

Virginia's Offshore Wind Opportunity

Supply Chain Development Outlook and Strategy



Growing the 757. Growing Virginia.

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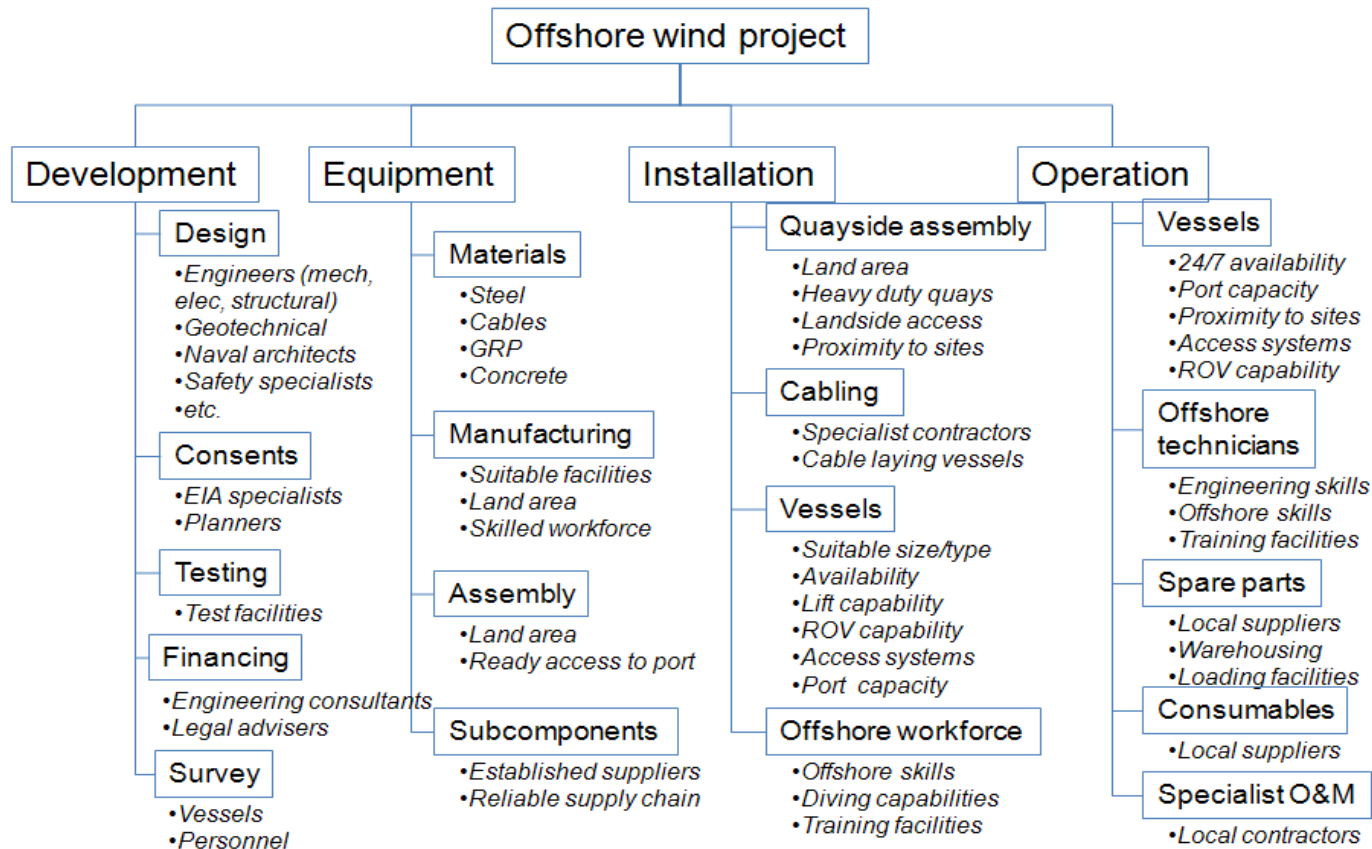
New Industry Growing in Virginia



