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SENATE BILL NO. 1349

Offered January 14, 2009

Prefiled January 14, 2009

A *BILL to amend the Code of Virginia by adding in Title 2.2 a chapter numbered 60, consisting of a section numbered 2.2-6000, relating to the South Atlantic Offshore Wind Energy Infrastructure Development Compact.*

Patrons—Wagner and Cuccinelli

Referred to Committee on Privileges and Elections

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Title 2.2 a chapter numbered 60, consisting of a section numbered 2.2-6000, as follows:

CHAPTER 60.**SOUTH ATLANTIC OFFSHORE WIND ENERGY INFRASTRUCTURE DEVELOPMENT COMPACT.****§ 2.2-6000. Form of compact.**

The General Assembly hereby enacts and the Commonwealth of Virginia hereby enters into, the South Atlantic Offshore Wind Energy Infrastructure Development Compact in the form substantially as follows:

Article I.**Policy and Purpose.**

The party states recognize that in order to reduce energy dependency there is a need to fully explore the use of all energy sources. It is the policy of the party states to undertake such cooperation on a continuing basis; it is the purpose of this compact to provide the instruments and framework for such a cooperative effort to improve the development of offshore wind energy infrastructure and operations with the objective of contributing to greater energy independence and improving the individual and community well-being of the citizens of the party states.

Extensive regional coordination among decision-makers from different sectors including but not limited to regulators, utilities and project developers, is required for the most efficient use of investment capital and available energy resources. If states act independently in planning the development of their offshore wind resources, there are likely to be "boom and bust" effects on local economic development in the party states. In addition, coordinated planning is essential to develop an appropriate offshore electric power cable transmission network, to which offshore wind projects can interconnect without each project having its own power cable to shore, in order to minimize potential conflicts with other ocean users and to minimize the number of cable shore crossings and attendant environmental impacts in the environmentally sensitive coastal zones of each of the party states. Finally, collaborative research is needed to accurately model the Mid-Atlantic and southeastern offshore wind resource, which spans multiple states, and its interaction with the electric utility grid, which also spans multiple states.

Article II.**Agreement.**

The Commonwealth of Virginia and the States of Delaware, Maryland, North Carolina, South Carolina, and Georgia agree, upon the adoption of this compact:

1. To study, develop, and promote coordinated research and planning of the design, construction, utility interconnection, financing, and operation of offshore wind energy infrastructure and operations directly adjacent to the shores of the party states;

2. To coordinate efforts to establish offshore wind energy infrastructure and operations at the federal, state, and local governmental levels;

3. To advocate for federal funding to support the establishment of offshore wind energy infrastructure and operations directly adjacent to the shores of the party states to receive federal funds made available for offshore wind energy infrastructure and operations;

4. To provide funding and resources to the South Atlantic Offshore Wind Energy Infrastructure Development Board from funds that are or may become available and are appropriated for that purpose; and

5. To cooperate with the United States Department of Energy or any agency successor thereto, any other office or agency of the United States, and any other governmental unit or agency or officer thereof, and with any private persons or agencies in any of the fields of its interests.

Article III.**The Board.**

59 A. There is created an agency of the party states to be known as the "South Atlantic Offshore Wind
60 Energy Infrastructure Development Board" (hereinafter called the Board). The Board shall be composed
61 of five members from each party state, one of whom shall be appointed or designated in each state to
62 represent (i) the governor, (ii) the state senate, (iii) the state house of representatives, (iv) the offshore
63 wind academic research community, and (v) the electric utility industry. Each member shall be
64 designated or appointed in accordance with the law of the state that he represents and shall serve and
65 be subject to removal in accordance with such law. Any member of the Board may provide for the
66 discharge of his duties and the performance of his functions thereon (either for the duration of his
67 membership or for any lesser period of time) by a deputy or assistant, if the laws of his state make
68 specific provisions therefor.

69 B. Each party state shall be entitled to one vote on the Board, to be determined by majority vote of
70 each member or member's representative from the party state present and voting on any question. No
71 action of the Board shall be binding unless taken at a meeting at which a majority of all party states
72 are represented and unless a majority of the total number of votes on the Board are cast in favor
73 thereof.

74 C. The chairman of the Board shall be chosen by members of the Board from among its membership
75 for a term of one year, and shall alternate between the member states.

76 D. The Board shall meet at least twice each year at a location agreed upon by the party states.

77 E. The Board may utilize, for its operations and expenses, funds appropriated to it therefor by the
78 legislatures of the party states. The Board may accept for any of its purposes and functions under this
79 compact any and all donations and grants of money, equipment, supplies, materials, and services from
80 any state or the United States or any subdivision or agency thereof, or interstate agency, or from any
81 institution, person, firm, or corporation, and may receive, utilize, and dispose of the same.

82 F. The Board annually shall make to the governor of each party state a report covering the activities
83 of the Board for the preceding year and embodying such recommendations as may have been adopted
84 by the Board, which report shall be transmitted to the legislature of each state. The Board may issue
85 such additional reports as it may deem desirable.

86 Article IV.

87 Severability and Construction.

88 The provisions of this compact shall be severable and if any phrase, clause, sentence, or provision of
89 this compact is declared to be contrary to the constitution of any participating state or of the United
90 States or the applicability thereof to any government, agency, person, or circumstance is held invalid,
91 the validity of the remainder of this compact and the applicability thereof to any government, agency,
92 person, or circumstance shall not be affected thereby. If this compact shall be held contrary to the
93 constitution of any state participating therein, the compact shall remain in full force and effect as to the
94 remaining states and in full force and effect as to the state affected as to all severable matters. The
95 provisions of this compact shall be liberally construed to effectuate the purposes thereof.

96 2. That this act shall become effective upon its enactment by the Commonwealth of Virginia and
97 three of the other five member states named in Article II of the first enactment of this act.