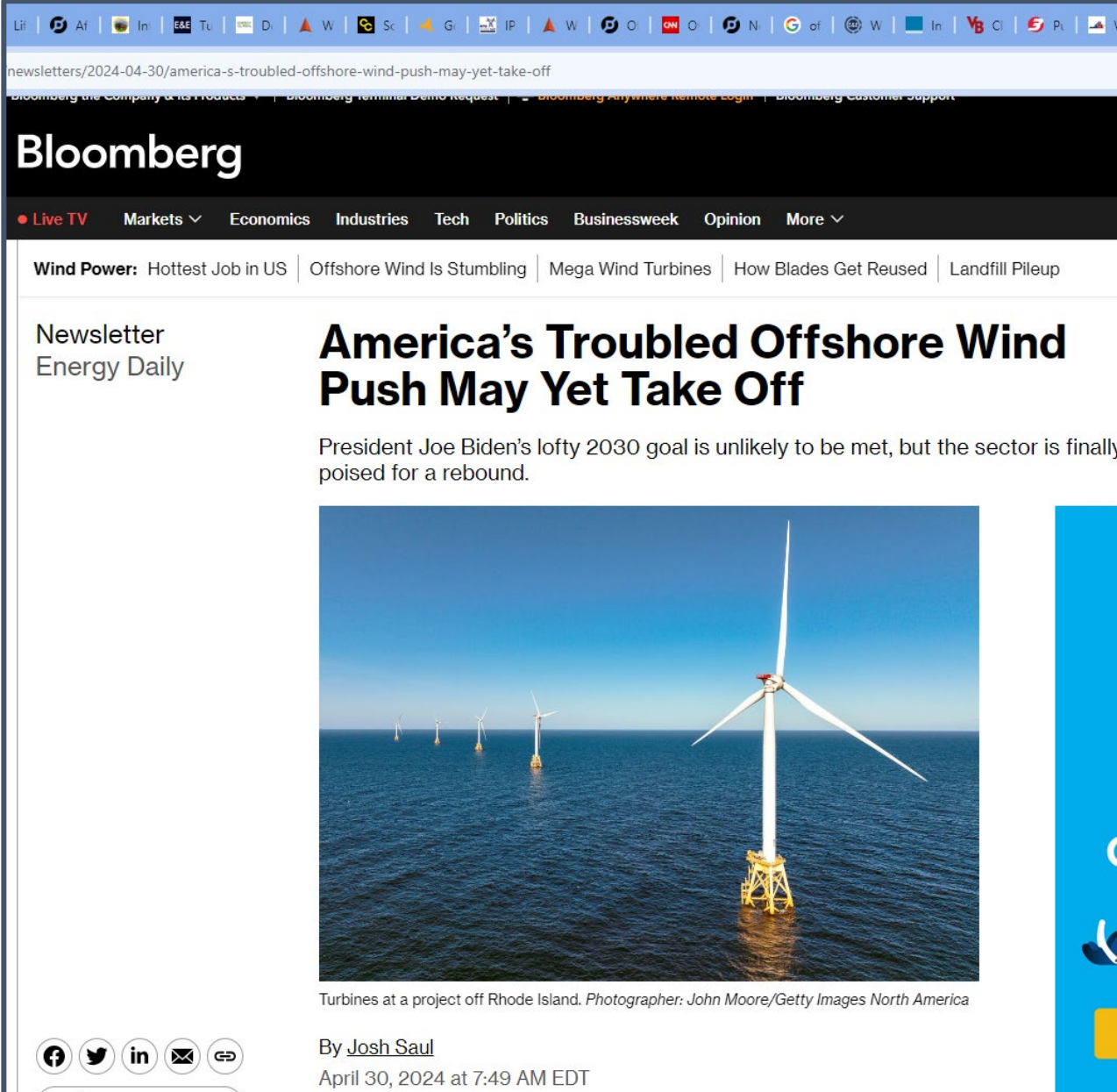


- **Carbon Plan Update**



# Takeaways

1. Offshore wind is a reality in the U.S.
2. We are working on multiple fronts to ensure that NC benefits from the growing offshore wind industry
3. You are a key part of North Carolina's clean energy future



The screenshot shows a Bloomberg news article. The browser address bar displays the URL: <https://www.bloomberg.com/news/newsletters/2024-04-30/america-s-troubled-offshore-wind-push-may-yet-take-off>. The Bloomberg logo is at the top, with navigation links for Live TV, Markets, Economics, Industries, Tech, Politics, Businessweek, Opinion, and More. Below the logo, there are links for 'Wind Power: Hottest Job in US', 'Offshore Wind Is Stumbling', 'Mega Wind Turbines', 'How Blades Get Reused', and 'Landfill Pileup'. The article is part of the 'Energy Daily' newsletter. The main headline is 'America's Troubled Offshore Wind Push May Yet Take Off'. The sub-headline reads: 'President Joe Biden's lofty 2030 goal is unlikely to be met, but the sector is finally poised for a rebound.' Below the text is a photograph of several offshore wind turbines in the ocean. The caption for the photo is: 'Turbines at a project off Rhode Island. Photographer: John Moore/Getty Images North America'. The author is identified as 'By Josh Saul' and the article was published on 'April 30, 2024 at 7:49 AM EDT'. Social media sharing icons for Facebook, Twitter, LinkedIn, Email, and Print are visible at the bottom left of the article content.

<https://www.bloomberg.com/news/newsletters/2024-04-30/america-s-troubled-offshore-wind-push-may-yet-take-off>



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*Questions and Contact Me!*

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