

MEMORANDUM OF UNDERSTANDING
BY AND AMONG

THE UNITED STATES DEPARTMENT OF ENERGY,
THE UNITED STATES DEPARTMENT OF THE INTERIOR,
THE UNITED STATES DEPARTMENT OF COMMERCE, AND
THE UNITED STATES DEPARTMENT OF TRANSPORTATION

AND THE STATES OF
CONNECTICUT, MAINE, MARYLAND, MASSACHUSETTS, NEW HAMPSHIRE,
NEW JERSEY, NEW YORK, NORTH CAROLINA, AND RHODE ISLAND

DATED AS OF: SEPTEMBER 20, 2023

Section I: Background

The Federal-State Offshore Wind Implementation Partnership (“the Partnership”) was launched on June 23, 2022, and is a joint effort of the White House National Climate Advisor; the Secretaries of the Interior, Energy, Commerce, and Transportation; and the State Governors of California, Connecticut, Delaware, Louisiana, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, and Rhode Island. The Partnership represents a commitment by the White House, governors, and federal agencies to collaborate on expanding key elements of the offshore wind supply chain, from manufacturing facilities, to port capabilities, to workforce development.

As part of the Partnership, a Supply Chain Working Group (“Working Group”) was formed to focus on regional collaboration among East Coast states for a coordinated, resilient, and sustainable offshore wind supply chain, ensuring environmental justice throughout. This Working Group has established common content definitions that can be referred to in offshore wind solicitations and has discussed various mechanisms for groups of states to work together and create more efficient regional offshore wind supply chains.

Regional collaboration on the offshore wind supply chain is advantageous for sector development, as states can benefit from one another’s manufacturing strengths and build a sustainable network. The aim is to enable a more efficient and sustainable supply chain, building on existing local and regional strengths. This collaboration will encourage investment in multiple states to meet the federal and state offshore wind targets and will help developers and investors identify assets across a broader area.

Section II: Parties

This Memorandum of Understanding (MOU) is entered into by and among the parties listed below, hereafter collectively referred to as “the Parties,” and will become effective as of the date first listed above (“Effective Date”). The following federal entities, the U.S. Department of

Energy (DOE), the U.S. Department of the Interior (DOI), the U.S. Department of Commerce (DOC) and the U.S. Department of Transportation (DOT), are collectively referred to hereafter as “the federal agencies.” The following states, Connecticut, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, and Rhode Island, are collectively referred to hereafter as “the States.”

DOC enters into this MOU pursuant to the authority of the Public Works and Economic Development Act of 1965 (PWEDA), (42 U.S.C. 3121 *et seq.*) and 15 U.S.C. 1512 as delegated to the International Trade Administration (ITA) to foster, promote, and develop the foreign and domestic commerce of the United States.

DOE enters into this MOU pursuant to the authority at section 646 of the Department of Energy Organization Act (Pub. L. 95-91), as amended (42 U.S.C. § 7256). The Office of Energy Efficiency and Renewable Energy (EERE) Wind Energy Technologies Office will serve as the program office for carrying out the goals of the MOU on behalf of DOE.

DOI enters into this MOU pursuant to section 8(p) of the Outer Continental Shelf Lands Act, 67 Stat. 462 (1953), as amended (43 U.S.C. § 1337(p)).

DOT enters into this MOU pursuant to authority under 49 U.S.C. 301 and pursuant to the Maritime Administration’s authority under 49 U.S.C. 109 to foster, promote, and develop the merchant maritime industry of the United States.

The States that are a party to this nonbinding MOU have agreed to participate in and engage in certain matters as provided herein, but only to the extent determined by each State, in its discretion, and subject to each State’s applicable state laws and procurement authorities.