- The offshore wind industry presents a **generational opportunity** to grow the economy of Virginia.
- Development of the industry over the next decade provides a **\$109 billion revenue opportunity** to businesses in the offshore wind supply chain.¹



Offshore Wind Supply Chain Opportunities



Competitive Landscape - Project Pipeline



- Other states/regions have larger offshore wind mandates than Virginia and will be issuing solicitations through competitive procurement mechanisms to meet those mandates, which will likely drive most early supply chain investment to those regions.

State	Goals	Development Date	Current Awards	Future Expected	Contracting Mechanism	Comments
Maine	1.3GW	2030	12MW	1GW	PPA	First floating demo project
Massachusetts	5.6GW	2035	3.2GW	2.4GW	PPA	Massachusetts is expected to revise totals upwards
Rhode Island	1.2GW	2030	430MW	800MW	PPA	Solicitation out for up to 1GW
Connecticut	2.0GW	2030	1.2MW	800MW-2.8GW	PPA	
New York	9.0GW	2035	4.3GW	4.7GW	OREC	New York has stated a future goal of up to 20GW
New Jersey	11.0GW	2040	3.7GW	6.4GW	OREC	A higher goal is expected
Maryland	2.0GW	2030	2.2GW		OREC	On target to meet state goals
Virginia	5.2GW	2034	2.6GW	2.6GW	None	Kitty Hawk Offshore Wind could help fulfill VA goals
North Carolina	8.0GW	2040	0GW	8.0GW	TBD	No solicitation scheduled
South Carolina	2.8GW	2030	0GW	2.8GW	TBD	No Solicitation scheduled

Competitive Landscape - Port Infrastructure



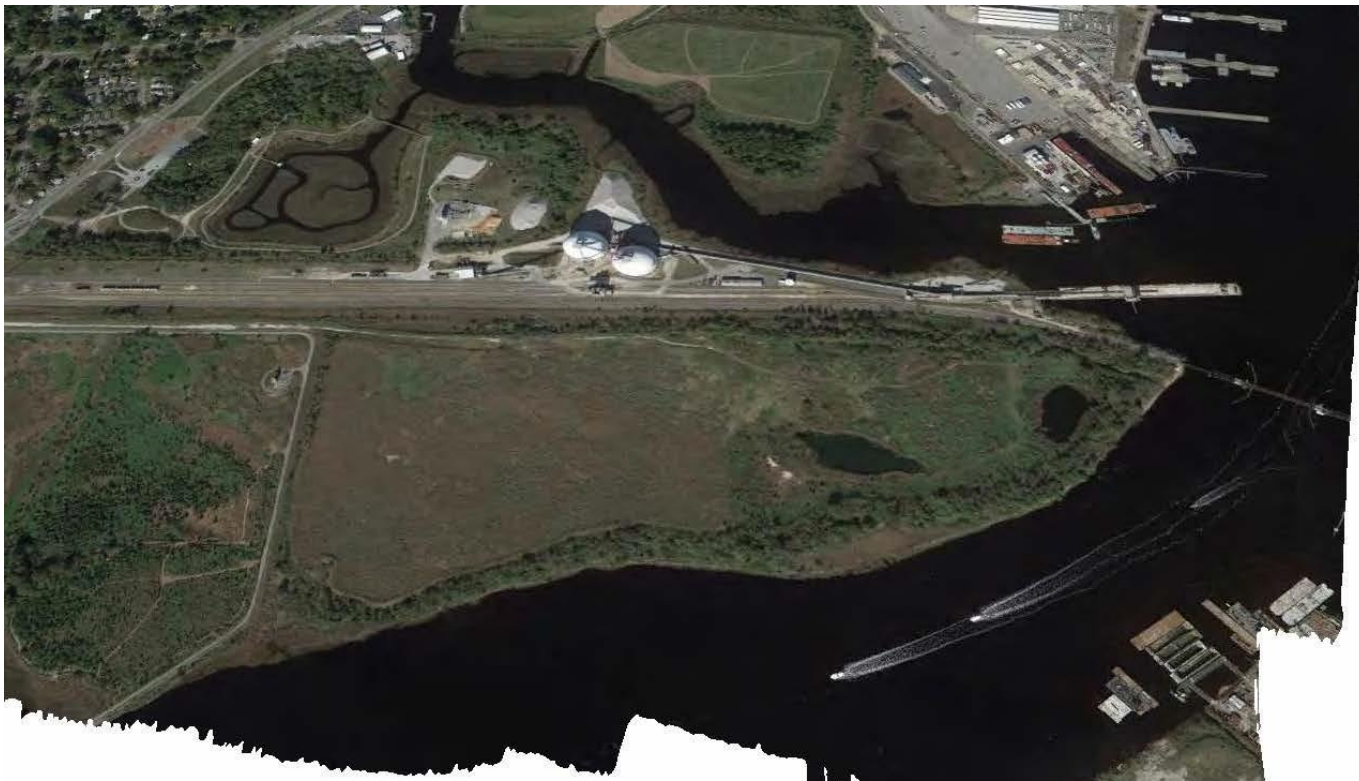
- Port infrastructure is becoming less of a differentiator for Virginia. States and private entities are investing approximately \$1.5B in port development along the East Coast.

