



## EU-U.S. Energy Council High-Level Business Forum on Offshore Wind Power

*27 April 2022, Atlantic City, New Jersey (United States)*

The EU-U.S. Energy Council concluded a [High-Level Business Forum on Offshore Wind Power](#) on 27 April 2022. It was co-led by the European Union (EU) Commissioner for Energy Kadri Simson and the United States Secretary of Energy Jennifer M. Granholm. It was the third business-to-business forum organized within the framework of the EU-U.S. Energy Council, and the first one ever on renewables. The previous sessions related to liquefied natural gas (2019) and small modular nuclear reactors (2020).

The Forum was held in conjunction with the April 26-28 International Partnering Forum (IPF) 2022 hosted by the Business Network for Offshore Wind (BNOW).

### **1. Context of the Forum**

The EU-U.S. Energy Council is the lead transatlantic coordination forum on strategic energy issues dealing with energy security, policies, and technologies between the EU and the United States.

As part of their respective climate change mitigation strategies, the EU and the United States both announced ambitious offshore wind power deployment goals for the year 2030: at least 60 gigawatts (GW) in the EU, and 30 GW in the United States. These are part of a longer-term ambition on both sides to become climate-neutral by 2050. EU-U.S. cooperation on offshore wind energy is one of the key priorities to accelerate market deployment and utilization of clean energy technologies and measures in the European Union and the United States as stated by President von der Leyen and President Biden in their Joint Statement of 25 March 2022. The EU-U.S. partnership in offshore wind can have important implications for the pace of deployment in the EU, in the United States, and across the globe.

The EU, with already 16 GW of grid-connected capacity from 76 offshore wind farms, is leading in offshore wind deployment and has important experience to share with its global partners. The U.S. offshore wind sector is in its early stages, with two offshore wind farms in operation to date but with a vibrant industry emerging in support of a growing project pipeline.

Challenges to offshore wind development include access to finance, cost, supply chain issues, insufficient clarity of future development plans, uncertainty in approval timeframes, availability of a skilled workforce, and grid transmission. As Europe and the United States face some of the same issues on their way to meet their respective offshore wind ambitions, the case for cooperation appears self-evident. Sharing best practices associated with aspects of offshore wind development can help development.

There is significant operational experience in Europe, covering planning, construction, operation, supply chain development, and transmission planning, while the United States brings experience in techniques developed through other offshore development that can be beneficial to offshore wind. In addition, promoting education about the compatibility of offshore wind with other sea users (e.g., commercial fishermen) and sharing evidence that offshore wind has a positive impact for stakeholders, including job

creation, and that negative impacts can be mitigated, could improve the social acceptability of projects in the United States as well as in the EU and elsewhere.

## **2. Aims of the EU-U.S. Energy Council High-Level Business Forum on Offshore Wind Power**

Under the auspices of the EU-U.S. Energy Council, the Forum aimed to facilitate discussions and direct engagement between EU and U.S. private sector and government leaders on policies needed to accelerate investment in offshore wind projects and the development of an offshore wind manufacturing base in the United States. The event, co-hosted by EU Commissioner for Energy Kadri Simson and U.S. Secretary of Energy Jennifer M. Granholm, promoted direct business-to-business conversations between EU and U.S. companies interested in collaborating to develop offshore wind projects on both continents.

With the backdrop of the Russian invasion of Ukraine, the Forum sought industry advice on advancing renewable, sustainable, and game-changing technologies to create the energy systems of tomorrow that cannot be weaponized. On this note, EU Commissioner for Energy Kadri Simson said, “*renewables are a centerpiece*” of the plan to “*bring our dependence on Russian energy to an end as soon as possible.*” U.S. Secretary of Energy Jennifer Granholm, quoting Ireland’s Minister for the Environment, Climate and Communications, Eamon Ryan, said, “*Perhaps renewable energy is the greatest peace plan this world has ever known.*”

## **3. Main Messages of the Forum**

There was a moderated discussion, and remarks were made by high level officials, from both the public and private sectors, from the United States and EU. The overarching message emphasized by multiple speakers was the value offshore wind plays in not only decarbonization for the United States and EU, but in strengthening the respective economies, ensuring energy security, and bolstering national security.

Participants noted the need for more predictable and efficient permitting timeframes to address some of the challenges faced by the industry, notably to accelerate deployment. Further discussion noted that collaboration is needed in research and development, and across the supply chain. The offshore wind sector needs to be built with intention, and through the power of partnership. Speakers encouraged further discussions and cooperation among all stakeholders from both sides of the Atlantic.