Section III: Purpose

The purpose of this MOU is to support the development of a coordinated, resilient, and sustainable regional offshore wind supply chain along the East Coast of the United States, ensuring that environmental justice principles¹ are at the core throughout the development. This development will lead to a robust supply chain, resulting in efficiencies, greater economic return for the United States from offshore wind development, and good paying domestic jobs and economic gains throughout the country as supply chain maturation fosters a network of Tier 1 to 4² manufacturers and suppliers. To this end, this MOU supports two primary efforts: first, the development of sub-regional frameworks between the States within specific groups (comprising “Partner States”), the scope and content of which shall be acceptable to each such Partner State, to strengthen collaboration among those states; and second, agreement to collaborate among all Parties to address national high priority offshore wind supply chain gaps. These efforts will

¹ [Executive Order on Revitalizing Our Nation’s Commitment to Environmental Justice for All | The White House](https://www.whitehouse.gov/briefing-room/presidential-actions/2023/04/21/executive-order-on-revitalizing-our-nations-commitment-to-environmental-justice-for-all/)
<https://www.whitehouse.gov/briefing-room/presidential-actions/2023/04/21/executive-order-on-revitalizing-our-nations-commitment-to-environmental-justice-for-all/>

² Tier 1 suppliers provide finished components, Tier 2 suppliers work on subassemblies, Tier 3 suppliers work on subcomponents, and Tier 4 suppliers provide raw materials and processing.

augment the existing and planned supply chain and will not jeopardize or compete with ongoing supply chain plans.

Section IV: Partnership Association Frameworks

Each State may collaborate with one or more subsets of the States of its own choosing – these subsets of states are Partner States, collectively referred to as a “Partner Association” and states may be in more than one Partner Association. The federal agencies are not party to any Partner Associations. These Partner Associations will create frameworks amongst themselves (each, a “Partner Association Framework”) that will establish specific mechanisms to promote sub-regional supply chain development and promote the development of regional, sub-regional, and state content. In this context, “content” is defined as including goods and materials, quality jobs, services, infrastructure, and research, which are described in the “Content Definition” section below.

The prospective Partner Association Frameworks will inform future collaboration and do not apply to any currently open, already existing, or pending (open within eighteen (18) months from the Effective Date) state offshore wind solicitations. Moreover, the content and goals set forth in any Partner Association Framework may differ between Partner Associations. Adjacent states do not need to be Partner States and can be in different Partner Associations.

Section V: Goals and Commitments

This MOU recognizes the commitments made by the Partnership in June 2022³ to expand key elements of the supply chain, including manufacturing facilities for offshore wind components, port capabilities, logistics networks needed to install projects, and workforce development to fill good-paying jobs. These commitments have led to the common goals of this MOU, to:

- Develop a robust regional supply chain to ensure efficient development of offshore wind and maximize national domestic benefits from offshore wind development.
- Address national gaps in the offshore wind supply chain where resolving those gaps would be in the best interest of the United States.

To achieve these common goals, the Parties are extending the commitments to:

1. Develop sub-regional Partner Associations among Partner States, in accordance with federal and state law. With the understanding that states may prioritize and maximize investment in their own state, as may be required under applicable state law or administrative items having the force of law, the States will work together to develop multiple Partner Associations, comprising subsets of the East Coast states, that maximize, to the extent possible, the

³ [FACT SHEET: Biden Administration Launches New Federal-State Offshore Wind Partnership to Grow American-Made Clean Energy | The White House](https://www.whitehouse.gov/briefing-room/statements-releases/2022/06/23/fact-sheet-biden-administration-launches-new-federal-state-offshore-wind-partnership-to-grow-american-made-clean-energy/) <https://www.whitehouse.gov/briefing-room/statements-releases/2022/06/23/fact-sheet-biden-administration-launches-new-federal-state-offshore-wind-partnership-to-grow-american-made-clean-energy/>

efficiency of the offshore wind supply chain through regional cooperation. Within these Partner Associations, the Partner States will:

- Take into account the strengths (as agreed by Partner States) within Partner Associations to maximize the efficiency of the sub-regional offshore wind supply chains.
 - Define a framework to collaborate within Partner Associations. Consistent with applicable federal and state laws, Partner States within each Partner Association will define a collaborative framework to establish an efficient and sustainable offshore wind supply chain that minimizes gaps across the sub-region, while meeting the goals of each state associated with economic development, workforce development, and environmental justice.
2. Address national high priority gaps in the offshore wind supply chain. All Parties will collaborate on solutions for high priority needs to build specific aspects of the offshore wind supply chain, including, but not limited to, a focus on Jones Act-compliant⁴ vessels for offshore wind development, port development, expanded U.S. steel production, and future gaps as defined in the “National Priority Gaps” section below.

All Parties will collaborate to identify opportunities for federal and non-federal support to build on the existing strengths to meet offshore wind supply chain needs and address the identified gaps for offshore wind development.