	Available Acreage	Federal Investments	State Investment (to date)	Private Investments
New Bedford – MA	29 Acres		\$113M	\$32M (Vineyard and Mayflower)
Salem – MA	42 acres	\$34M (DOT Grant)	\$100M	\$75M (estimated)
Brayton Point – MA	300 acres			\$650M (Anbaric Partners)
Prov Port – RI	20 acres		\$35M (South Quay)	\$40M
Quonset – RI	60 acres		\$60M	\$234M (Master plan)
New London – CT	25 acres		\$180M	\$75M
Bridgeport– CT	20 acres	\$10.5M		
South Brooklyn Marine Terminal – NY	111 acres		\$57M	\$200M-\$250M
Port Jefferson – NY	Small O&M Hub		Part of state total of \$750M	\$10M
Port of Albany – NY	80 acres	\$29M	Part of state total of \$750M	\$350M
Port of Coeymans – NY	80 acres		Part of state total of \$750M	\$86M
Arthur Kill Terminal – NY	32+ acres	\$48M		
WindPort – NJ	221 acres		\$200M	In negotiation
Paulsboro– NJ	200+ acres		\$250M	\$250M
Tradepoint Atlantic – MD	90+ acres		\$13M	\$150M
Sparrows Point – MD	3000 acres			
Fairwinds Landing – VA	110 acres			
Portsmouth Marine Terminal - VA	287	\$20M	\$40M	\$200M

Local Constraints



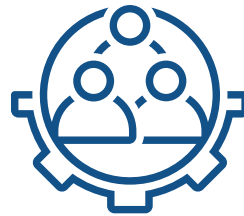
- Lack of ready sites after PMT and Fairwinds Landing



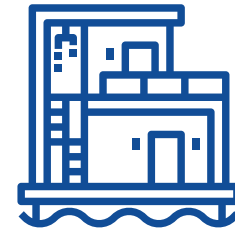
Virginia's Strengths



Unmatched Port Infrastructure



Large & Skilled Maritime Workforce



Terminal Facilities & Waterfront Sites



America's Largest Shipbuilding Industry



Pro-Business Climate



Strategic Location

What is Success?



Near-Term Goals

- A. Support and attract anchor manufacturers around which to build the offshore wind industry's southern supply chain hub.

- B. Develop terminals to ensure Hampton Roads is the construction port for the majority of offshore wind projects in the Mid-Atlantic.

