

Senate Energy and Natural Resources Committee

Max Taylor 271-1403

HB 682, relative to the office of offshore wind industry, the offshore and port development commission, and the office of energy innovation.

Hearing Date: April 3, 2025

Time Opened: 10:15 a.m.

Time Closed: 10:50 a.m.

Members of the Committee Present: Senators McConkey, Pearl, Watters and Rosenwald

Members of the Committee Absent : Senator Avard

Bill Analysis: This bill:

I. Removes the office of offshore wind industry development from the office of energy innovation.

II. Repeals the offshore wind industry workforce training center committee and the offshore and port development commission.

III. Moves the grid modernization advisory council and the hydrogen advisory council to the office of energy innovation.

Sponsors:

Rep. Harrington

Rep. Bernardy

Rep. Notter

Rep. D. Thomas

Rep. Potenza

Rep. Sabourin

Rep. Khan

Rep. McGrath

Who supports the bill: Representative JD Bernardy (District 36), Representative Douglas Thomas (District 16), Representative Kelley Potenza (District 19), Representative Matt Sabourin dit Choinière (District 30),

Who opposes the bill: Nick Krakoff (CLF), Meredith Hatfield (The Nature Conservancy), Brendan Faherty (CERES), DJ Burke

Who is neutral on the bill: Josh Elliot (NH DOE)

Summary of testimony presented in support:

Representative JD Bernardy
Rockingham County District 36

- Representative Bernardy testified on behalf of Representative Michael Harrington, the prime sponsor of HB 682.
- He explained the bill would rename and refocus the Department of Energy's Office of Offshore Wind Industry and Energy Innovation as the Office of Energy Innovation, expanding its mission beyond offshore wind to include solar, hydrogen and nuclear, battery storage, and other emerging technologies.
- He stated the bill does not eliminate offshore wind from consideration but instead broadens the department's scope to avoid overreliance on a single, problematic energy source.
- He cited ISO-New England's concerns about regional grid reliability and energy resource retirement by 2030, noting that ISO has expressed skepticism about offshore wind as a primary solution due to intermittency and high costs.
- Representative Bernardy explained that while typical energy costs range from \$36-\$39 per megawatt-hour, fixed offshore wind platforms cost about \$150 per megawatt-hour, and floating platforms, such as the one proposed for the Gulf of Maine, would be even more expensive.
- He noted that ISO-New England estimates the region would need up to 16 gigawatts of dispatchable backup power if offshore wind became a dominant energy source, leading to significant additional costs.
- Representative Bernardy highlighted recent project cancellations, including Vineyard Wind 2 project and New Jersey's Atlantic Shores, both abandoned due to rising costs and financial penalties, even though those projects used fix platforms, not the more costly floating platforms under consideration for New Hampshire.
- He raised concerns about the environmental impacts of offshore wind, especially in the Cashes Ledge area of the Gulf of Maine, which he stated is a critical spawning ground for regional fisheries.
- He explained that offshore rectifiers would require chlorinated seawater cooling, leading to the discharge of heated, chlorinated water into marine ecosystems. Additionally, he stated protective blade coatings used on turbines may flake off and] release toxins into the ocean.
- He stated that the Bureau of Ocean Energy Management has acknowledged these issues and proposed only financial compensation for environmental damage, rather than mitigation measures.
- Representative Bernardy stated that HB 682 would allow the state to prioritize technological diversity, support energy innovation more broadly, and reduce economic and environmental risks associated with an overemphasis on offshore wind.

**Representative Matt Sabourin dit Choinière
Rockingham County District 30**

- Representative Choinière testified in support of HB 682, arguing that offshore wind technology is inefficient and unpopular with the American public.
- He referenced an executive order from January 2024 that temporarily withdraws all areas of the Outer Continental Shelf from offshore wind leasing.
- He noted that Maine’s Public Utilities Commission placed a research lease on hold at the request of a bidder, highlighting the uncertainty of offshore wind development.
- Representative Choinière stated that during his campaign, he spoke with many constituents and had not encountered a single person who supports offshore wind development in the Gulf of Maine.
- He expressed concerns about the potential impact of commercial activity along New Hampshire’s coastline, referencing the breakage of a wind turbine blade near Nantucket that disrupted commerce last summer.
- Additionally, he expressed concerns about the negative impacts of offshore wind development on the Gulf of Maine’s ecosystem, noting that wind wakes and sediment plumes could block sunlight needed for phytoplankton to grow.
- He highlighted that electric fields from underwater cables could disrupt the breeding grounds of fish and shellfish, harming New Hampshire’s fishing industry.
- He noted that New Hampshire is the only state where cabling from offshore wind projects would make landfall, which places the state and its coastal communities at higher risk.