Section VI: Responsibilities

Consistent with their respective authorities and the availability of resources, all the Parties agree to:

- As detailed below and in accordance with federal and state law, support the development of national, regional and sub-regional offshore wind supply chains, as appropriate and to the extent possible.
- Collaborate to identify opportunities to address offshore wind vessel needs and support a strategy for developing capabilities to meet offshore wind targets.
- Collaborate to identify steel facility needs and pathways to boost U.S. production of steel for domestic offshore wind component manufacturing.
- Collaborate to identify opportunities to meet port infrastructure needs for offshore wind development.
- Identify other high priority national and regional offshore wind supply chain needs and collaborate on actionable plans to address those needs.
- Collaborate to help ensure development and offshore wind supply chain opportunities follow the federal Justice40 Initiative⁵ principles for environmental justice in Tribal Nations, low income and disadvantaged communities, consistent with federal and state laws and policies.

⁴ These are U.S. owned, built, crewed and flagged vessels

⁵ [Justice40 Initiative | Environmental Justice | The White House](https://www.whitehouse.gov/environmentaljustice/justice40/)
<https://www.whitehouse.gov/environmentaljustice/justice40/>

- Explore the potential to develop best practices for community benefits, engagement, and quality jobs in procurement of offshore wind supply chains, port capabilities, and investments in infrastructure; and
- Develop a shared procurement and leasing timeline, to the extent feasible under each state's relevant procurement authority, that outlines the anticipated timeframe and demand for offshore wind energy procurement in each state to the greatest extent practicable, as well as anticipated lease auctions, to create a comprehensive procurement and demand timeline for the U.S. East Coast.
- Using the procurement timeline, collaborate to refine the estimate of demand for vessels to service offshore wind construction and maintenance.

Consistent with their respective authorities and availability of resources, the federal agencies agree, in accordance with federal and state laws, to:

- Provide technical support for Partner Association Framework development and implementation.
- Identify relevant resources, where possible, to support capability development, potential incentives for adoption in the early stages of the framework implementation, and facilitate the establishment of offshore wind supply chain capacity.
- Investigate mechanisms for establishing consortia, or other similar vehicles, to address key offshore wind supply chain needs.
- Collate information on estimated procurement and leasing timelines, facilitating alignment where possible between leasing and procurement schedules, and work with States that have not yet developed timelines to identify their potential procurement timelines with an agreed estimate of uncertainty, and update on a periodic basis.
- Explore opportunities to support sub-regional supply chain clusters and the coordination of Partner Associations.

Consistent with their respective authorities and availability of resources, the States agree to:

- Support the development of the Partner Association Frameworks, in accordance with federal and state law and as determined by each state.
- For states that have an existing regional offshore wind supply chain agreement, the Partner States will submit a description of the existing agreement, including the structure of the agreement, ongoing activities, and future collaboration plans, within nine (9) to twelve (12) months from the Effective Date of this MOU.
- For states that do not have an existing regional offshore wind supply chain agreement, within nine (9) to twelve (12) months from the Effective Date of this MOU, the Partner States, consistent with applicable federal and state laws, will establish an outline of the proposed Regional Association Framework pursuant to this MOU, and a draft implementation plan to establish this framework. This plan will detail the structure for each Partner Association and will specify how sub-regional content will be developed and promoted within the association, steps for implementing this framework, and a timeline for implementation. The plan may identify existing strengths and capabilities, identify remaining gaps, and outline mechanisms for building a complementary supply chain. The content of the plan may include, but not be

limited to, existing and required facilities (including vessels where appropriate), workforce, and knowledge components, and detail how these aspects can be shared and maximized within the Partner Association. This implementation plan can suggest a phased approach to building the association if appropriate and agreed between all the Partner States within that association.

- To the extent allowable within existing federal and state laws and regulations, evaluate the benefits of domestically sourced steel and the use of Jones Act-compliant vessels dedicated for offshore wind projects within states' offshore wind-related solicitations.

