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BLOG

U.S. Congress to Request Study of Offshore Wind Vessel Availability

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On May 15, 2019, the U.S. Senate Committee on Commerce, Science, and Transportation included an offshore wind-related amendment in the pending Maritime Administration Authorization and Enhancement Act which the Committee reported favorably for Senate consideration. The amendment was offered by Sen. Edward J. Markey of Massachusetts and accepted by the Commerce Committee in a mark-up of the MARAD authorization bill without debate.

The amendment, if it becomes law, will require the Secretary of Transportation, in consultation with the Secretary of Interior and the Secretary of Energy, to submit a report to Congress within six months of enactment on vessel availability and needs. The MARAD authorization bill has historically been included in the Department of Defense authorization bill which usually becomes law prior to the beginning of the new fiscal year on October 1.

Specifically, the report is to assess the need for vessels "to install, operate, and maintain emerging offshore energy infrastructure, including offshore wind energy." The report must include an inventory of currently available vessels that have the potential "to install, operate, and maintain such emerging offshore energy infrastructure," to project the need for additional vessels over the next ten years, and to make "policy recommendations to ensure the vessel capacity to support such emerging offshore energy."

Although the United States has been a world leader in offshore oil and gas development, offshore renewable development has largely occurred elsewhere. However, the U.S. is poised for substantial growth with 13 existing commercial leases off the U.S. East Coast from Massachusetts to North Carolina in various stages of permitting and more leases to be offered in the coming months. Major international renewable energy development companies are among the leaseholders, and European companies with significant experience in the construction and operation of offshore wind farms are entering the U.S. market.

Which vessels will be utilized for construction and maintenance of U.S. offshore wind farms is affected by the application of the Jones Act, a law and related laws that restrict U.S. domestic maritime commerce to qualified U.S. registered (*i.e.* U.S.-flag) vessels. Although much is known from oil and gas administrative precedents and two offshore wind administrative precedents regarding the application of the Jones Act, many issues remain. Presumably, the Secretary of Transportation will address some of these issues in order to assess current and future vessel needs.

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