

Open Work Session
Presentation on Offshore Wind
January 3, 2023

Mr. Dave Wilson, Maryland Development Manager for US Wind, came before Council. He said, as a point of reference, he actually lives in Worcester County and he is the Maryland Development Manager for US Wind. He said Orsted is their competitor. Mr. Cannon asked how long Mr. Wilson has lived in Worcester County, to which Mr. Wilson responded, he has lived there for 30 years, but he grew up in Pennsylvania. He said he owns a 26-acre farm in Wicomico County and his wife is a professor at Salisbury University, so he is here in Salisbury a lot. He said he does a lot of fishing in the Nanticoke River.

Mr. Wilson said he is giving folks an update on what is going on with offshore wind, especially as it relates to jobs on the Eastern Shore. He said, to give an overview of the project, OREC refers to an offshore renewable energy credit given by the Public Service Commission and is in their lease area, which they do not own, they lease the lease area, which is 80,000 acres off of Maryland. He said they may be aware that Delaware has a lease area that Orsted owns and that, again, is off of Delaware. He said their lease area and their recent award from 2017 is MarWin with 21 turbines, which are about 21 miles offshore. He said Momentum Wind was last year's award from the Public Service Commission, which is 15 to 21 miles offshore, and the total for that currently would give energy to about 430,000 homes. He said there is still a balance left in the lease area, which would hold about 38 turbines, but there are no more ORECs currently available, at least in Maryland. He said they could have an award given by another State, which they could put in their lease area, but right now there are no more left in Maryland. He said there is no award for that yet, that is just a theoretical area that they can put turbines into the lease area. He said currently the closest to shore is 15 miles with Momentum Wind.

Mr. Wilson said, to give the Council a sense of distance, these turbines are about a mile apart north-south and about 8/10 of a mile apart east-west, so that is the configuration of these. He said, again, there are holes in there for ORECs and any structure offshore, so what they see is not perfect, and there will be some missing from there as well. He said the little squares they see on his diagram are places where there may not be turbines or there will be other structures.

Mr. Wilson said they have a project design envelope for the project, and that is just what the construction operation plan calls for from the Bureau of Offshore Energy Management (BOEM) and they have to put a maximum what would be best. He said they could have up to 121 turbines, but it is more likely that will be 110 or so if the whole lease area is filled out. He said there are substations offshore where cables are connected from turbines and then a turbine height of about 817 feet with a theoretical turbine that does not actually exist, but could exist, could be commercially available of 938 feet as they head west with the newer awards.

Mr. Wilson said the blue line on the diagram is the most likely area where they would connect cables onto shore. He said there are no cables that go into Maryland as it does not make sense going into Maryland for the grid and also because of Ocean City where his family has owned property since he was a child, both commercial and residential. He said there are also a lot of smarter reasons to go through Delaware based on topography and energy, etc.

Mr. Wilson said, just so the Council gets an idea of what the cables are like, they are buried about three to seven feet underground. He said they are about eight to twelve inches in diameter, and there are a

lot of other utilities to go through. He explained, they do not use utility right of ways because there is a tremendous amount of other utilities in there. He said they will go potentially to Towers Beach in Delaware, and in that case they would drill about 60 feet under the beach to go into the beach because it is such a dynamic area.

Mr. Wilson said, at the Sparrows Point facility they are sort of reinvigorating the old Bethlehem Steel Plant in Dundalk, but it is a great structure for fish and wildlife once they are built. He said he is a fisherman, and he fishes all summer and in the fall, but not in the spring, but there is a lot of excitement from recreational guys about all the fishing around the monopiles. He said they cannot tie to a monopile, but they can fish around them. He clarified, they do not own the ocean so they have no control over that, but that is something they are going to encourage. He said there is a lot of stuff online that is not really accurate. He said it is not a huge area of scour protection, it is about 75 feet around each monopile, but then they have all that structure growing on the monopile up to the surface, which is kind of nice. He said, again, there are a lot of systems on the monopiles for boat detection, but for aircraft they do not have lights on all the time and that is something that Ocean City wanted and they were able to use that and find an aircraft detection lighting system and get it upgraded and basically have the lights off almost the entire year on the turbines at the top of the turbine except for the very bottom, which cannot be seen outside of two and a half miles. He said the lights on the turbines only light up when an aircraft flies by, which would be about four hours total for the entire year estimated.