Section VII: Specifications

Content Definition

The Parties, for the purposes of this MOU, further define the following terms, which appear in the content definition in the “Purpose” section:

- “Goods and materials” include Tier 1 to Tier 4 components, subcomponents, and materials throughout the production, fabrication, and/or assembly process associated with offshore wind development. This definition includes new investments, use of existing facilities and investments, and the inclusion of businesses and workforce within a given geographical area. Assemblies, subcomponents, and primary components manufactured within the area are included even if they are made using materials sourced outside of the geographical area.
- “Quality jobs” are those jobs that are characterized by alignment with prevailing wage and apprenticeship commitments (as appropriate); the number of jobs created and their longevity (including temporary and permanent); and investments in workforce development and training (including certifications and programming) to promote the development of a self-sustaining offshore wind industry.
- “Services” covers a range of activities within a given geographical area, such as technical assistance, business readiness, worker transportation and other worker-based support services, communications, surveys, construction, operations and maintenance, port facility support, vessel chartering, legal representation, and accounting associated with offshore wind development.
- “Infrastructure” includes the development of additional offshore wind supply chain infrastructure, such as marshalling, operations and maintenance, and manufacturing ports, factories, transmission infrastructure, vessels, onshore and offshore transportation, or related physical infrastructure. This definition excludes the goods produced by infrastructure, which is covered by Goods and Materials.
- “Research” covers investments in research, monitoring, and innovation, and includes projects that improve the understanding and knowledge base of key elements, ongoing surveys, and innovation in all aspects of the offshore wind industry.

National Priority Gaps

The Working Group has identified three high priority needs to address to accelerate offshore wind development. These are:

- A higher number of Jones Act-compliant vessels for offshore wind construction and operation.
- New and expanded port infrastructure development specifically for offshore wind.
- Expanded U.S. steel production to supply steel for offshore wind components.

Other nationally important gaps, identified by the Parties for potential collaboration in the near-term, include, but are not limited to:

- New and upgraded transmission infrastructure and the associated supply chain.
- Development of a supply chain for offshore towers.
- Workforce growth and development specifically related to diversity and union jobs, including training at regional hubs.
- Increased participation of Minority/Women-owned Business Enterprises and Service-Disabled Veteran-Owned Small Businesses.
- Generating and maintaining centralized resources, including a publicly available national supply chain and opportunities database and a repository of certification, qualification, and other requirements that supply chain companies need to qualify to work with established developers.
- Building a diverse domestic offshore wind supply chain, with a floating offshore wind supply chain to be developed in the future.

Section VIII: General Provisions

This MOU is a statement of the Parties' mutual intentions and is not a legally binding agreement.

This MOU does not commit any Party to act against or outside its existing statutory requirements or requirements of administrative items having the force of law.

This MOU does not create a contract, enforceable rights, or other legally enforceable commitment, nor does it obligate the Parties to any current or future expenditure of resources. Nothing in this MOU is intended or construed to obligate the federal agencies to commit or spend resources in advance of, or in excess of, the available appropriations from Congress. Nor does this MOU commit the federal agencies or states to spend funds in any particular way, even if funds are available.

This MOU in no way restricts the Parties from participating in any activity with other public or private agencies, organizations, or individuals. Nothing in this MOU is intended or construed to limit or in any way affect the authority or legal responsibilities of the individual states or the federal agencies. Nothing in this MOU is intended or construed to bind or enable states or federal agencies to act beyond their respective authorities.

Section IX: Term and Termination

This MOU will remain valid for a period of five (5) years from the Effective Date, unless extended beyond the 5-year period or terminated. This MOU may be extended or amended upon collective written unanimous agreement among the Parties. Any Party to this MOU may terminate participation in this MOU at any time through written notification to the other Parties.

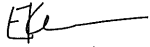
Section XI: Approvals

FEDERAL AGENCIES



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Principal Deputy Assistant Secretary, Energy Efficiency and Renewable Energy
U.S. Department of Energy



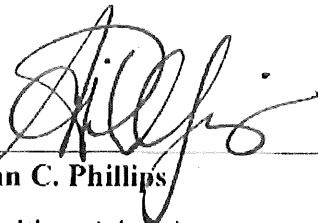
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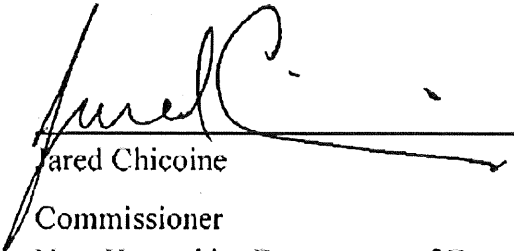
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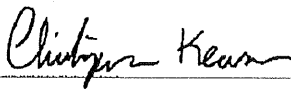


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