

GOVERNOR

STATE OF MAINE OFFICE OF THE GOVERNOR 1 STATE HOUSE STATION AUGUSTA, MAINE 04333-0001

June 21, 2023

Senator Stacy Brenner Maine Senate 3 State House Station Augusta, Maine 04333

Senator Chip Curry Maine Senate 3 State House Station Augusta, Maine 04333

Senator Mark Lawrence Maine Senate 3 State House Station Augusta, Maine 04333

Dear Senator Brenner, Senator Curry, and Senator Lawrence:

As you know, the Legislature has enacted LD 1847, An Act to Modify the Visual Impact Standards for Offshore Wind Port Development.

My Administration has worked closely with the Legislature to advance policies that embrace clean energy and its numerous environmental and economic benefits. As an abundant source of renewable energy, offshore wind – done responsibly – has the potential to reduce Maine's over-reliance on expensive, harmful fossil fuels, stabilize energy costs, and curb climate-altering emissions to protect our state's environment for future generations. Additionally, as an industry, offshore wind is poised to grow significantly in the coming years, and this anticipated growth can support existing and emerging Maine companies, create new jobs and career opportunities for Maine people, attract new workers and families to Maine, and deliver infrastructure investments in communities across the state.

To that end, my Administration has brought together businesses, fishermen, scientists, and other stakeholders to address head-on important questions about how to responsibly advance offshore wind in Maine by developing the Maine Offshore Wind Roadmap. The offshore wind industry is anticipated to create \$109 billion in private investment in the United States that will spur port investment and supply chain and workforce development. To realize these major economic benefits, Maine will need to develop a modernized port that can handle and support the specific needs of the offshore wind industry off our coast and up and down the East Coast.

I submitted LD 1847 to pursue a streamlined but thorough permitting review of an offshore wind port facility in Maine. Specifically, my bill proposed new visual impact standards when future offshore wind



TTY USERS CALL 711 www.maine.gov port facilities receive review. LD 1847 in its original form provided the necessary guidance for the construction of offshore wind turbines in future port development.

Unfortunately, after passing out of the Environment and Natural Resources Committee with a strong bipartisan vote and after a favorable vote in the Senate, my bill was amended on the Senate floor to add the language from a separate bill my Administration opposed, LD 1818, *An Act Regarding Port Facilities Relating to Offshore Wind Power Projects*, requiring Project Labor Agreements (PLAs) – not only for the construction of an offshore wind port, but for the construction and fabrication of offshore wind projects, such as the turbines, broadly.

Generally speaking, I recognize the value of PLAs, or collective bargaining agreements, as a tool to lift up working men and women by ensuring that they are paid strong wages with good benefits. However, I cannot support the addition of a PLA requirement to this bill for the following reasons:

- 1. Most Maine workers in the construction industry in fact, more than 90 percent are not unionized, which means that adding a PLA requirement creates a chilling effect for these companies and their workers to participate in, and potentially, build this project. As a result this could stifle competition, which could cut out thousands of workers and employee-owned businesses, and could end up favoring out-of-state unions in the region, over Maine-based companies and workers and I do not believe any of us want to see out-of-state workers being bussed up to coastal Maine to build our offshore wind port while Maine workers are sidelined, sitting at home.
- 2. Even if Maine-based companies do bid on a contract under a PLA requirement, they will likely have to raise costs beyond salaries and health benefits that would have to be shouldered by Maine people during a time of inflation-driven price increases in the construction industry and already sky-high energy costs driven by our over-reliance on fossil fuels.
- 3. No other New England state *requires* PLAs for offshore wind development in statute. While it is common in Federal and State regulations and solicitations to *encourage* project labor agreements an approach that I would be completely fine with no other state not Massachusetts, not Rhode Island, and not Connecticut has put into law the mandatory language included in LD 1847 or 1895. Adding a PLA requirement to this bill makes us far less competitive with other states.

As this industry begins to grow, we must maximize, not sideline or limit, benefits to Maine workers and companies and minimize costs to Maine taxpayers and ratepayers. It is imperative that investment in offshore wind facilities foster opportunities for Maine's workforce and construction companies to compete on a level playing field for this work. As highlighted in the state's Roadmap, utilizing the benefits of offshore wind for Maine requires an 'all-hands-on-deck' approach and a significant opportunity to create long-term family supporting jobs in the State, that includes unions as well as small businesses and existing employee-owned and other Maine companies.

Therefore, I cannot sign LD 1847 into law. I ask that you recall it from my desk by Friday at 3:00 PM and revise it to the initial version of legislation that passed in a bipartisan vote out of the Committee on Environment and Natural Resources or adopt language that would ensure that union workers, employee-



TTY USERS CALL 711 www.maine.gov owned businesses, and small businesses could all benefit. With either of these changes, I pledge to you that I will sign LD 1847 into law. Without them, I pledge to you that I will veto it.

Lastly, I have similar concerns about LD 1895, An Act Regarding the Procurement of Energy from Offshore Wind. This bill, too, as amended, includes labor requirements not seen in New England that would result in the same problems I outlined above – namely, that in practice it would preclude the vast majority of Maine businesses and workers from economically benefitting from the advancement of offshore wind. Moreover, the additional interconnection and environmental fees required in the amendment put Maine at a disadvantage regionally and will unnecessarily raise costs that will be borne by ratepayers. And, while the intent of the tax credit is laudable, the impact to taxpayers is significant, and, in practice, is not necessary right now as we work to accomplish the same goal by different means: by my Administration and Maine's Congressional Delegation pushing the Federal government to not lease areas for offshore wind in Lobster Management Area 1, as we just recently did.

Please amend LD 1895, too, before sending it to my desk so that I can sign it. In its current form, I cannot.

Let us give every opportunity to Maine people, Maine businesses, and Maine workers to benefit from offshore wind – not inadvertently sideline them. My Administration stands ready to work with you to achieve our shared goals, and my staff is available would you like to discuss these matters further.

Sincerely,

Janet T. Mills Governor

CC:

President Troy Jackson Speaker Rachel Talbot Ross Representative Lori Gramlich Representative Paige Zeigler Senator Mike Tipping Representative Amy Roeder



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