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**NEW YORK OFFSHORE WIND ALLIANCE COMMENTS FOR THE JOINT
LEGISLATIVE BUDGET HEARING ON ENVIRONMENTAL CONSERVATION /
ENERGY**

January 28, 2026

Introduction

NYOWA greatly values New York’s commitment to the offshore wind industry and the work already done to evolve offshore wind solicitations, derisk projects, and make the State a leader in renewable energy development. While the offshore wind industry is facing significant uncertainty in the U.S. market, we strongly recommend that New York remain steadfast in its commitment to developing offshore wind to support its statutory emissions reduction goals, resource adequacy, and grid reliability needs. We strongly urge the State to continue working towards its 9 GW mandate from the Climate Leadership and Community Protection Act (CLCPA) and use this time of federal permitting uncertainty to build on past progress by evolving its procurement processes, planning and building out transmission infrastructure, and revitalizing New York’s ports and manufacturing industries.

New York is home to America’s first commercial-scale offshore wind farm, South Fork Wind, that currently powers 70,000 homes on Long Island. New York also has two large-scale projects under construction, Empire Wind and Sunrise Wind, that will deliver power to 500,000 homes and 600,000 homes, respectively. Both projects are on schedule and expected to come online at the end of 2026. New York is leading the United States in offshore wind development and will benefit from a more reliable grid, stable electricity prices, and cleaner air as more offshore wind power comes online.

Who We Are

NYOWA is an initiative of the Alliance for Clean Energy New York (ACE NY) and consists of a broad and diverse coalition of partner organizations. Our collective mission is to promote policies that will lead to the responsible development of offshore wind in the Atlantic Ocean off the coast of New York State. NYOWA is guided by a Steering Committee that includes both not-for-profit and for-profit entities, including: ACE NY, Vineyard Offshore, Bluepoint Wind, Ørsted, RWE Renewables, Equinor Renewables, the National Wildlife Federation (NWF), the Natural Resources Defense Council (NRDC), Sierra Club, and the Special Initiative on Offshore Wind (SIOW).

Background

A recent report conducted by Aurora Energy Research, *Meeting New York's Energy Needs: Offshore Wind Study*, shows that offshore wind is the only feasible and affordable technology to provide utility-scale power generation to downstate New York. New electricity generators are necessary as existing generators retire and demand continues to grow. In addition, offshore wind is uniquely situated to serve the largest coastal load centers in the State where there are also significant land, siting, and transmission constraints that make other energy sources more challenging to develop.

Offshore wind also offers price stability for the long-term by offering fixed contracts for at least 20 years. This is unlike other sources of energy, particularly fossil fuels, which often have volatile price swings. These prices are comparable to other technologies while also bringing significant external benefits like new economic development, union job creation, grid resiliency, and reduced costs of climate change impacts. Most notably, the Offshore Wind Study found that if all three of New York's contracted offshore wind projects had been online, ratepayers would have saved \$77 million in electricity costs in **one cold winter month**.

Further, offshore wind is reliable. New York is home to America's first commercial-scale offshore wind farm, South Fork Wind. This 12-turbine, 132 megawatt (MW) offshore wind farm powers 70,000 homes on Long Island. In its first year of operation, South Fork Wind has proven to be a dependable energy source, with offshore wind energy production at its highest during the winter months, when the winds are strongest and most consistent and demand for heat is high.

South Fork Wind provides insight into the significant benefits the offshore wind industry brings to New York.¹ For example, the project executed 173 supply chain contracts, created 1,000 jobs, invested \$29 million through its host community agreement, and provides many environmental benefits. In addition, the data from South Fork highlights some very positive generation and reliability information from the U.S. EIA and the NYISO to showcase the strong and consistent wind resources available off the U.S. East Coast, which resulted in:

- 53% net capacity factor during the first half of 2025 (46.4% annual net CF);
- 92% of time generating electricity during the first half of 2025;
- A steady generation profile throughout the day that rises in the afternoon when New York needs to meet peak daily load; and

¹ See One year of South Fork Wind at <https://us.orsted.com/renewable-energy-solutions/offshore-wind/south-fork-wind-report>.



