New Jersey Offshore Wind

BOEM Intergovernmental Taskforce on Offshore Wind
November 28, 2018
New Jersey is committed to 3,500 MW by 2030 – the largest commitment in the US
New Jersey offers access to the largest and most competitive offshore wind lease area in the U.S.

Existing Federal Lease Areas: Equinor, US Wind, Orsted and GSOE I (>500,00 Acres) 5GW *

Existing Federal Lease Plus Proposed WEAs Hudson North And Hudson South (est 800,000 Acres) 8GW*

NY Bight Proposed Leases positively support New Jersey's offshore wind goals and solicitation schedule.
New Jersey Offshore Wind Solicitation Schedule:

- **Round 1:** 1,100 MWs OREC Application Window Open by 2018
  Decision by July 2019 – COD / Operational by 2024

- **Round 2***: 1,200 MWs OREC Application Window Open by 2020
  Decision by July 2021 - COD / Operational by 2026

- **Round 3***: 1,200 MWs OREC Application Window Open by 2022
  Decision by July 2023 - COD / Operational by 2028

3,500 MWs of Installed Offshore Wind Capacity by 2030

*As Called for Governor Murphy on September 13, 2018. To be approved by the New Jersey Board of Public Utilities.
New Jersey’s Offshore Wind Solicitation Strategy

Scale of Offshore Wind Lease Areas
just as important as the number of offshore wind leases to ensure both competition and sufficient economies of scale to drive down costs and OREC price.
New Jersey Offshore Wind Solicitation for 1,100 MW:

• Consistent with OWEDA and Executive Order No. 8
• Unanimously Approved by the Board September 17, 2018
• Application Window Open: September 20 – December 28, 2018
• 300 MW – 1,100 MW Bid Size
• 400 MW Mandatory Bid for All Applicants for Price Comparison
• **Net Economic and Environmental Benefits Required (OWEDA)**
• Multiple Bids per OSW Developer will be accepted
• Environmental Protection Plan and Economic Development Plan required
New Jersey Offshore Wind Solicitation for 1,100 MW:

Six primary criteria:
1) OREC purchase price
2) economic impacts for the state
3) ratepayer impacts
4) environmental impacts
5) strength of the guarantees of economic impacts
6) likelihood of successful commercial completion

Ultimately, we want to encourage not just the lowest cost but the best value for New Jersey.
Offshore Wind Strategic Plan:

The Offshore Wind Strategic Plan shall focus on critical components of offshore wind development, including achieving scale to reduce costs, job growth, supply-chain businesses, workforce development, data collection, and appropriate siting of facilities, and shall ensure that natural resources are protected throughout the development and operational stages of offshore wind energy production.

(Executive Order No. 8)
New Jersey Comments on BOEM Proposed Wind Energy Areas (WEAs)

Based on the Draft Wind Energy Areas Discuss:

a. Potential impacts to NJ stakeholders
b. Provide areas to meet anticipated energy demands/goals
c. Provide areas which are feasible for development
New Jersey Comments on BOEM Proposed Wind Energy Areas (WEAs)
BOEM Notes that all these areas are used by some fishermen; Commenters request lease design facilitate ability to fish; Build into lease requirements the need for turbine layouts to accommodate fishing; Surf Clam/Ocean Quahog: BOEM Removed virtually all of Fairways N/S and Hudson North. **Hudson South** suggested areas for least conflict. **Scallop:** Least conflicted middle of Hudson N; Western part of Hudson.
New Jersey Comments on BOEM Proposed Wind Energy Areas (WEAs)

**BOEM Notes that Mitigation Measures are Key:** Requirement that cables with NY Bight WEAs be buried at a full 6 ft depth at bathymetric depths ranging from 90 to 180 ft (15 – 30 fathom); Requirement that future Construction and Operations Plans (COPs) include fishing navigational corridors as well as design considerations to ensure fishing remains compatible with project; Requirement that COPs include fishing gear compensation plans and, where necessary, fishing revenue compensation for construction disruption and/or operational displacement.
New Jersey Comments on BOEM Proposed Wind Energy Areas (WEAs)

- BOEM Generally responsive to BPU and NJDEP Comments.
- Reduction from larger Call Areas to Primary Wind Energy Areas removed some conflicts for fisheries, marine transportation but not all conflicts.
- Hudson South as the Primary Wind Energy Area will disproportionately impact New Jersey Stakeholders and Commercial Fishing Industry.
- Further species specific analysis is necessary.
- BOEM should specify mitigation measures to be considered, at this time.
- BOEM should provide additional detail on the process moving forward and how Stakeholders can and should engage.
- BOEM should provide an additional time for feedback.
New Jersey Comments on BOEM Proposed Wind Energy Areas (WEAs)

REQUEST for Two Week Extension to Comment:

- NJDEP to provide NJ Specific Economic Impact Analysis relative to NJ Ports, Commercial Fisheries and Recreational Fishing.
- NJDEP to provide further analysis on Hudson South Eastern Boundary (Primary Recommended Area) to determine species specific impacts.
- NJDEP to provide further analysis on Hudson South Western Boundary (Secondary Recommended Area) to understand trade-offs with Hudson South Eastern Boundary (Primary Recommended Area)
- NJDEP to analyze existing bathymetric data to determine species specific preferences and potential impacts
- NJ Stakeholders input into the proposed WEAs.
Thank You!

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