

Office of **Representative Hannah E. Kane**Commonwealth of Massachusetts

CONTACT: Sophia Flionis, 617-722-2810

sophia.flionis@mahouse.gov

FOR IMMEDIATE RELEASE March 3, 2022

Rep. Kane supports bill to promote offshore wind development and job creation in Massachusetts

BOSTON – State Representative Kane (R- Shrewsbury) recently supported a clean energy bill that offers incentives to expand offshore wind procurement and to promote more competition and job creation within the industry.

House Bill 4515, *An Act advancing offshore wind and clean energy*, was engrossed by the House of Representatives on a vote of 144-12 on March 3. The bill now moves to the Senate for its consideration.

Representative Kane said the House bill establishes new tax incentives and programs, which will be administered by the Massachusetts Clean Energy Center (MassCEC), to encourage offshore wind companies to submit competitive proposals. This includes the creation of an Offshore Wind Industry Investment Trust Fund that will provide tax incentives, grants and loans, and assist offshore wind companies by covering up to 50% of the costs associated with connecting to the power grid.

Under the House proposal, MassCEC will partner with the Department of Revenue to develop industry tax incentives and will be authorized to provide up to \$50 million in incentives annually. Representative Kane noted these incentives will include a refundable jobs income tax credit and a refundable jobs corporation tax credit for taxpayers who have committed to creating at least 50 net new permanent full-time positions in Massachusetts.

House Bill 4515 also implements career training and educational programs to better position Massachusetts residents for careers in the offshore wind industry. It requires the Department of Elementary and Secondary Education (DESE) and the Executive Office of Labor and Workforce Development (EOLWD) to develop a pilot program for offshore wind training to prepare students for high-skill and high-demand jobs within the wind industry.

Representative Kane said the House bill removes language contained in an earlier version of the legislation that would have increased the monthly rate charge on electric bills for promoting renewable energy from 30 cents to 90 cents. Instead, the bill redirects the current monthly electric charge to the Offshore Wind Industry Investment Trust Fund and implements a charge of 14.65 mill per therm on gas customers to support the Renewable Energy Trust Fund, with this language remaining in place until 2032.

House Bill 4515 also calls for loosening the current procurement cap which requires each successive wind proposal to be less expensive than the previously selected bid. The bill allows the Department of Public Utilities (DPU) to reject a bid as uncompetitive if only one company submits a bid and it is more expensive than the previous procurement. However, if two or more companies submit bids that are more expensive than previous procurements, DPU cannot reject them as uncompetitive. Instead, other factors contained in the bids will be

taken into consideration, such as economic development, employment commitments, financial and technical assistance in supporting wildlife and habitat monitoring, firm energy delivery, and energy storage pairing.

Representative Kane noted that House Bill 4515 contains protections designed to minimize the impacts the offshore wind industry will have on marine fisheries and wildlife. It also includes language, added via an amendment adopted during floor debate, allowing the Department of Energy Resources to use federal funds when selecting proposals for transmission procurements.

###