

New Jersey Offshore Wind

Draft Strategic Plan Public
Stakeholder Meeting

August 3, 2020





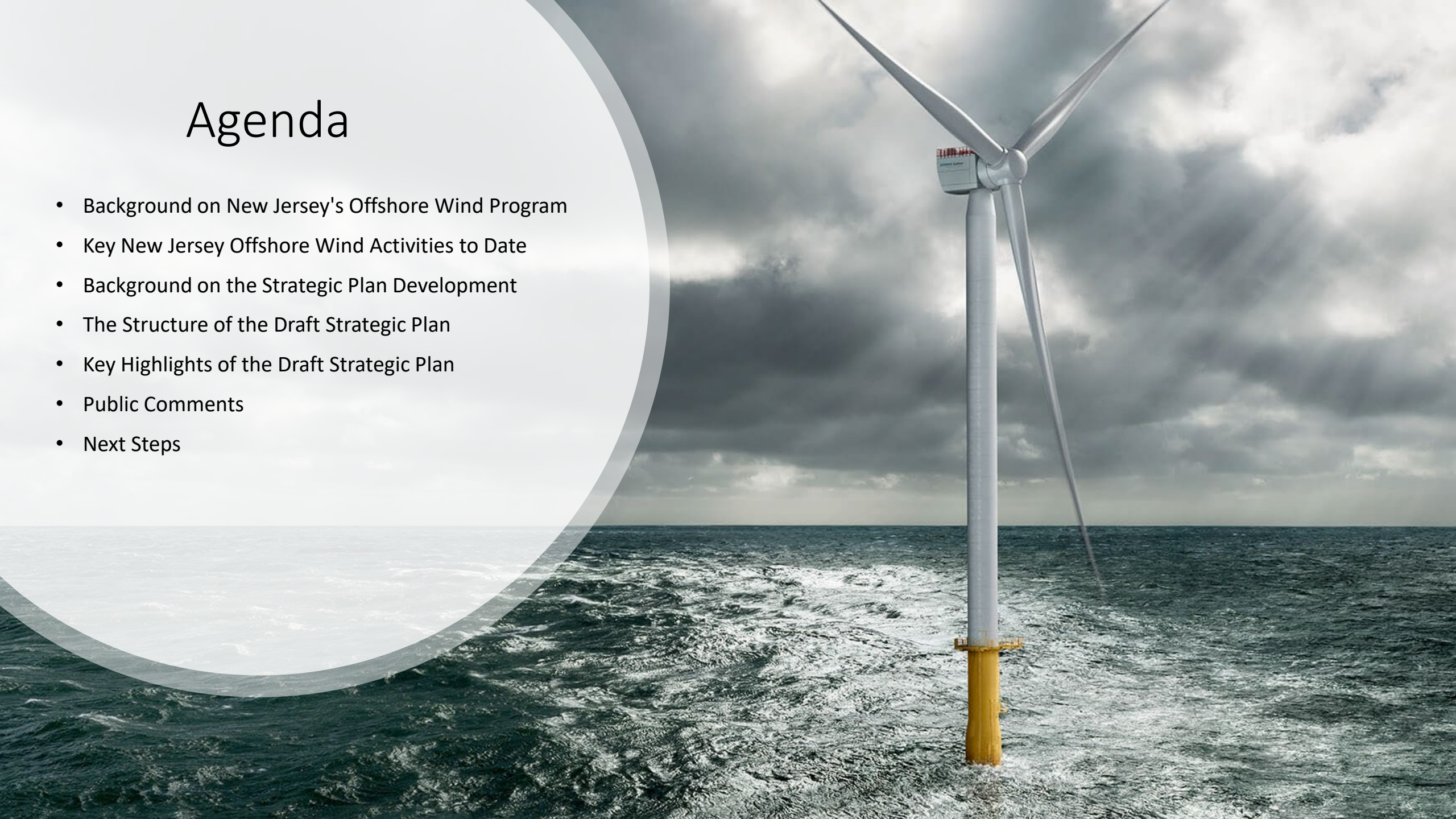
Meeting Logistics

- Meeting will be recorded.
- All comments are public.
- Use “raise hand” function to note a desire to speak.
- Speakers will be unmuted to provide comment; should state name and organization and keep comments to roughly three minutes.
- Meeting recording, PowerPoint and comments will be available on the website.



