

NEW YORK STATE GOES EVEN BIGGER ON OFFSHORE WIND

Hodgson Russ Renewable Energy Alert
January 13, 2021

On January 13, 2021, Governor Andrew Cuomo of New York State announced by far the largest offshore wind award set by any state in U.S. history, picking two projects that together are expected to provide 2,490 megawatts (“MWs”) of capacity and more than 2,500 good-paying jobs. This announcement, resulting from the New York State Energy Research and Development Authority’s (“NYSERDA”) “Round 2” solicitation, positions New York as the undeniable center of gravity for the burgeoning U.S. offshore wind industry, which is expected to accelerate even faster in 2021 with support from the incoming Biden administration.

The awarded projects – Empire Wind II (1,260 MWs) and Beacon Wind (1,230 MWs) – were both proposed by Equinor, the large Norwegian energy company (formerly Statoil). Equinor’s press release regarding these awards is [here](#), and Equinor’s publicly available proposal document, which outlines the projects, is available [here](#). As part of Equinor’s proposal, it promised to build out the South Brooklyn Marine Terminal facility, creating 1,200 jobs and what could be the largest offshore-wind focused port facility in the United States; and also to base turbine construction operations at the Port of Albany, supporting 500 jobs and injecting significant investment into that upstate region. Equinor’s plan to use the Port of Albany is on top of its commitment to use the Port of Coeymans, just downstream on the Hudson River from Albany, to construct its gravity-based foundations for the Empire I project.

These projects are in addition to New York’s “Round 1” projects that totaled 1,696 MWs: the Empire I Project, in development by Equinor, and Sunrise Wind, in development by Orsted and Eversource, the contracts for which were finalized in October 2019. Together, all four projects will contribute more than 4,000 MWs of capacity to the State’s mix, significant progress after only two solicitations to the State’s 9,000 MW requirement for projects online by 2035 and a major boost to the State’s concerted effort to clean its downstate electricity system, the vast majority of which is currently powered by fossil fuel generation.

Attorneys

Joseph Endres
Michael Hecker
Elizabeth Holden
Charles Malcomb
Paul Meosky
Aaron Saykin
Daniel Spitzer
Jeffrey Stravino
Brianna Szopinski
William Turkovich
Sujata Yalamanchili
John Zak
Henry Zomerfeld

NEW YORK STATE GOES EVEN BIGGER ON OFFSHORE WIND

Next steps for these projects will be the negotiation of offshore wind renewable energy credit (“OREC”) contracts with NYSERDA, pursuant to the Public Service Commission’s April 23, 2020 [Order](#), and submission of a Construction and Operation Plan (“COP”) for consideration and approval by the Bureau of Ocean Energy Management (“BOEM”) within the U.S. Department of the Interior.

While further details of the awards are still to be rolled out, it is expected that contract negotiations between Equinor and NYSERDA will proceed apace this winter, with finalization of those contracts in the coming months. Equinor will also commence even more extensive efforts to prepare its COP and line up workforce and supply agreements, among the range of other project development tasks. Commercial operation of these projects is expected in the mid-2020s, in plenty of time to contribute to the State’s requirement under the 2019 Climate Leadership and Community Protection Act of 70 percent renewable energy consumption by 2030.

As more information becomes available, we will continue to provide insights into the future of these projects and New York’s offshore wind industry more broadly. For more information about the Hodgson Russ Renewable Energy Practice, please don’t hesitate to reach out to Noah Shaw (518.736.2924), Dan Spitzer (716.848.1420) or Mila Buckner (646.218.7658).

If you received this alert from a third party or from visiting our website, and would like to be added to our Renewable Energy alert mailing list or any other of our mailing lists, please visit us [HERE](#).