



MEMORANDUM OF UNDERSTANDING

Among

Maryland, North Carolina, and Virginia

To Create the Southeast and Mid-Atlantic Regional Transformative Partnership for Offshore Wind Energy Resources (SMART-POWER)

THIS MEMORANDUM OF UNDERSTANDING (Memorandum) is made on this 29th day of October, 2020, by and among the State of Maryland, the State of North Carolina, and the Commonwealth of Virginia (“Signatory States”).

WHEREAS, N.C. Gen. Stat. § 147-12(a) authorizes the Governor of North Carolina to enter into a memorandum of understanding with other states; and Article V, Section 7 of the Constitution of the Commonwealth of Virginia and § 2.2-114 of the Code of Virginia authorize the Governor of Virginia to conduct intercourse and regulate official communication with other states; and

WHEREAS, offshore wind is a renewable energy resource that can help transition to a clean energy economy and reduce the emission of greenhouse gases and other harmful air pollutants; and

WHEREAS, the Signatory States recognize that offshore wind is a fast-growing global industry with the potential for economic development and job creation in the Mid-Atlantic and Southeast United States; and

WHEREAS, offshore wind is a clean and renewable energy resource with the net technical energy potential of approximately 900,000 gigawatt-hours a year and the net technical resource capacity of approximately 245 gigawatts (GW), along the Signatory States’ coasts; and

WHEREAS, there is an offshore wind project pipeline of more than 27 GW in the Atlantic Coast and the U.S. Department of Energy projects that the nation has the potential to develop 86 GW of offshore wind projects by 2050; and

WHEREAS, developing the aforementioned Atlantic Coast offshore wind project pipeline could support up to 86,000 jobs, \$57 billion in investments, and provide up to \$25 billion in economic output by 2030; and

WHEREAS, the Signatory States have committed to procure at least 6.8 GW of offshore wind project capacity; and

WHEREAS, the development of a robust offshore wind industry and energy market in the Mid-Atlantic and Southeast United States can benefit from enhanced interstate coordination; and

WHEREAS, a collaborative regional effort to evaluate offshore wind and ancillary infrastructure projects can increase regulatory certainty, encourage manufacturing of component parts, reduce project costs through supply chain development, and promote synergy between industry and the Signatory States; and

WHEREAS, the Signatory States possess resources and assets, such as deepwater ports and transportation infrastructure, top-tier universities and research institutions, and highly trained workforces to support the offshore wind industry and supply chain to efficiently develop along the Atlantic Coast.

NOW, THEREFORE, the Signatory States hereby establish the Southeast and Mid-Atlantic Regional Transformative Partnership for Offshore Wind Energy Resources (“SMART-POWER”).

Purpose

This Memorandum outlines the framework under which Signatory States will cooperatively promote, develop, and expand offshore wind energy generation and the accompanying industry supply chain and workforce.

Activities

Signatory States will undertake the following actions:

1. Offshore Wind Projects and Supply Chain: Cooperatively advance the rapid deployment of offshore wind energy projects along the coast of Signatory States and communicate with the other Signatory States as to the development and expansion of regional offshore wind supply chain assets;
2. Regulatory Certainty: Reduce administrative burdens on the offshore wind industry by clarifying, streamlining, and aligning, where appropriate, state regulatory requirements related to construction and installation of offshore wind projects;
3. Regional Assets: Identify, evaluate, and promote Signatory States’ assets and resources for offshore wind deployment, including vital infrastructure, qualified workforce, research universities, and training programs;
4. Regional Promotion: Promote the Mid-Atlantic and Southeast United States as an offshore wind energy and industry hub;
5. Best Practices: Share information and best practices about regulatory processes and requirements, military compatibility, environmental and natural resources protection, workforce training, public engagement, competing uses, community

and stakeholder interests, including those of anglers and boaters, and other agreed upon topics;

6. Federal Relations: Coordinate communications with the federal government, including the U.S. Departments of Commerce, Defense, Homeland Security, and Interior;
7. Partnerships: Partner and collaborate, where appropriate, with offshore wind stakeholders, including manufacturers, supply chain and industry representatives, nongovernmental organizations, the military, academic institutions, training centers, utilities, and local governments.

Process

1. The Signatory States agree to form a SMART-POWER Leadership Team, comprised of a senior official and at least one other representative from each Signatory State. Each state's governor will designate the state's senior official authorized to represent the state, and the senior official will designate other representatives.
2. The Leadership Team will meet at least quarterly to provide regular updates, discuss its actions, and define objectives for the subsequent quarter.
3. Any project, activity, or initiative of SMART-POWER shall receive consensus approval from all Signatory States before it is executed. The Leadership Team will report annually, beginning a year after enactment of this agreement, to the governor of each Signatory State on its activities, progress, and future strategies to execute this Memorandum.

Nonbinding Agreement

1. This Memorandum is only a statement of the parties' mutual intentions and is not a legally binding agreement.
2. This Memorandum is intended only to enhance and strengthen the working relationships of the Signatory States in order to implement the actions in support of this Memorandum.
3. This Memorandum does not create a contract or other legally enforceable commitment, nor does it obligate the Signatory States to any current or future expenditure of resources.
4. No Signatory State will make an official statement on behalf of any other Signatory State or on behalf of SMART-POWER without express prior written authorization.
5. It is mutually understood that any Signatory State may, at any time at the State's sole discretion, discontinue participation in this Memorandum or reject any proposals developed by the Leadership Team.
6. This Memorandum may be amended by collective written unanimous agreement of the authorized representatives of the Signatory States.

7. Other Mid-Atlantic and Southeast states committed to the conditions described above may sign on to this Memorandum with the express approval of all Signatory States.
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Governor Larry Hogan
Maryland



Governor Roy Cooper
North Carolina



Governor Ralph Northam
Virginia