Within this context, participants made the following points:

### **European Union-Specific**

- The EU aims to increase its own target for renewable energy consumption to at least 40 percent by 2032 (to which the EU offshore ambitions of at least 60 GW offshore wind by 2030 and 300 GW by 2050 will contribute).
- The EU aims to create a well-functioning clean-hydrogen market where excess offshore wind power can be stored, to develop offshore wind in its five sea basins, and to streamline permitting across all Member States’ territories.
- A focus on financial/capital markets is needed to move investments forward. The EU is keen to share its knowledge and experience with partners, including on permitting (e.g., the EU’s one-stop shop solution), on grid planning, and on resilient and efficient supply chains.

### **United States-Specific**

- The U.S. aims to deploy 30 GW of offshore wind by 2030, which would unlock a pathway to 110 GW by 2050, with the objective to give certainty of timelines supporting:
  - Developing offshore transmission and upgrade grid connections.

- Partnering to finance key investments including new offshore wind installation vessels.
- Continuing to advance next-generation technologies and materials.
- Reducing the costs of offshore wind to 5 cents/kWh or less.
- Meeting the 30 GW by 2030 goal would spur \$12 billion in project capital investment annually, and require 2,100 turbines and substructures, 11,000 km of transmission cables, 5 wind turbine installation vessels, 10 feeder barges, 58 crew transfer vessels, 4 cable-lay vessels, and consequently substantial needs in materials.
- Such deployment is also expected to generate an outstanding number of jobs: around 49,000 new manufacturing jobs.
- The United States wants American companies to have access to the European goals and market, just as European companies want to have access to the American ones.

**Panel 1: Reaching America’s 30 GW by 2030 Offshore Wind Energy Goal: Perspectives from Investors**

This panel discussed challenges and potential barriers to offshore wind development, as well as the importance of community engagement. During the discussion, panelists suggested considering several best practices from Europe, such as those relating to permitting speed, auction design, regulatory reform, contracts, surety of demand (including long-term procurement strategies and penalties for not achieving climate targets), and leveraging in-house expertise. Some participants noted that while the technical end of the business can benefit from global experience, business operations may be better managed by local employees. It was also noted that there were some additional complexities to the U.S. process, including specific local content requirements and the regulations associated with U.S.-flag vessels.

Several challenges were discussed including:

- The development of the supply chain and the level of investment needed.
- How to ensure effective community engagement.
- The need for a long-term demand signal.

Community engagement is critical to project success. Panelists noted that they had success with a broad range of outreach and involvement, including:

- Stakeholder management.
- Early and frequent communication.
- Transparency.
- Maintaining dialog with small businesses within the supply chain.
- Helping small businesses integrate into the new industry.
- Holding job expos to build the workforce.
- Creating awareness of the local benefits to be gained from projects.
- Understanding the priorities for local communities, and how development can align with these priorities.
- Liaising with cities and tribes.

Ensuring environmental justice and an equitable distribution of advantages and burdens. Companies have pursued Memoranda of Understanding (MOUs) with labor and construction unions and committed to employing veterans and people from disadvantaged communities.

## **Panel 2: Advantages for Building an Offshore Wind Manufacturing Base Domestically as Part of the Global Supply Chain**

This panel discussed investment into the U.S. offshore wind supply chain and raised two key issues: the need for certainty, both in demand and in state and federal policy; and the growth of a domestic and transatlantic supply chain in an optimized way.

Within this context the following points were raised during the panel:

- The industry and supply chain need stable and predictable market demand, provided by power purchase agreements; the lease pipeline helps but is not enough to secure bank financing for infrastructure projects.
- The supply chain needs to grow in an optimized way, building on regional strengths so that it will last.
- A symbiotic supply chain spanning the U.S. and the EU markets would provide valuable resiliency to address changes in economic cycles, ensuring cost synergies, efficiencies and strengthening the competitiveness of the EU and U.S. offshore wind industrial players.
- U.S. industry and government can collaborate to build a just and diverse workforce and leverage the EU for training and transferable skills.
- There is a shared imperative for energy security.
- The United States can look to future investment growth, linking to hydrogen hubs and broader decarbonization.

Time is of the essence in stimulating a thriving U.S. offshore wind industry. U.S. governments and companies can benefit from the lessons learned in the EU over 20+ years, in order to achieve 30 GW of deployment in less than 8 years.

