

Section II. CZM Rule Regulatory Amendments and Consideration of the National Interest in Energy Production

The Obama Administration has made it clear that clean energy is a priority. On June 8, 2010, Secretary of the Interior Ken Salazar, Governor Chris Christie and the governors of Maine, New Hampshire, Massachusetts, Rhode Island, New York, Delaware, Maryland, Virginia and North Carolina signed a Memorandum of Understanding establishing the Atlantic Offshore Wind Consortium which is intended to “promote the efficient, orderly and responsible development of wind resources on the Outer Continental Shelf.” Under the agreement, the Consortium will develop an action plan that sets forth priorities, goals, specific recommendations and steps for achieving the objectives outlined in the MOU. In addition to the Consortium, the United States Department of Interior is working with local, state, tribal and federal stakeholders to facilitate the leasing process for offshore renewable energy facilities through intergovernmental task forces. New Jersey’s Task Force was established in late 2009.

The American Recovery and Reinvestment Act included more than \$80 billion in clean energy investments, \$6.3 billion of which went to state and local renewable energy and energy efficiency efforts. New Jersey’s State Energy Program received approximately \$73.6 million to promote energy conservation, lower energy demand and reduce dependence on imported oil.

New Jersey adopted a new Energy Master Plan in October 2008 (see <http://www.state.gov/emp>). The Energy Master Plan includes a number of challenges that the State must address, including New Jersey’s increasing contribution to global warming. The Energy Master Plan seeks to address this challenge in a number of ways. One goal of the Energy Master Plan is that the State meets 30 percent of its electricity needs from renewable sources by 2020.

“Renewable energy provides the State with an opportunity to produce electricity that does not contribute to greenhouse gas emissions, and relies on renewable and most of the time free fuel sources such as wind and solar.” (New Jersey Energy Master Plan at p. 12) To achieve this goal, the Energy Master Plan calls for at least 3,000 megawatts (MW) of offshore wind capacity, 200 MW of onshore wind capacity, and 2,120 gigawatt hours (approximately 1,800 MW) of solar energy production.

On April 20, 2010, Governor Christie outlined his energy policy for New Jersey making renewable energy a key component to New Jersey’s economic recovery and growth. To that end, the Governor has directed the NJ Board of Public Utilities President to revisit the State’s Energy Master Plan. According to the Governor’s press release, he envisions the Energy Master Plan as a map that guides New Jersey to predictable energy prices, lower overall energy costs and a reduction in energy use. The Governor’s policy includes increasing “home grown” energy sources including wind and solar energy, particularly offshore wind energy.

Facilities that produce electric power are defined as development under the Coastal Area Facility Review Act (CAFRA), N.J.S.A. 13:19-1 et seq., and are therefore regulated when proposed in the CAFRA area. In addition, development of such facilities is regulated under the Waterfront Development Law, N.J.S.A. 12:5-3 depending on the proposed location. To assist the State in

meeting the ambitious renewable energy goals described above and furthering the Obama Administration's focus on clean sustainable energy, the Department has adopted regulatory amendments to facilitate review and construction of wind turbines and solar panels and in appropriate locations, thereby furthering the national interest in renewable energy production.