

# NORTH CAROLINA OFFSHORE WIND DEVELOPMENT

## CAROLINA LONG BAY LEASE AUCTION

### Statements of Facts and Fundamental Values

The State of North Carolina supports the responsible development of offshore wind (OSW) energy projects on the outer continental shelf (OCS). The State welcomes the Carolina Long Bay Area lease auction on May 11, 2022 and offers this document summarizing North Carolina's strong policy and business environment for the development OSW projects and supply chain manufacturing. North Carolina encourages qualified bidders to take advantage of the bid credit option and invest in domestic workforce training and supply chain development consistent with the fundamental values described in this review.

North Carolina is committed to working with bidders/lessees to help identify options for investing bidding credits that provide for workforce training, supply chain development, and infrastructure opportunities that support and facilitate OSW project development and energy production. Furthermore, North Carolina will work with bidders/lessees as they navigate state laws and policies, permitting and regulatory requirements, and other considerations.

### FOR MORE INFORMATION, CONTACT:

Jennifer Mundt, *Assistant Secretary for Clean Energy  
Economic Development*

Jennifer.Mundt@nccommerce.com | (919) 441-7430



NORTH CAROLINA  
**DEPARTMENT of  
COMMERCE**

# NORTH CAROLINA OFFSHORE WIND DEVELOPMENT – CAROLINA LONG BAY LEASE AUCTION

## STATEMENTS OF FACTS AND FUNDAMENTAL VALUES

### Facts

#### Supportive Policy Environment

- Offshore wind is a clean energy resource that can be deployed towards achieving the utility carbon emissions reductions (70% by 2030, carbon neutral by 2050) required by the bipartisan *Energy Solutions for North Carolina* legislation ([House Bill 951](#)) Governor Cooper signed into law on October 13, 2021.
- Pursuant to [Executive Order \(E.O.\) 218](#), signed on June 9, 2021, the State of North Carolina is committed to (i) develop 2.8 gigawatts (GW) of OSW energy by 2030, and 8.0 GW by 2040, and (ii) secure the economic and workforce opportunities OSW can provide the State.
- Pursuant to [E.O. 80](#) and [E.O. 246](#) (signed October 29, 2018, and January 7, 2022, respectively), North Carolina is committed to addressing climate change and transitioning the State to a clean energy, net-zero greenhouse gas emissions economy by 2050. Sec. 2 of E.O. 246 directs State Agencies (and encourages Cabinet Agencies) to incorporate environmental justice and equity considerations and benefits into all facets of their work.

#### Strong Workforce

- Pursuant to the [2021 First in Talent Strategic Economic Development Plan for the State of North Carolina](#), the Department of Commerce is committed to creating inclusive opportunities that prepare the State's workforce for success and build competitive communities to grow and attract a talented workforce and businesses.

#### Strong Business Environment

- Year after year, North Carolina is recognized for its pro-business environment: #1 state for business (Forbes, 2017, 2018, and 2019); lowest corporate tax in the U.S. (2.5%); and #2 top competitive state and state business climate (Site Selection, 2018 and 2020).
- North Carolina has integrated physical infrastructure assets, including two seaports, four international airports, the country's largest consolidated rail system, and highways that connect nearly 180 million people within one days' drive.
- According to the [2021 Report Building North Carolina's Offshore Wind Supply Chain](#), North Carolina has the #1 manufacturing GDP on the East Coast and is ranked 5<sup>th</sup> in the nation.
- North Carolina boasts the largest manufacturing workforce in the southeast (more than 475,000).
- North Carolina has 53 colleges and universities and a 58-campus community college system that confer more than 158,000 post-secondary degrees and certificates each year, with at least 29,000 in STEM fields.

### Fundamental Values

For potential lessees that commit to bidding credits for the benefit of workforce training and/or domestic supply chain development, the State prefers contributions made in support of existing programs or the establishment of new programs or incentives associated with the planning, design, construction, operation, maintenance, or decommissioning of OSW projects or the manufacturing or assembling of their components in North Carolina, as follows:

- **Contribution to employment:** Where feasible, the State prefers projects that create additional employment and training opportunities for North Carolinians and in the larger SMART-POWER region.
- **Contribution to economic development:** Where feasible, the State prefers projects that create economic development opportunities and investments for North Carolina and the larger SMART-POWER region.
  - **Just and equitable economic development:** Where feasible, the State prefers projects that foster and demonstrate commitments to diversity, equity, and inclusion as they pertain to employment, procurement, and contracting opportunities for minorities, women, veterans, individuals with disabilities, and other historically disadvantaged groups.
  - **Investments:** Where feasible, the State prefers investments in the domestic supply chain that support North Carolina's OSW industry; workforce development; ports and other landside infrastructure; research; and innovation.
- **Community and equity considerations:** Where feasible, the state prefers (i) investments and economic development activities made to directly benefit potentially underserved communities in north carolina (census block groups that meet certain racial/ethnicity and poverty census thresholds [which can be identified using the DEQ NC community mapping system](#)) and (ii) the identification of direct benefits to low-income and energy-burdened ratepayers without adding costs.
- **Environmental and socioeconomic considerations:** to the extent practicable, the state prefers projects that mitigate environmental and natural resource impacts, including impacts to commercial and recreational fishing industries, potentially underserved communities, and wildlife.
- **Communication and outreach:** the State reiterates its commitment to ongoing communication and engagement with all stakeholders (including Native American Tribes, fisheries interests, local and regional officials, and underserved communities) and prefers developers with demonstrated commitments to the same.
- **Demonstrated record of success:** to meet the State's goals for carbon emissions reductions and OSW energy development within the timeframes articulated in North Carolina statutes, executive orders, and Utilities Commission orders, and to advance affordable clean energy, the State prefers developers with demonstrated relevant experience and expertise to successfully develop, finance, construct, and operate an OSW energy project.