What is Success?



Actions to Support Near-Term Goals

1. Develop Portsmouth Marine Terminal (PMT) into the nation's premier offshore wind marshalling and construction terminal. (*Status: underway; construction will be completed in phases from 2023 to 2025*)
2. Support development of Phase 2 of the Siemens Gamesa Renewable Energy (SGRE) offshore wind blade facility at PMT. Phase 2 is a blade manufacturing facility that would create 1,500 jobs. (*Status: early engagement by state and regional economic development organizations is underway*)
3. Attract primary component manufacturer to Fairwinds Landing as second manufacturing anchor. (*Status: underway; Fairwinds Landing is a final candidate site for a cable manufacturing facility*)
4. Support site readiness through public and private investment for Fairwinds Landing to become the region's second best-in-class manufacturing and marshalling terminal. (*Status: define and allocate public funding contribution*)

What is Success?



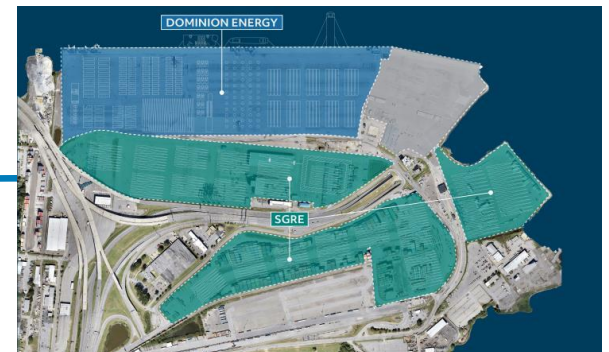
Immediate Needs

1. Offer aggressive incentive package to the manufacturer considering locating at Fairwinds Landing
2. Dedicate site readiness funding to Fairwinds Landing
3. Plan state and regional support for SGRE blade manufacturing facility (Phase 2)

Outcomes



- Attract sufficient manufacturing and marshalling activity to establish Virginia as the southern hub of the offshore wind industry and attract companies from lower tiers of the supply chain.



What is Success?



