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New Winds Blowing through Virginia

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VIRGINIA OFFSHORE WIND
DEVELOPMENT AUTHORITY



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Recent Developments

- Governor Ralph Northam issued a new energy plan for Virginia
- Virginia Legislature Enacts the “Grid Transformation and Security Act (SB 966)”
- The State Corporation Commission approves the CVOW Project
- BVG Associates issues report on Supply Chain for Virginia



New Virginia Energy Plan

- Issued in 2018 and calls for the following:
 - At least 3,000 MW of 5,000 MW of solar and wind resources deemed in the public interest under SB 966 (the Grid Transformation and Security Act) by 2022
 - Support for the 12 MW offshore wind demonstration project (CVOW) and a goal to develop the full 2,000 MW of offshore wind by 2028
 - Increasing utility-funded energy efficiency programs to \$100 million per year for Dominion Energy and expanding state-sponsored efficiency programs
 - Comprehensive evaluation of energy storage technologies
 - Development of a comprehensive electric vehicle transportation plan
- For more details, see:
<https://www.governor.virginia.gov/media/governorvirginiagov/secretary-of-commerce-and-trade/2018-Virginia-Energy-Plan.pdf>

Enactment of the Grid Transformation and Security Act of 2018 (SB 966)

- Signed into law by Gov. Ralph Northam on March 9, 2018
- Declares 5,000 MW of wind and solar to be in the public interest
- Included \$200M in rate credits for Dominion customers for past overpayments and \$10M for Appalachian customers
- Nearly \$1.2B in energy efficiency spending and low-income energy assistance over the next decade
- Requires the utilities to pass thru to ratepayers savings from federal tax reforms
- [Dominion Energy commits to 3,000 MW of new solar and wind](#)—enough to power 750K homes—under development or in operation by the beginning of 2022—and has issued an RFP for up to 500MW of solar and onshore wind—responses due December 13, 2018, and March 14, 2019

State Corporation Commission Approves the Coastal Virginia Offshore Wind (CVOW) Project as in the Public Interest

- [CVOW is a two-turbine 12 MW demonstration project](#) developed by Dominion Energy for an area leased to Virginia's Dept. of Mines, Minerals and Energy for research some 27 miles from the coast of Virginia—potentially the first OSW project in federal waters
- CVOW (formerly VOWTAP) consists of two turbines to be built and managed by Ørsted (EPC contractor) to begin operating in December 2020
- The estimated cost of the project is \$300M and will serve 3,000 customers
- The State Corporation Commission found that, while the project puts the costs on the ratepayers, the project was in the public interest because the legislature so declared it to be under SB 966
- Predicate to Dominion's developing the larger WEA



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Virginia Issues a Roadmap for the OSW Supply Chain in Virginia

- DMME contracted with BVG associates to analyze Virginia’s role in the OSW industry
- The report was issued at the end of 2018 and is titled: [“The Virginia Advantage: The Roadmap for the Offshore Wind Supply Chain in Virginia”](#)
- The report calls for:
 - Establishing a regional supply chain collaborative with neighboring states;
 - Creating a Virginia Office for Offshore Wind;
 - Soliciting anchor tenant suppliers; and
 - Expanding workforce development opportunities—estimated 14,000 related jobs
- The report was endorsed and released by Gov. Northam and proposals are pending with the General Assembly to fund the new Office for Offshore Wind



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Conclusions

- Virginia is moving slowly but steadily to develop its offshore wind resources
- The Northam Administration is supporting this push towards renewable energy
- New state legislation forced the SCC to approve the CVOW project
- Dominion is working to implement the new state law with a series of RFPs
- Virginia is reaching out to neighboring states to collaborate and to NYSERDA to be part of its R&D consortium





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