Agenda

- Background on New Jersey's Offshore Wind Program
- Key New Jersey Offshore Wind Activities to Date
- Background on the Strategic Plan Development
- The Structure of the Draft Strategic Plan
- Key Highlights of the Draft Strategic Plan
- Public Comments
- Next Steps



Background on New Jersey Offshore Wind

- **NJ OWEDA: P.L. 2010, c. 57**
 - *Signed into law in 2010, the **Offshore Wind Economic Development Act (OWEDA)** directs the NJBPU to establish a program for **Offshore Wind Renewable Energy Certificates (ORECs)** to incentivize development of offshore wind facilities*
- **Executive Wind Goals**
 - ***Executive Order No. 8**, signed by Governor Phil Murphy on January 31st, 2018, sets the goal of obtaining 3,500 MW of offshore wind capacity by 2030*
 - ***Executive Order No. 92**, signed on November 19th, 2019, sets an increased goal of 7,500 MW of offshore wind capacity by 2035*



"There is no other renewable energy resource that provides us with either the electric-generation or economic-growth potential of offshore wind... When we reach our goal of 7,500 megawatts, New Jersey's offshore wind infrastructure will generate electricity to power more than 3.2 million homes and meet 50% of our State's electric power need. Our offshore wind industry will generate billions of dollars in investments in New Jersey's future, that will, in turn, create thousands of jobs. We have an immense opportunity to maximize our potential and make this region and, specifically New Jersey, the nexus of the global wind industry."

- Governor Phil Murphy

Key Activities to Date



OREC

- The BPU established the Offshore Wind Renewable Energy Credit (OREC) funding mechanism rule

IATF

- Formed the Interagency Taskforce on Offshore Wind (IATF)
- Agencies include: BPU, DEP, EDA, and DLWD

NJ Wind Port

- Development project of over 200-acres with the goal of positioning New Jersey as a hub for U.S. offshore wind industry
- Purpose Built marshalling and manufacturing space

Solicitation 1

- BPU awarded in June 2019 the Ocean Wind Project with 1,100 MW of capacity

Solicitation 2

- BPU seeks to secure ORECs for approximately 1,200 -2,400 MW of Qualified Offshore Wind Projects

New Jersey Offshore Wind Solicitation Schedule Through 2035

Solicitation	Capacity Target	Issue Date	Submittal Date	Award Date	Estimated Commercial Operation Date
1	1,100	Q3 2018	Q4 2018	Q2 2019	2024
2	1,200	Q3 2020	Q4 2020	Q2 2021	2027
3	1,200	Q3 2022	Q4 2022	Q2 2023	2029
4	1,200	Q2 2024	Q3 2024	Q1 2025	2031
5	1,400	Q2 2026	Q3 2026	Q1 2027	2033
6	1,400	Q1 2028	Q3 2028	Q1 2029	2035

New Jersey Offshore Wind 2nd Solicitation Draft Schedule

- Seeks to secure ORECs for approximately 1,200 -2,400 MW of Qualified Offshore Wind Projects
- Status: Draft Solicitation Guidance Document released for public comment in July

Event	Date
Draft for Public Comment	July 2020
Board Consideration of Solicitation	September 2020
Solicitation Released	September 2020
Applications due	December 2020
Board Decision	June 2021

Background on the Strategic Plan Development

Date	Development Stage
September 2018	Consultant (Ramboll U.S. Corporation) engaged and work begins
April – May 2019	Roundtable Stakeholder Meetings
June – August 2019	Modeling and detailed analyses conducted
September – November 2019	Draft Plan Developed
November 2019	OSW goal increased to 7,500 MW by 2035
January – April 2020	Modeling and detailed analysis updated and re-done for new goal
April – June 2020	Draft plan for 7,500 MW goal developed
July 2020	Public comment on draft plan
September 2020	Final plan issued

Structure of the Draft Strategic Plan



In accordance with **Executive Order No. 8**, BPU is directed to develop and implement an **Offshore Wind Strategic Plan (OWSP)** to serve as a roadmap for successful growth of offshore wind energy in the state.

The Draft **OWSP** includes extensive stakeholder input, scientific evaluations, economic analysis, and recommendations for a path forward.

