

October 4, 2019

VIA HAND DELIVERY

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CASE MANAGEMENT

OCT 04 2019

BOARD OF PUBLIC UTILITIES
TRENTON, NJ



Ira G. Megdal

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OCT 04 2019

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

Aida Camacho-Welch
Board Secretary
Board of Public Utilities
44 South Clinton Ave.
3rd Floor, Suite 314
PO Box 350
Trenton, NJ 08625-0350

**Re: In the Matter of the Board of Public Utilities Offshore Wind Solicitation for
1,100 MW – Evaluation of the Offshore Wind Applications
BPU Docket No. QO18121289**

Dear Secretary Camacho-Welch:

This firm represents Ocean Wind, LLC ("Ocean Wind") in connection with the above referenced matter

Pursuant to N.J.A.C. 14:1-12.1 et seq., we hereby submit on behalf of Ocean Wind a Public Copy and a Confidential Copy of Ocean Wind's Petition for Approval regarding the wind turbine generator (the "Petition").

With this letter is an unmarked envelope addressed to:

Records Custodian
Board of Public Utilities
44 South Clinton Avenue
P.O. Box 350
Trenton, NJ 08625

Therein is an envelope marked "Confidential" which contains the "Confidential Copy" of the Petition. This too is addressed to:

Records Custodian
Board of Public Utilities
44 South Clinton Avenue
P.O. Box 350
Trenton, NJ 08625

Case mgmt - Conf
James Boyd, Esq.
P. Owen, Esq.
S. Hunter

LEGAL431273461

Aida Camacho-Welch
October 4, 2019
Page 2

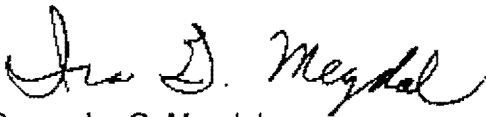
Also enclosed please find the Affidavit of Jens Gravgaard, Project Development Director of Ocean Wind.

The party designated to receive notices and other communications in connection with this matter is as follows:

Ira G. Megdal, Esq.
Cozen O'Connor
LibertyView, Suite 300
457 Haddonfield Road
Cherry Hill, NJ 08002
(856) 910-5069

Sincerely,

COZEN O'CONNOR, PC



By: Ira G. Megdal

IGM:kn
Enclosure

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OCT 04 2019

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

STATE OF NEW JERSEY

BOARD OF PUBLIC UTILITIES

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OCT 04 2019

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

In the Matter of the Opening of Offshore Wind : BPU DOCKET NO.: QO18121289
Renewable Energy Certificate (OREC) :
Application Window for 1,100 Megawatts of : AFFIDAVIT OF
Offshore Wind Capacity in Furtherance of Execute : JENS GRAVGAARD
Order No. 8 :

Jens Gravgaard, of full age, states:

1. I am the Project Development Director of Ocean Wind, LLC (“Ocean Wind”) and I am authorized to make this Affidavit on behalf of Ocean Wind.

2. On October 2, 2019, Ocean Wind filed with the New Jersey Board of Public Utilities (the “BPU” or “Board”) a Petition for Approval to use a GE Haliade-X 12MW Wind Turbine Generator (“WTG”) (the “Petition”).

3. Incorporated into and attached as Exhibits to the Petition, Ocean Wind submitted detailed information about its decision to utilize the WTG; and how and why it made that decision.

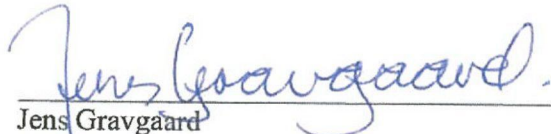
4. With this Affidavit, Ocean Wind is filing a Public Copy and a Confidential Copy of the Petition. All of the information redacted by Ocean Wind in the Public Copy was redacted because the portions redacted are Trade Secrets of Ocean Wind. The information reveals commercially-sensitive information about strategy for negotiating for and procuring a particular WTG. Ocean Wind, its parent and its affiliates have a strong commercial advantage over its competitors that includes its methods and procedures for procuring and selecting a WTG. These methods and procedures have been developed over time, and have contributed to the success of Ocean Wind’s parent and affiliates.

5. By way of example, in the event that a potential seller or competitor were to obtain an unredacted copy of the Petition, it would be of great value to that potential competitor. These methods and procedures could then be replicated by that competitor.

6. Specifically, the information redacted consists of practices, processes, commercial methods, or compilations of information not generally known or reasonably ascertainable by others by virtue of which Ocean Wind, its parent and its affiliates obtain an economic advantage over their competitors. This is valuable commercial information that provides Ocean Wind, its parent and its affiliates with an advantage over competitors who do not have that information, and is not generally available.

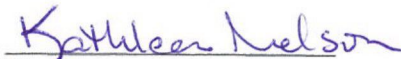
7. These Trade Secrets are exempt from disclosure under the Open Public Records Act, N.J.S.A. 47:1A-1 et seq. and the Board's regulations at N.J.A.C. 14:1-12.1(b).

8. The information redacted from the Public Copy should remain confidential until Ocean Wind agrees otherwise.


Jens Gravgård

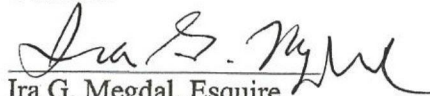
Dated: October 4, 2019

Sworn to and subscribed before me
this 4th day of October, 2019.