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- Particularly strong performance (87.4% net capacity factor) when the grid needed it most during a heat wave from 6pm-9pm on June 24, 2025, when temperatures pushed New York’s electricity demand to critical levels, triggering a Major Emergency declaration by the NYISO.

The chart below describes the current projects under construction, Empire Wind and Sunrise Wind. Both projects feature 25-year contracts at fixed electricity prices - reducing energy price volatility and lowering electricity bills over time. Together, the projects are expected to satisfy 10 percent of New York City and Long Island’s combined electricity demand, powering over 1 million NY homes by adding over 1.7 GW to New York’s grid.

In addition, Empire Wind and Sunrise Wind are supporting more than 7,500 U.S. construction, manufacturing, and shipbuilding workers across the U.S., including already logging approximately 2 million New York union labor hours. Over a hundred companies in the U.S. are supporting these projects and Orsted and Equinor have invested in the creation of over 20 new U.S.-flagged vessels, which will be added to the U.S. Jones Act compliant fleet Finally, the projects, in total, will invest over \$2.5 billion in New York’s economy by 2030.

| | Empire Wind | Sunrise Wind |
|---------------------------------|---|------------------------------|
| Point of interconnection | Brooklyn, NY (New York City) | Brookhaven, NY (Long Island) |
| Capacity | 810 megawatts (MW) | 924 megawatts (MW) |
| NY homes powered | 500,000 | 600,000 |
| Permitting status | Fully permitted - final federal approvals received after many years of studies | |
| Construction status | Both projects are in advanced stages of construction and are scheduled to begin delivering energy to the grid in 2026 | |

Despite this success, offshore wind has faced significant hurdles and developers have taken on significant risk to build these projects. It is paramount that the State uses this time during federal permitting delays to rebuild its offshore wind procurement process to ensure future solicitations alleviate the risk, focus on flexible contracting to guarantee adaptability to the ever-changing landscape, and prioritize thoughtful planning for transmission upgrades that ultimately save ratepayers money. As a relatively new industry, there are lessons learned from the first three contracted projects that should be incorporated into any future procurement cycles. Therefore, NYOWA submits the following top priorities for the record.



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NYOWA's Top Priorities for 2026

We strongly recommend that New York remain steadfast in its commitment to developing 9 GWs of offshore wind to support its climate goals and reliability needs. If New York's commitment to the offshore wind industry remains and is demonstrated through clear market signals, investors will be more likely to maintain confidence in the market. We believe the following will best prepare New York for the next generation of offshore wind projects and to work towards its climate law.

Offshore Wind Procurement Reform

It is paramount that the State uses this time to rebuild its offshore wind procurement process to ensure future solicitations alleviate the significant risk offshore wind developers face, focus on simplified, flexible contracting to guarantee adaptability to the ever-changing landscape, and establish a cost-sharing mechanism through NYSERDA to derisk projects at the earliest stages. We recommend the legislature supports ongoing efforts at NYSERDA to reduce risks to the offshore wind procurement process.

Planned and Coordinated Transmission Development

The State should reconsider offshore wind transmission planning to initiate transmission development for New York City before generation projects come online. This strategic sequencing reduces risk and cost and continuing the process in a scaled, phased form will preserve flexibility and show commitment to long-term clean energy goals. Supporting transmission investments has benefits beyond allowing offshore wind to come online and will support grid resiliency in the face of rising electricity demand. Large transmission infrastructure investments will also benefit ratepayers; instead of individual projects paying for transmission upgrades and baking these costs into their strike prices, coordinated transmission investments will offer savings by upgrading the grid at scale.

Continued Investment in Offshore Wind for New York

State investments must be maintained and allow NYSERDA to support targeted, early-stage development activities of offshore wind projects such as pre-permitting or surveying activities, onshore transmission development derisking, and assistance with siting and interconnection costs. If funded now, this will accelerate future projects and reduce costs to



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ratepayers. This will ensure that progress continues, the state avoids years of delays to future projects, and past investments are not squandered.

We greatly appreciate the opportunity to engage in public input during the FY 2027 NYS Budget process.

Thank you,

/s/ Alicia Gené Artessa, Esq. and Master in Environmental Law and Policy

Director, New York Offshore Wind Alliance