



City of New Bedford  
Jonathan F. Mitchell, Mayor

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## P R E S S   R E L E A S E

### **Mayor Testifies Before Legislature in Support of Local Jobs and Offshore Wind Energy Industry**

**New Bedford, Massachusetts**—New Bedford Mayor Jon Mitchell will testify this morning before the Massachusetts Legislature Joint Committee on Telecommunications, Utilities and Energy in opposition to proposed state legislation that would introduce large quantities of Canadian hydropower into the energy market which would likely stifle the development of the Commonwealth’s offshore wind industry.

Mayor Mitchell is advocating for modifications of the proposed bill that would prioritize local energy production and job creation and include a reasonable carve out for offshore wind energy. He said the bill in its current form would lead to the state’s clean energy requirements being met almost entirely by out-of-state or international energy sources – not Massachusetts-based clean energy industries such as offshore wind.

“By adopting reasonable revisions, this legislation can help Massachusetts do it all, achieve our ambitious and necessary clean energy goals, meet future energy demand and protect ratepayers through a diverse supply of clean energy sources – all while fostering substantial local job creation through the development of offshore wind and other locally produced sources of clean energy,” said Mayor Mitchell

*[Mayor’s Testimony attached]*

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**Jon Mitchell  
Mayor, City of New Bedford**

**Testimony before the Joint Committee  
on Telecommunications, Utilities and Energy**

**Tuesday, April 8, 2014**

**[remarks as prepared]**

Chairmen Downing and Keenan, I thank you for the opportunity to comment on House Number 3968, and its importance to Greater New Bedford and Massachusetts's emerging offshore wind industry. I support the overall goals of the bill, and I applaud the foresight of this committee and Governor Patrick to invest in renewable energy development in order to secure a cleaner, more stable future for the Commonwealth. We all recognize that it will take a comprehensive approach to get it right: an approach that grows jobs in Massachusetts, protects ratepayers, and ensures grid stability in the years ahead.

Nevertheless, I do not support the current version of this bill – nor do New Bedford’s regional partners. As currently conceived, the bill would lead to the state’s clean energy requirements being met almost entirely by out-of-state or international energy sources – not Massachusetts-based clean energy industries such as offshore wind. In my view, if our investment in clean energy comes with an uptick in utility rates in the short term -- as it inevitably will – the extra we will ask of rate payers should, to the greatest extent possible, be reinvested back into Massachusetts. Otherwise, we would fail to maximize Commonwealth’s return on investment, and would risk that this bill will become – to be blunt – a full employment act for Canadian hydropower.

The current bill also threatens the Commonwealth’s nascent offshore wind industry. The consensus among industry observers is that without a buyer for domestic clean energy, the private sector will not develop the abundant wind resources off our coast. This would mean that the industry, which has yet to settle on the location of its

investments on the East Coast, will gravitate toward states like Maryland, which at this point is ahead of Massachusetts in its commitment to purchase power from offshore wind. By failing to seize the opportunity now to invest in what can, and ought to become an indigenous Massachusetts industry, we can be assured that the investment will go elsewhere.

I do not believe, however, that the bill is beyond redemption. With reasonable amendment, it can pivot from being a threat, to a substantial opportunity, to spur the development of the offshore wind industry in Massachusetts – an industry that is poised to tap abundant and renewable energy sources off our coast that would diversify our state’s energy supply, meet future energy demand as regional power plants come offline, ensure grid reliability, and strengthen our energy security through domestic production.

We believe that the bill should be amended to ensure that locally produced Class 1 Renewable Portfolio Standard sources such as offshore wind are not crowded out by Canadian hydropower and other

imported sources of energy. We believe that local energy production and job creation should be prioritized. Specifically, I believe that the bill's clean energy commitment should include a reasonable carve out for offshore wind energy. By committing now to offshore wind generation as part of the Commonwealth energy portfolio, we will raise our return on public investment and ensure that Massachusetts can compete in an industry in which it is ready to excel in the decades ahead.

