

## BP Says US Offshore Wind Industry Fundamentally Broken

- Cost pressures and permitting delays require reset: Dotzenrath
- BP is among companies to post impairments on US wind projects

By [Laura Hurst](#)

November 1, 2023 at 7:19 AM EDT

The US offshore wind industry is “fundamentally broken” due to cost pressures and permitting delays, according to a top executive at [BP Plc](#).

“There’s a fundamental reset needed,” but issues can be fixed, Anja-Isabel Dotzenrath, BP’s head of gas and low-carbon energy, said Wednesday at an FT conference in London.

Soaring costs and rising interest rates are worsening a crisis in the offshore wind industry, which is vital to slowing global warming. BP’s pretax impairment charge of \$540 million – related to the development of wind parks offshore from New York – is one of a number of writedowns across the sector.

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BP said it’s working with its partner Equinor SA on “options for their US offshore wind projects to mitigate the effect of inflationary pressures and permitting delays.” Last month, New York regulators rejected a proposal for higher rates to offset surging costs.

While the current environment is “choppy,” wind power contracts are being adjusted to reflect rising costs, Dotzenrath said on the sidelines of the conference. And offshore wind remains the fastest growing sector within renewable energy, she said.

“There are not enough turbines around the world” to supply all these projects, Dotzenrath said.

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