Mr. Winn asked how close they can get to the pilons, to which Mr. Wilson responded, they can park right next to them, they just cannot tie up to them. Mr. Winn asked if they can fish there, to which Mr. Wilson responded, yes, and they are doing that in Virginia right now. He said there are only a couple turbines up, but if he goes online he can find what the turbines look like and there is some great underwater data. He said those are further out. Mr. Winn asked what it is made out of, to which Mr. Wilson responded, it is steel, but it is protected. He said there is a name for it that he forgets, but they are steel monopiles and they are going to be manufactured at Sparrow's Point in Baltimore, but it is a kind of steel that does not rust, and that is the key.

Mr. Wilson said, to give Council an idea of how this area was created, again, it took several years for them to deconflict this area. He said it is not inside critical whale habitat or bird habitat. He said Jim Rapp is a buddy of his and they have been doing Delmarva birding weekends for 25 years now. He said most of this passerine migration are migrating within ten miles off shore, so they are generally good there. He said, when they put the monopiles in, they only do one a day, so it takes two to four hours to actually put the monopile in, which is pretty amazing, as that is actually the easy part of the project. He said there is a double bubble curtain that goes around the monopile for noise attenuation. He said, just to be on the safe side, there are observers on boats that go around the project as the monopiles are being drilled into the ground. He said, if they see a whale, they need to stop for at least two hours, which is critical. He said this site is inside the Federal Shipping Channel. He said the shape of the Shipping Channel is outside of the lease area, so they do not have issues there.

Mr. Wilson said they just recently gave \$11 million to UMCES for additional research on birds, mammals, and bats, which they are sharing with the scientific community not surprisingly.

Mr. Wilson said there are avian surveys being done a lot through sound, which is how most of them do birdwatching. He said there are Benthic surveys, which are critical for avoiding shipwrecks, existing wrecks, and mapped wrecks, which they already have and they know they are avoiding. He said they

have been working with guys like Monty Hawkins and others to make sure that they do not go through any of his good habitat that he has put on the bottom and existing habitat there too. He said the last thing they would want to do is go through even a shipwreck or something as it is good habitat and has great historical value.

Mr. Wilson said people talk about rate impacts and employment a lot, and again, some may know the Lower Shore Workforce Alliance got \$700,000 from the Department of Labor through the Maryland Works for Wind Grant. He said he thinks Maryland got \$23 million. He said they are going to hire three fulltime wind folks over there and they are working with them to help direct them as to what they need, training needs, etc. for all the local jobs and jobs elsewhere that are coming through this. He said they have a full staff of minority business enterprise folks who really work hard to make sure that they hire businesses from underserved communities and women-owned businesses. He said Renee was going to be here tonight and could not be here, but she is one of the folks from Pocomoke City.

Mr. Cannon clarified, when Mr. Wilson says the Lower Shore Workforce Alliance is going to hire folks, what are these people's responsibilities going to be, to which Mr. Wilson responded, he can elaborate on that. He said the project has probably hired around 3,000 people and there are welding needs locally, there are boating captain needs locally, and there are a lot of hires that they are not sure that people are appropriately trained for here, so the Lower Shore Workforce Alliance has a meeting coming up which has about 50 folks locally from Wor-Wic, Salisbury University, IBEW, and United Steel Workers to talk about how to get the Eastern Shore ready for these positions and what these three jobs do. He said that will help those entities do what they can to get grants to help prepare for the jobs that are coming from this particular project and from the Delaware project.

Mr. Cannon said the presentation talked about how the landfall and interconnection was Delaware, and he knows they were working on this years ago with the Lower Shore Wind Energy Association here in Salisbury, and the whole purpose of that was to try to make sure they could get the jobs to the local Eastern Shore of Maryland area. He then asked, with interconnectivity going to Delaware, is there a difference as far as employment locally, to which Mr. Wilson responded, obviously he is a Maryland resident, but he would like to say there will be more jobs in Sussex County, but in most cases because they will be connecting at a station at the West Ocean City Harbor, most of these jobs are going to be Maryland jobs. He said where the cable goes is contract work mostly and basically taking the cable to a PJM grid. He said most of these jobs are Maryland jobs. He said he is sure that Orsted's jobs are Delaware jobs, but, again, they are their competitor.

Mr. Wilson said, with the award they cannot by law raise rates more than 88 cents per household, which is really probably going to be more like 76 cents realistically, and then less than 1 percent for any businesses, which is critical for those who also own businesses on the Lower Shore like himself.