## **Panel 3: How EU-U.S. Commercial Partnerships Can Support the Development of Offshore Wind Projects Worldwide**

This panel discussed how U.S. and EU firms can work together effectively to leverage one another's expertise and build a sustainable supply chain ecosystem, and how U.S. and EU governments can help in the process.

Issues raised included critical knowledge transfer (e.g., sending U.S. employees to Europe for work experience and training), the need for politicians to lead (people want green energy), and necessary actions to create opportunities for collaboration at various governance levels (as illustrated by the North Sea Energy Cooperation in Europe).

Within that context, the following points were raised during the panel:

- Support from governments is needed to build regional economic development, which could include incentives for growth in adjacent states, and public-private partnerships for research and development.
- Developers need a sustainable supply chain.
- Knowledge transfer and training between U.S. and EU companies should be encouraged.
- Innovation will be accelerated if the United States develops a market that is open to new technologies, as has been the European experience where technology costs have decreased sharply over the past two decades and allowed for offshore wind projects to compete with fossil electricity generation.

It was also noted that manufacturers need a more sustainable pricing structure to secure offshore wind deployment without subsidies over the long term.

## 4. Annexes

### Annex 1: EU-U.S. Energy Council High-Level Business Forum on Offshore Wind Power Agenda

Master of Ceremonies: Giles Dickson, CEO, WindEurope

#### 1:15-1:20 p.m. – Welcoming Remarks

- Andrew Light, Assistant Secretary of Energy for International Affairs, U.S. Department of Energy

#### 1:20-1:40 p.m. – Moderated Discussion with Secretary Granholm and Commissioner Simson

- Jennifer Granholm, Secretary, U.S. Department of Energy
- Kadri Simson, Energy Commissioner, European Commission
- Moderator: Liz Burdock, President & CEO, Business Network for Offshore Wind

#### 1:40-2:00 p.m. – U.S. and European Commission High-Level Official Remarks

- Amanda Lefton, Director, Bureau of Ocean Energy Management
- Ditte Juul Jørgensen, Director-General, Directorate-General for Energy

#### 2:00-2:45 p.m. – Panel 1: Reaching America’s 30 GW by 2030 Offshore Wind Energy Goal: Perspectives from Investors

- David Hardy – CEO, Orsted Offshore North America
- Tristan Grimbert – President & CEO, EDF Renewables
- Robert Blue – CEO, Dominion Energy
- Damian Bednarz – Managing Director, Attentive Energy
- Moderator: Alejandro Moreno – Deputy Assistant Secretary for Renewable Power, U.S. Department of Energy

#### 3:00-3:45 p.m. – Panel 2: Advantages for Building an Offshore Wind Manufacturing Base Domestically as part of the Global Supply Chain

- Steve Dayney – Head of Offshore North America, Siemens Gamesa Renewable Energy
- Doreen Harris – President and CEO, New York State Energy Research & Development Authority
- Tim Sullivan – CEO, New Jersey Economic Development Authority
- Ketil Arversen – Vice President, Fred Olsen Windcarrier
- Moderator: Cristina Lobillo-Borerro – Director, European Commission Directorate General for Energy

#### 4:00-4:45 p.m. – Panel 3: How EU-U.S. Commercial Partnerships Can Support the Development of Offshore Wind Projects Worldwide

- Aaron Smith – CCO, Principle Power
- Laura Beane – President, Vestas North America
- Jan Kjaersgaard – CEO, Renewable Energy Offshore Wind Businesses, GE
- Pedro Azagra Blázquez – Chief Development Officer, Iberdrola; appointed to CEO of AVANGRID
- Moderator: Dr. Monica Gorman – Deputy Assistant Secretary for Manufacturing, U.S. Department of Commerce

4:45 – 5:00 p.m. – **Closing Remarks**

- Kelly Speakes-Backman, Principal Deputy Assistant Secretary for Energy Efficiency and Renewable Energy, U.S. Department of Energy
- Ditte Juul Jørgensen, Director-General, Directorate-General for Energy, European Commission

5:00 – 6:00 p.m. – **Networking Reception**

**Annex 2: Related Links**

- [EU-U.S. Energy Council](#)
- [EU Onshore and Offshore Wind](#)
- [EU strategy on offshore renewable energy](#)
- [U.S. Department of Energy Wind Energy Technologies Office](#)
- [U.S. Department of Energy WINDEXchange](#)
- [U.S. Department of the Interior - Bureau of Ocean Energy Management](#)
- [Biden Administration Jumpstarts Offshore Wind Energy Projects to Create Jobs](#)