**Representative Kelly Potenza
Strafford County District 19**

- Representative Potenza expressed her support for HB 682, but urged the committee to expand the bill through an amendment that would go further in dismantling the state’s offshore wind efforts.
- She explained that she had introduced a separate bill in the House that would have not only eliminated the Office of Offshore Wind Industry and Energy Innovation, but also banned the landing of offshore wind transmission cables in New Hampshire, particularly in Portsmouth, Rye, and Seabrook, where she said the Gulf of Maine project could potentially make landfall.
- Representative Potenza described the state’s offshore wind planning process as a wasteful and unaccountable use of taxpayer dollars, referencing years of hearings with no public minutes or notices and a lack of checks and balances since the office was created. Additionally, she highlighted an upcoming report that will detail mismanagement and conflicts of interest within the offshore wind process.

- She criticized the project as offering no benefit to New Hampshire, calling offshore wind the worst approach to energy development, and characterizing it as a destructive threat to the ocean floor and local fisheries.
- Representative Potenza warned that if offshore wind is allowed to proceed, it would destroy New England's fishing industry, harm local restaurants and coastal businesses, as well as irreversibly damage the seacoast economy.
- She noted that local fisherman and area business owners have been speaking out against offshore wind for years but have struggled to gain attention in the media.
- She also referenced concerns related to battery storage projects and shutdown of the Portsmouth coal plant, suggesting that these are part of a broader trend of energy decisions made without adequate public input or accountability.
- Representative encouraged the committee to expand the bill by prohibiting transmission cable landings and fully dissolve offshore wind planning authority in order to protect property rights, local industries, and the environment in New Hampshire.

Summary of testimony presented in opposition:

Meredith Hatfield

The Nature Conservancy

- Ms. Hatfield stated The Nature Conservancy has concerns with HB 682 in its current form, specifically about the bill's elimination of the Office of Offshore Wind Industry and Energy Innovation, which she said is premature given the potential benefits of offshore wind.
- She emphasized that The Nature Conservancy is a science-based global nonprofit working on marine habitat protection, biodiversity, and climate change mitigation, and supports the responsible development of well-sited offshore wind as part of a diverse clean energy portfolio.
- Ms. Hatfield noted that while offshore wind currently faces significant challenges, New Hampshire should remain engaged in regional discussions to ensure the state is positioned to benefit from potential economic, environmental, and workforce opportunities.
- She stated that participation in regional offshore wind planning could bring substantial investments in port and transmission infrastructure community benefits agreements, fisheries compensation, and environmental mitigation, even if New Hampshire does not directly procure the energy.
- She expressed concern that removing the office could mean New Hampshire loses its seat at the table in negotiations that impact the state's fisheries and marine resources.

- She raised specific concern about Section 8 of the bill, which appears to strike the involvement of the Department of Environmental Resources Coastal Program from offshore wind planning. She argued the Coastal Program has added value to past discussions and should remain a participant to ensure that fisheries and marine ecosystems are protected.
- Ms. Hatfield also opposed language in Section 6, which strikes the ability to use the Renewable Energy Fund for offshore wind initiatives.
- She argued that if offshore wind projects continue under the renamed Office of Energy Innovation, Renewable Energy Fund administrative funds should still be available to support that work, rather than shifting costs onto ratepayers.
- She voiced support for Senator Watters' concern that repealing RSA 485-I:6,II could conflict with another section that requires the Public Utilities Commission to comply with that statute. She recommended preserving or revising the statute to avoid inconsistencies and to protect the state's ability to pursue mitigation funding or engage in coastal protection efforts related to offshore wind development.
- Ms. Hatfield stated that lawmakers should prioritize flexibility for the state, in order to remain engaged in offshore wind and marine policy discussions, and to ensure funding mechanisms remain intact.