- Chapters of the Draft Strategic Plan provide summaries of analyses and modeling, discussion and recommendations.
- Detailed analyses and modeling for each of the five sections are contained in appendices.
- Where needed, Draft Plan chapters refer to specific locations, figures and tables in the appendices

Five Key Subject Areas:

- Environmental and Natural Resource Protection
- Commercial and Recreational Fisheries
- Supply Chain and Workforce Development
- Ports and Harbors
- Energy Markets and Transmission

Key Highlights of the Draft Strategic Plan



Environmental & Natural Resource Protection Recommendations

- Prioritize development in areas that are less sensitive to impacts from offshore wind development
- Leverage research by developers, state universities, government agencies, and state contracts to contribute to planning efforts, closing of data gaps, and meeting of long-term monitoring needs
- Utilize the New Jersey Environmental Resources Offshore Wind Working Group (Environmental Working Group) to enhance communication and coordination between conservation communities and state and federal agencies
- Implement avoidance and minimization measures to protect New Jersey's marine and coastal resources
- Carry out further environmental studies to assess specific environmental impacts and fill data gaps for offshore wind development

Key Highlights of the Draft Strategic Plan



Commercial & Recreational Fishing Recommendations

- Avoidance, where possible, of high-value fishing grounds
- Use of avoidance and minimization measures designed to protect fisheries resources during construction and operation of offshore wind projects
- Continued collection of data to form the basis of a long-term marine monitoring program for assessing potential cumulative impacts from offshore wind development
- Collaboration with other state and federal entities to conduct regional fisheries monitoring and data sharing
- Collaboration and continued engagement between the commercial and recreational fishing industries and offshore wind developers through both existing associations and targeted outreach efforts, the Environmental Working Group, and the Wind Innovation and New Development (WIND) Institute through all phases of offshore wind development

Key Highlights of the Draft Strategic Plan



Supply Chain & Workforce Development Recommendations

- A balanced approach that encourages New Jersey economic benefit through the development of a New Jersey offshore wind supply chain while keeping the cost of energy for offshore wind projects low for initial projects and resulting in the lowest possible levelized cost of energy by 2035
- Development of nacelle, turbine blade, foundation assembly, and/or other component manufacturing facilities in New Jersey
- Utilization of the WIND Institute to serve as a center for education, research, innovation, and workforce training related to the development of offshore wind in New Jersey and the Northeast and Mid-Atlantic regions

Key Highlights of the Draft Strategic Plan



Ports & Harbors Recommendations

- Full development of the New Jersey Wind Port to provide the facilities necessary for full manufacturing and marshaling build-out
- Development of additional marshaling and manufacturing ports to support the roll out of subsequent solicitations in addition to supporting other offshore wind projects in neighboring states
- Investment in existing ports such as Paulsboro that can more quickly meet the needs for laydown and staging of components for the initial phase of 1,100 MW of offshore wind development
- Expansion of New Jersey's suite of financing and incentive programs, including grants, tax credits, and low-interest funding, to stimulate investment in marshaling and manufacturing ports

Key Highlights of the Draft Strategic Plan



Energy Markets & Transmission Recommendations

- Continue to support incentives such as ORECs to build a local offshore wind industry and assess reducing incentives as the market matures
- Encourage developers to use the latest technology, including the largest-available wind turbine generators, to reduce the levelized cost of energy
- Evaluate regional and local energy markets to understand more fully the cost implications for ratepayers of developing offshore wind resources
- Evaluate the potential advantages of offshore energy transmission infrastructure, including radial and backbone scenarios, as well as ownership structure
- Work with PJM Interconnection LLC (PJM) and local utilities to develop an onshore grid transmission study to integrate 7,500 MW of offshore wind energy by 2035

Public Comments



Next Steps

- Written comments due by 5:00 PM August 17, 2020
 - Submitted electronically to OSW.Stakeholder@bpu.nj.gov with a copy to Board.Secretary@bpu.nj.gov
 - PDF or Word format
 - Include a subject line of “Draft OSWSP Comments”
- Comments will be considered “*public documents*” for purposes of the State’s Open Public Records Act (OPRA)
- Stakeholders may identify information that they wish to keep confidential by submitting them in accordance with the confidentiality procedures set forth in N.J.A.C. 14:1-12.3 and the OPRA, N.J.S.A. 47:1A-1 et seq.

