

DIRECTION

THE FUTURE OF WIND

Offshore wind approved for construction in the U.S. surpassed 10 GW during the first quarter of 2024. (Courtesy: Vineyard Wind)

U.S. offshore wind's first quarter marked by transitions

The U.S. offshore wind market transitioned from planning to commercialization in the first quarter of 2024. In total, the amount approved for construction in the U.S. surpassed 10 GW during the first quarter of 2024. These and other key industry findings are detailed in Oceantic Network's U.S. Offshore Wind Quarterly Market Report, which highlights announced investments, advancements of the review process for several projects, and notable policy developments that drove the U.S. market forward between January and March of 2024.

Notable milestones include Ørsted and Eversource's completion of the South Fork Wind project in March. Next up is Vineyard Wind, to be completed later this year, which also began delivering power to the grid. Meanwhile, two new projects, collectively triple the size of South Fork and Vineyard, were announced to begin installation this summer.

"In the first quarter, our industry moved from concept to reality with projects now delivering power to the grid," said Sam Salustro, vice president of strategic communications at Oceantic Network. "No longer will the question be whether the U.S. builds offshore wind projects, but how many and how fast. This summer we'll see the market move into a new region with the start of Dominion Energy's Coastal Virginia Offshore Wind in the mid-Atlantic, and a third project in the Northeast with Revolution Wind."

Further market strength was showcased in the first quarter with the ninth CTV launch, and fourth this year, for the U.S. market and a new \$700 million investment in a steel tower facility. These announcements along with new tax guidance will enable the Inflation Reduction Act to benefit even more projects.

"We will continue to hit speed bumps, like New York's announcement (recently) regarding recently awarded projects, but we are still seeing the

market build momentum," Salustro said. "The wind is at our backs; now we must continue our work to build a supply chain for offshore wind."

The first quarter of 2024 signaled a new era for the industry with American homes being powered by offshore wind energy. The report identified several further advancements, including:

- The Bureau of Ocean Energy Management (BOEM) increased the total capacity approved for construction by more than 30 percent as the U.S. more than quintupled its installed offshore wind capacity — from 42 MW to 242 MW.

- U.S. Forged Rings announced a new \$700 million tower and forge facility on the East Coast, an investment based purely on the strength of the U.S. market.

- Another 4,000 MW of projects are expected to begin installation activities this summer.

- New IRS tax guidance will drive down costs for a range of offshore wind activities across the East Coast.

- Four new crew transfer vessels, the workhorse of the offshore wind industry, have launched in just the past three months.

- New offtake awards contain provisions supporting supply chain investments throughout the East Coast.

MORE INFO www.oceantic.org/us-offshore-wind-quarterly-market-report

Report: Offshore wind can benefit Louisiana

Louisiana businesses and workers stand to benefit from expansion of offshore wind nationally and in the Gulf of Mexico, according to the Louisiana Offshore Wind Supply Chain Assessment, released by the Southeastern Wind Coalition, GNO Inc., Center for Planning Excellence, and The Pew Charitable Trusts, with research part-

ner and global energy consultancy Xodus Group. The report identifies recommendations to tap into more Louisiana know-how to help build offshore wind in U.S. waters.

"This state is already a national leader for offshore construction. Harnessing that expertise and infrastructure for offshore wind is a logical next step," said Hillary Bright, VP of Renewables for Xodus Group. "The opportunity for Louisiana is real, and it's here right now for Louisiana's suppliers."

"The report is clear: Louisiana can be a leader in supplying the goods and services for the build out of offshore wind along both coasts," said Courtney Durham Shane, a senior officer on Pew's energy modernization project. "This industry is expected to bring over \$100 billion in private investment and nearly 50,000 jobs across the U.S., much of which can be realized by Louisiana businesses and workers."

The findings come on the heels of the recent federal government announcement of new offshore lease opportunities in the Gulf of Mexico, which have the potential to power up to 1.2 million homes and create jobs and economic development across Louisiana. The report also offers five steps the state should take to build its offshore wind opportunities and broaden its reputation as an energy leader. The recommendations include:

- Maximize export opportunities to strengthen business networks to position Louisiana for large contracts.

- Invest in offshore workforce and job sites.

- Upgrade ports and support shipbuilding to support the maritime industry and leverage Louisiana's shipbuilding reputation.