Neutral Information Presented:

Josh Elliott

New Hampshire Department of Energy

- Mr. Elliott stated the Department of Energy is neutral on HB 682, which would rename and restructure the Office of Offshore Wind Industry and Energy Innovation into the Office of Energy Innovation, broadening its focus beyond offshore wind to include other emerging technologies.
- He explained the bill does not eliminate offshore wind from the department's mission, but instead de-emphasizes its exclusive focus,, while still allowing New Hampshire to participate in regional discussions about offshore wind development in the Gulf of Maine.
- Mr. Elliott stated the bill allows New Hampshire to continue engaging with other states and stakeholders including fishing communities, to ensure that state interests are protected if offshore wind projects move forward.
- He stated that other than changing the name to the Office of Energy Innovation, the bill would remove duties that exclusively relate to offshore wind and consolidate related advisory bodies, including the Grid Modernization Advisory Group and the Hydrogen Advisory Council, into the new office to ensure a more consistent and centralized approach to innovation.

- He emphasized that this consolidation would avoid “piecemealing” responsibilities across the department and allow for more coordinated planning and analysis.
- Senator Watters asked whether adding specific advisory duties to the bill, such as port facility assessments, economic impact analysis, supply chain, and workforce development, might be helpful to retain flexibility in future offshore wind-related decisions.
 - Mr. Elliott responded that such tasks would likely already fall under the office’s advisory role, even without being explicitly listed. However, he had no objection to including them if the legislature desired greater specificity.
- Senator Watters asked about the importance of preserving New Hampshire’s eligibility for coastal program funding to support mitigation studies and protect fisheries, given that steel is already in the water and lease contracts are finalized for offshore wind development.
 - Mr. Elliott deferred the question to the Department of Environmental Services, noting that they are better positioned to speak on implications to coastal program funding.
- Senator Watters raised a concern about a conflict in the bill’s statutory references. He pointed out that the bill repeals RSA 485-I:6, II, but in Section 7 the bill directs the Public Utilities Commission to comply with RSA 485-I:6. He asked if the bill should be revise this section rather than outright repeal that statute to avoid inconsistencies.
 - Mr. Elliott reviewed the highlighted sections and stated he would need to take another look and review the language with DES staff and legislative counsel.

Ted Diers

Assistant Director of the Water Division, New Hampshire Department of Environmental Services

- Mr. Diers testified that the Department of Environmental Services is neutral on HB 682, as it has consistently remained agnostic on the value of offshore wind, focusing instead on ensuring that New Hampshire has a voice in federal offshore decisions, particularly in federal waters where the state lacks direct jurisdiction.
- He explained the department has a long-standing goal of preserving state sovereignty and ensure that New Hampshire can participate in decisions made by federal agencies, especially as they relate to the Gulf of Maine.
- Mr. Diers stated that removing the provision related to RSA 45-I:6, II, which supports federal consistency authority and the coastal program, would not prevent DES from continuing studies or reviewing projects. He explained DES

can still request studies, mitigation plans, and ensure compliance with state law when federal permits affect state waters.

- He explained the Coastal Program’s federal consistency review authority is what allows DES to influence federal decisions on offshore development when there is a connection to state resources, such as fisheries, cables crossing into state waters, or marine ecosystems.
- He emphasized that having enforceable state policies strengthens the state’s position in federal consistency reviews, which allows New Hampshire to contribute meaningfully in negotiations about federal offshore activities.
- Senator Watters asked whether eliminating the reference to RSA 485-I:6, II, in one section while directing the Public Utilities Commission to comply with the statute in another, created a conflict.
 - Mr. Diers did not directly confirm the contradiction but suggested that removing the section would weaken, though not eliminate, the state’s influence in future offshore wind permitting.
 - He stated that he supported the suggestion to revise rather than repeal the provisions, especially to preserve DES’s ability to represent fisherman and protect economic interests.
- Senator Watters asked whether offshore wind developers were still looking to bring cables ashore in New Hampshire.
 - Mr. Diers stated that it is unclear if cables would be brought onto shore, because lease agreements only allow companies to conduct studies, not build turbines.
 - Mr. Diers explained there are no turbines expected in the Gulf of Maine for at least 10 years, and that much research remains incomplete, including mapping of the ocean floor, which is essential to evaluating environmental impacts and planning cable routes.
- Senator Watters asked whether DES would need access to mitigation studies, especially regarding cable impacts on fisheries, and whether mapping is a necessary first step.
 - Mr. Diers confirmed that basic environmental data and mapping are critical for valuing resources and determining appropriate mitigation.
 - Mr. Diers stated that DES would continue to advocate for these studies regardless of the bill, but retaining existing provisions helps ensure that New Hampshire retains a seat at the table in regional and federal negotiations.