Longer-Term Goal

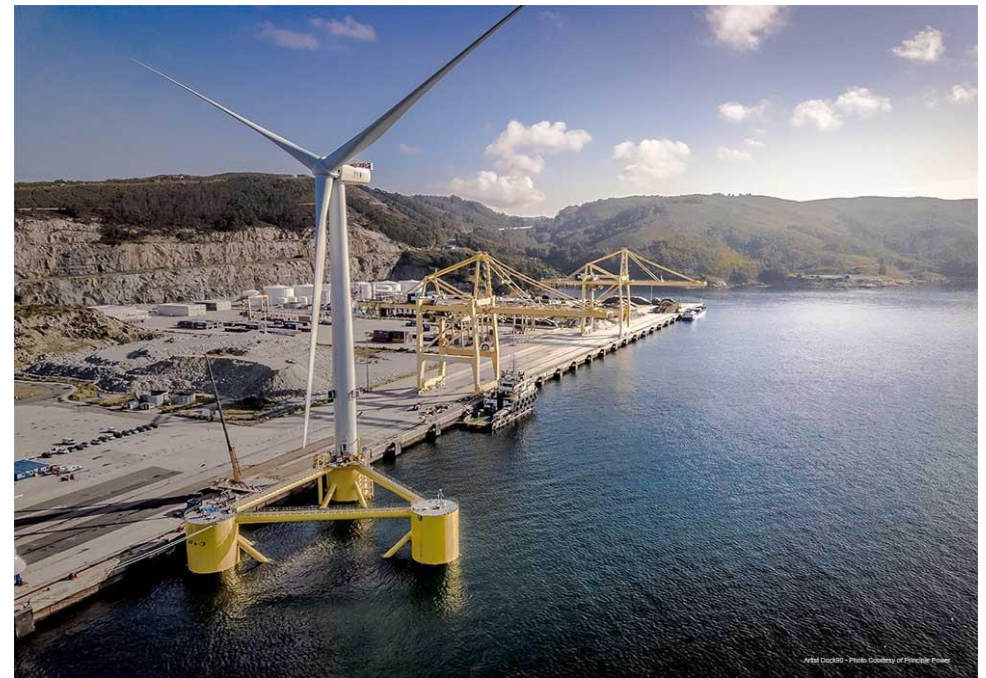
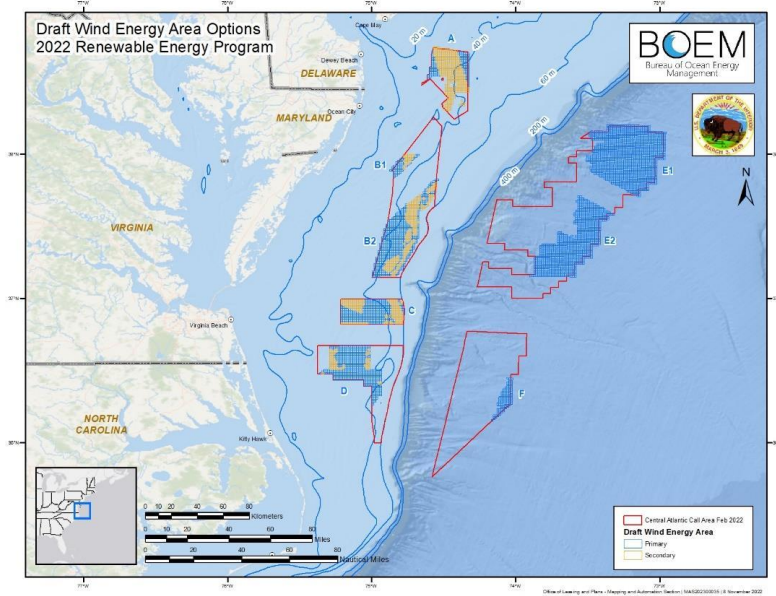
- Become the primary construction port for East Coast floating wind projects.
 - Action 1: Marketing - Hampton Roads may be the only East Coast port that can support floating OSW
 - Action 2: Better identify requirements to support floating wind construction
 - Action 3: Develop plan for transition from fixed-bottom marshalling to floating wind construction port

What is Success?



Intermediate Needs

1. Begin planning to support floating offshore wind construction



Return on Investment





1. Aggressive incentive package for cable manufacturer and site readiness funding for Fairwinds Landing: 1,130 jobs.
 2. Offshore wind blade manufacturing facility: 1,190 jobs
 3. Offshore wind marshalling hub: 300 jobs
 4. Floating offshore wind construction hub: 1,000 jobs
 5. Jobs created by suppliers locating near anchor manufacturers and marshalling terminals:
TBD
- **Minimum direct jobs created from offshore wind economic development strategy:**
3,620

VA Supply Chain Directory



BUSINESS NETWORK FOR OFFSHORE WIND

SupplyChainConnect VIRGINIA




Photo Credit: Dominion Energy

Virginia Offshore Wind Supply Chain Partnership Directory allows companies to publicly indicate their interest and ability to supply components and services for U.S. offshore wind projects. It is used as a source for identifying potential recipients of Requests for Proposals (RFPs) as well as identifying local, small, minority-owned, women-owned, and/or veteran-owned businesses for partnership with developers and/or Tier 1 suppliers. Please be sure to complete all fields and regularly update and maintain your organization's profile.

To register, first [gather the information requested](#) to identify the products and services you can provide for offshore wind projects. You'll have 30 minutes to fill out the form before the system logs you out. Your information will be saved.

COMPANY NAME

EMAIL ADDRESS

I agree to have my information shared with developers and other companies looking for partners. (Required)

<https://energy.virginia.gov/offshore-wind/Landing-page.shtml>

Contact Information



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