- Capitalize on economic benefits of offshore wind by codifying a state procurement target, establishing a government agency to provide market certainty, ensure enforceable state goals, and drive additional private investments.



Louisiana businesses and workers stand to benefit from expansion of offshore wind nationally and in the Gulf of Mexico, according to a report. (Courtesy: Xodus Group)

► Lean into Louisiana leadership by coordinating state government, higher education, economic development organizations, and grant-funded innovation clusters to maximize Louisiana's offshore wind industrial and employment power.

"Louisiana is an energy leader and this report shows how the state can add wind to an already thriving offshore economy," said Southeastern Wind Coalition's Senior Program Manager Jenny Netherton. "With over 450 businesses that are offshore-ready, Louisiana's workforce is poised to serve as the foundation of the offshore wind industry in the United States."

Also, there are more than 100 fabrication and manufacturing assets with strong potential to support offshore wind development when coupled with investments to reskill, retool, or expand their current operations.

"Louisiana can lead in wind power the same way it has led in oil and gas production," said Lacy McManus, executive director of Future Energy at

Greater New Orleans, Inc. "Today, our state plays a vital role in bolstering the country's offshore wind supply chain through manufacturing, engineering, design, and other services that leverage decades of expertise – setting the stage for Louisiana to be a global leader in wind energy production."

MORE INFO www.xodusgroup.com/this-is-what-we-do/louisiana-offshore-wind-supply-chain-assessment

BOEM completes review of Beacon Wind proposal

The Bureau of Ocean Energy Management (BOEM) has completed its environmental review of Beacon Wind's proposal to test suction bucket foundations on its lease area offshore Massachusetts. Based on the analysis in the environmental assessment, BOEM determined that the proposed testing will not cause significant impacts to

environmental resources. Suction bucket foundations are an alternative foundation type that allow for installation of turbines without the need for pile driving.

BOEM analyzed Beacon Wind's proposal to conduct 35 deployments and removals of a single suction bucket foundation at 26 locations within its lease area. Beacon Wind's objective is to gather information to support the engineering design of wind turbine and offshore substation foundations that would potentially be installed for a future offshore wind project. Use of this new technology could minimize underwater noise from installation and allow for more flexibility around supply chain constraints.

The proposed Beacon Wind project is about 17 nautical miles south of Nantucket, Massachusetts, and about 52 nautical miles east of Montauk, New York. Beacon Wind's future project proposal includes construction and operation of two wind-energy facilities (Beacon Wind 1 and Beacon Wind 2)



The Beacon Wind project is about 17 nautical miles south of Nantucket, Massachusetts. (Courtesy: BP)

with a total capacity of at least 2,430 MW of clean, renewable wind energy, enough to power more than 850,000 homes each year.

MORE INFO www.boem.gov

Exus Renewables acquires Spain wind farm

Exus Renewables, a premier independent power producer and asset management firm specializing in the renewable energy sector, recently announced the acquisition of a 51-MW wind farm in the north of Spain from independent Spanish company Enhol Group, whose main work centers on the renewable energy sector.

This acquisition represents another addition to Exus' growing portfolio of renewable energy assets in Europe. The wind farm, now in ready-to-build status, is expected to achieve Commercial Operation Date (COD) in the third quarter of 2025. With its strategic location and favorable wind conditions, this project is poised to deliver a sub-



The wind farm in Spain is expected to begin operation in 2025's third quarter. (Courtesy: Grupo Enhol)

stantial contribution to renewable energy capacity in the region.

"This acquisition marks another milestone in Exus' transition to an independent power producer, further solidifying our position as a leading player in the renewable energy sector," said Victor López, head of M&A at Exus Renewables. "As we continue to expand our portfolio and embrace new opportunities, Exus remains dedicated to delivering clean, reliable energy solutions that contribute to a more sustainable future."

The agreement marks the initial step in a broader Exus strategy to es-

tablish its footprint in the region's renewable energy sector. This approach acknowledges the significance of cultivating relationships with partners such as Enhol and local communities.

"We are delighted to work together with Exus on this transaction," said Roberto Sabalza, Energy & Service Division CEO at Grupo Enhol. "Together, we see the great potential of this project, and our agreement with Exus represents a significant step forward in their advancement of renewable energy initiatives in the region."

MORE INFO www.exuspartners.com