Mr. Wilson said the maintenance facility will be at the West Ocean City Harbor, and they will have crews there 24/7 monitoring and just doing maintenance work, etc. He said they will have loading areas and what not. He said, when they take the monopiles from Sparrow's Point, they are going to have to go around Cape Charles and then back up to this area as that is the only way to get them here because they will not fit under the Bridge. He said the monopiles sit upright when they are on the boats, so they will not fit under the Bridge going across the Chesapeake. He said it is a long haul, but they will get the monopiles here one way or the other. He said there are speed limit restrictions too for whales.

Mr. Wilson referred to his slide and said this is a list of jobs. He said, even though they are hiring, there are also jobs that they are contracting out, and this is a good example of some of what they will be contracting out. He clarified, they may not be US Wind hires, but they will be contracted out for a lot of the jobs they see here. He said there are professional jobs of course, but then the whole gamut of what they are going to be doing on the Eastern Shore to get this done right.

Mr. Holloway asked what they would use bulldozers for, to which Mr. Wilson responded, there are a couple of things. He said, for Sussex County they will probably need some bulldozers there. Mr. Holloway said he thought this was about Wicomico, to which Mr. Wilson responded, it is about Wicomico in terms of jobs, but not every single job will come from Wicomico County. Mr. Holloway said he has bulldozing and dirt moving on here, and that is the same thing that bulldozers do. He said bulldozers move earth, and he has that on there twice, to which Mr. Wilson responded, there is other earth moving equipment that might not be a bulldozer. Mr. Cannon said the large ones with the plow underneath is an earth mover, and a bulldozer has it in the front.

Ms. Shields asked if bids are put out for these jobs, to which Mr. Wilson responded, probably not as this is a private business, so they will probably work with entities and hire the folks they think are the best. Ms. Shields asked how people will know to apply for these positions, to which Mr. Wilson responded, they basically have an online site which is uswindinc.com where they can put their business to be contacted regarding hiring, and in about six to eight months they will be moving forward with hiring.

Mr. Wilson said Sparrows Point used to be Bethlehem Steel and they worked with United Steel Workers to make sure they hire mostly 80 percent union jobs at this site, and they actually own the site. He clarified, it is a 90 acre site and they own it as of January 1 and they are actually beginning construction on it right now as a monopile manufacturing facility. He said the steel is going to come in from elsewhere in the US, but everything will be put together there, so they expect to hire at least 500+ jobs there to start. He said this facility will fund all the offshore wind projects, not just theirs, but US Wind owns it.


Mr. Wilson said there is a lot of stuff online that is kind of kooky, so he makes sure he talks to folks about what is going on and that includes the local fishermen like himself and the commercial guys as well, tribes by law, and then State and Federal agencies, which are the most fun to work with. He said he will continue to do this for the next four years until they are up and running around 2025 or 2026.

Mr. Wilson said they may do a couple of fishing trips out to Virginia to their monopile site with some of their maritime folks, so send him an email if they want to be involved.

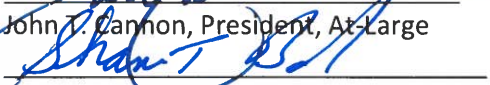
Mr. Cannon thanked Mr. Wilson and said they are looking forward to seeing this move forward. He then asked when Mr. Wilson thinks they will be in operation, to which Mr. Wilson responded, 2025 or 2026. Mr. Cannon said they have had a lot of meetings locally in reference to this. He said they have a lot of assets when they look at Wor-Wic Community College or Tri-County Council and the Lower Shore Workforce Alliance, and a lot of people are very interested in making things happen for the Eastern Shore. He said they have high expectations, to which Mr. Wilson responded, he appreciates that. He said he knows they have probably seen in the paper their discussions in Ocean City with the Mayor and the Council, but they have a good relationship with Mayor Meehan. He said he has known him since he was the Director of the Coastal Bay Program and he has known him for 20+ years, and they have an open door, and he, Terry, and himself talk all the time. He said they have monthly meetings with the

Chamber, the Hotel/Motel/Restaurant Association, and they have been very supportive and really good. He said they are just working on getting past the Council, and if they do that, he thinks they will be in good shape.

There was no further discussion.



John T. Cannon, President, At-Large




Shane Baker, Vice President, District 3



James Winn, At-Large

Shanie P. Shields, District 1



Jeff Merritt, District 2

Josh Hastings, District 4



Joe Holloway, District 5



Laura Hurley, Council Administrator