This is another occasion for Massachusetts to lead the way through wise, targeted investment in an emerging industry in which we have inherent competitive advantages. The Commonwealth is a national leader in life sciences in part because we chose to make substantial investments in our human capital assets and key technologies to drive innovation and growth. We can follow this successful path in the development of the offshore wind industry, an emerging industry like the life sciences industry, in which Massachusetts should lead the pack.

Abundant natural resources can put Massachusetts in the driver's seat in the American offshore wind industry. According to the National Renewable Energy Laboratory, the federal waters south of Martha's Vineyard contain up to ten gigawatts (GW) of wind energy potential. To put this in perspective, the Department of the Interior states that one GW of power can supply electricity to approximately 250,000 homes. The Bureau of Ocean Energy Management (BOEM), within the Department of the Interior, has begun holding the first ever commercial leases for offshore wind development along the east coast. BOEM has already leased two Wind Energy Areas, the joint Massachusetts and Rhode Island area, as well as the Virginia wind energy area with additional commercial leases planned in Maryland, New Jersey and Massachusetts later this year. The potential to tap all of this energy potential is beginning to take shape.

The Port of New Bedford is poised to become the hub of this industry. We are the closest industrial port to the vast wind energy areas south of Martha's Vineyard. As the largest commercial fishing

port in America, we have the maritime infrastructure and workforce necessary to support the industry's needs. The New Bedford Wind Energy Center, the only municipal agency in America devoted to offshore wind development, has developed a national reputation for its industry expertise. And through the leadership of Governor Patrick and the legislature, the Commonwealth is constructing the New Bedford Marine Commerce Terminal – the first purpose built terminal for offshore wind in America. The terminal is more than halfway complete, and early next year this terminal will put Massachusetts residents to work assembling the first commercial scale offshore wind farm in our nation's history.

The potential for offshore wind to generate economic growth is not fanciful. It is being now being realized on the other side of the Atlantic. Over the last twenty years, Europe has installed more than two thousand offshore wind turbines that provide clean, renewable energy to millions of homes and businesses – while supporting nearly sixty thousand jobs. I have seen this success firsthand. Last year I led a

trade mission of thirty-two government and business leaders to the port cities of Bremerhaven and Cuxhaven, Germany – now New Bedford’s sister city – to understand how economic transformation can occur as a result of offshore wind development with a working waterfront and a strong fishing industry. Both of these port cities, that look and feel similar to New Bedford, had suffered decades-long periods of economic decline. Through strategic public investments, both cities have had an economic revitalization thanks in large part to the development of offshore wind, attracting hundreds of millions of dollars in private investment and creating thousands of new jobs.

And it is important to add that the job growth wasn’t limited to those cities. In the state of Bremen, which is roughly the size of Massachusetts, some 25,000 jobs have been created in the last ten years. My point is that the potential for job growth associated with offshore wind could benefit not just New Bedford, but the entire Commonwealth.



With a reasonable carve out for offshore wind energy, this bill would create the long-term market certainty needed for the industry to invest in Massachusetts. By establishing a transparent mechanism through which wind projects would openly compete for power purchase agreements, the legislation would go a long way to ensure that ratepayers are getting their money's worth.

Massachusetts has made substantial investments in clean energy. This bill should be designed to build upon these important investments. This is a moment to accelerate, not tap the brakes, on our momentum towards a job creating clean energy economy. By adopting reasonable revisions, this legislation can help Massachusetts do it all, achieve our ambitious and necessary clean energy goals, meet future energy demand and protect ratepayers through a diverse supply of clean energy sources – all while fostering substantial local job creation through the development of offshore wind and other locally produced sources of clean energy.

New Bedford and our regional partners stand ready to work with

the Committee to refine the bill, and ensure that it maximizes the Commonwealth's investment and creates lasting job opportunities for our residents.