September 16, 2019

NJ BPU President Joseph L. Fiordaliso
New Jersey Board of Public Utilities
44 S. Clinton Avenue
Trenton, NJ 08625

Dear President Fiordaliso,

On behalf of the Business Network for Offshore Wind, a nonprofit organization dedicated to building the offshore wind industry and supply chain in the U.S., I want to thank you and Governor Murphy for your committed leadership to offshore wind, which is reflected in the Draft Energy Master Plan.

Please note that we also intend to do an in-depth review of the upcoming New Jersey Offshore Wind Strategic Plan (OWSP) due out later this month, so we will provide more detailed comments to that plan at that time.

This Energy Master Plan (EMP) is dramatically different from earlier EMPs of the previous administration, and we are pleased with its overall direction. However, the EMP is by definition a blueprint, a vision for the future, and so we would be pleased to see higher offshore wind program goals to make sure we hit the ultimate goal of 100 percent clean energy by 2050.

In our comments, we will be primarily focusing on Goal 2.2: Develop 3500MW of offshore wind power by 2030, and addressing the question raised in your Stakeholder Meeting Notice, Strategy 2, Question 7:

*New Jersey is currently targeting the installation of 3500MW of offshore wind generation by 2030, but there is likely room for much more growth. Can New Jersey achieve more? Why or why not, and if so, how much is feasible? What concerns and barriers must we address in developing this resource?*

As Section 2.21 of the plan points out, “U.S. Department of Energy estimates the existing and proposed federal lease areas located off the coast of New Jersey could support up to 12.5GW of offshore wind energy, using a very conservative power density ratio.” We agree, and propose the following expansion of the state’s offshore wind energy program:

- Increase the offshore wind goal of 3500MW by 2030, taking into account these and other factors.
  - 90 percent of New Jersey’s power currently comes from nuclear and gas
  - The aging and retirement of existing generation facilities, especially nuclear
  - Grid access interconnection sites along the Jersey shoreline
  - Grid stability and PJM/utilities’ ability to add offshore wind capacity
  - The parallel growth of other renewable technologies like solar, storage and conservation to balance and complement offshore wind power
  - The evolution of EV transportation use and increased demand for clean electricity
  - Ocean spatial analysis, including a possible move to increase power output density, i.e., the ability to generate more power from the same footprint.

- Based on these points, we encourage the addition of more solicitations to New Jersey’s schedule of Requests for Proposals (RFPs) that currently include 1200MW in 2020 and 2022. The industry would applaud a detailed and predictable plan, for example by continuing with 1200MW in 2024 and 2026 to
ensure a steady pipeline of offshore wind projects into 2030 and beyond, which will encourage developers, manufacturers and Tier 1 suppliers to invest in the NJ offshore wind marketplace.

- We agree that milestones can and should be set up to 2035 and all the way to 2050 to ensure that the program stays on course and offshore wind power hits its interim numbers on the way to its high-level goals.

- One other possibility for increasing the pace of offshore wind development and increasing competition would be follow New York’s lead and increase the 2020 solicitation to 1600MW and award two 800MW procurements, so that we could possibly have three developers and three projects in New Jersey waters at that point. This would help continue to drive down costs, and also provide more opportunities for local NJ businesses.

- New Jersey should consider the sharing of offshore wind power from some of the “New York” Wind Energy Areas proposed for the NY Bight like Hudson South because of their proximity to the northern coast of New Jersey, and plan for additional New Jersey Wind Energy Areas further east off the New Jersey coastline.

We believe that the falling costs and improving technologies in our industry make this program expansion both feasible and a good value for New Jersey’s taxpayers and ratepayers.

In section 2.2.1, we also support the Plan’s statement that New Jersey needs to protect its renewable energy programs and goals from unfair policies and practices from FERC and PJM Interconnect that would limit the access of clean energy technologies to hooking into the grid. In fact, NJ BPU should encourage utilities to partner with offshore wind developers so that offshore wind farms connect to the existing grid in an efficient and cost-effective manner.

Regarding section 2.2.2, we appreciate the Plan’s recognition of the importance of the offshore wind supply chain, and the development of tools like the NJ Supply Chain Registry and Offshore Wind Tax Credit. Similarly, we agree with the emphasis on job training in section 2.2.3, and look forward to supporting the development of the WIND Institute and the workforce needs assessment.

Thank you, again, for your commitment to developing the offshore wind energy industry in New Jersey. We look forward to continuing to work with you and your team.

Sincerely,

Liz Burdock
Executive Director