Notary

KATHLEEN NELSON
ID # 2448515
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES AUGUST 01, 2024

This Affidavit is being submitted in facsimile form. The undersigned attorney, Ira G. Megdal, certifies that the affiant acknowledge the genuineness of the signature and that the Affidavit or a copy with an original signature affixed will be filed if requested by the Board of Public Utilities.


Ira G. Megdal, Esquire

PUBLIC COPY



RECEIVED
CASE MANAGEMENT

OCT 04 2019

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

BEFORE THE
STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE BOARD OF
PUBLIC UTILITIES OFFSHORE WIND
SOLICITATION FOR 1,100 MW –
EVALUATION OF THE OFFSHORE
WIND APPLICATIONS

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:
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BPU DOCKET NO.: QO18121289

PETITION FOR APPROVAL

RECEIVED
MAIL ROOM

OCT 04 2019

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

COZEN O'CONNOR
Attorneys for Petitioner
Ocean Wind, LLC
By: Ira G. Megdal, Esquire
Liberty View, Suite 300
457 Haddonfield Road
Cherry Hill, NJ 08002
(856) 910-5000

Gregory Eisenstark, Esquire
One Gateway Center
Suite 200
Newark, NJ 07102
(973) 200-7460

BEFORE THE
STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE BOARD OF :
PUBLIC UTILITIES OFFSHORE WIND :
SOLICITATION FOR 1,100 MW – :
EVALUATION OF THE OFFSHORE : BPU DOCKET NO.: QO18121289
WIND APPLICATIONS :
:

PETITION FOR APPROVAL

Ocean Wind, LLC ("Ocean Wind" or the "Petitioner") is the owner of a Qualified Offshore Wind Project ("QOWP") pursuant to N.J.S.A. 48:3-87.1 et seq. Ocean Wind is a Delaware limited liability company, with its principal office at 520 Pacific Avenue, Atlantic City, N.J. 08401.

I. PETITION

Ocean Wind hereby petitions this Honorable Board ("Board" or "BPU") for authorization to utilize the GE Haliade-X 12MW as the wind turbine generator ("WTG") for this QOWP. While Ocean Wind does not believe that the situation described in this Petition requires Board action, Ocean Wind nevertheless submits this Petition in an abundance of caution.

II. PROCEDURAL BACKGROUND

Executive Order No. 8 called upon the Board to fully implement the Offshore Wind Economic Development Act of 2010 ("OWEDA") and to proceed with the Solicitation of 1,100 MW of offshore wind ("OSW") capacity as a first step in meeting the State's goal of 3,500 MW of OSW capacity by 2030.

Ocean Wind submitted an application on December 28, 2018 (the "Application") in response to the Board's solicitation (the "Solicitation").

and operate this QOWP. In its description of the WTG to be used in this QOWP, Ocean Wind drafted the COP to include a range of physical characteristics that would allow for the use of a number of different WTGs, including but not limited to the GE WTG.

Ocean Wind has completed technical due diligence for the GE WTG, has selected GE as the preferred WTG supplier for the QOWP (as further detailed below), and intends to utilize the GE WTG in this QOWP, [REDACTED]

[REDACTED] Ørsted also intends to utilize the GE WTG for the 120 MW Skipjack project, which is scheduled to achieve commercial operations in 2022.

As announced on September 19, GE has been selected GE as the preferred WTG supplier for the QOWP. [REDACTED]

IV. REGULATORY BACKGROUND

The relevant regulatory provision relative to this Petition is N.J.A.C. 14:8-6.5(a)2.ii, which establishes following standard for replacement or update of equipment: "For actual construction, successful applicants are permitted to **replace or update** equipment identified in the proposal with **more technologically advanced equipment** that is equal to or better than the equipment identified in the proposal, subject to Board approval." (Emphasis added.)

Ocean Wind does not believe that this Petition is required, because no equipment is being replaced or updated, and the Application expressly contemplated utilizing the GE WTG.

V. CONSIDERATIONS

In the event that the Board determines to entertain this Petition, Ocean Wind respectfully requests that the Board consider the following factors:

1 Ørsted's WTG Technical Risk Assessment team has completed a further, comprehensive technical due diligence process, which found that the GE WTG was well suited to the conditions in the Project site. Reference is made to the attached Exhibit A, which summarizes the conclusions of this diligence process. Exhibit B to this Petition is a memorandum, the subject of which is "GE Haliade-X Technical Information in Addition to Ocean Wind OREC Application".

2 Use of the GE WTG is not expected to have any material adverse effect on this QOWP's permitting process and schedule, because the characteristics of the GE WTG were included in the COP. Therefore, the COP's analysis of environmental impacts already accounts for WTGs of this size.

3 Indeed, use of the GE WTGs may be beneficial to the permitting process because it could allow for certain factors, to be definitively established in consultation with stakeholders during the BOEM permitting process, potentially including—but not limited to—the following: an increase in spacing between WTGs; a reduced length of the installation campaign period; a potential improvements in certain qualitative factors of the viewshed analysis based on fewer structures; a reduced the total affected footprint on the seabed; and reduced construction and maintenance vessel traffic.

4 The 1,100 MW QOWP, if constructed with the GE WTG, is expected to produce approximately the same level of annual output—depending on site-specific conditions, to be definitively established through final engineering and permitting—as it would if constructed with the WTG in the Application's Design Basis.

5 Use of the GE WTG is not expected to have any material adverse effect on the levelized net cost of ORECs or annual costs to ratepayers, including for the following three

reasons. First, use of the GE WTG does not change the annual OREC production cap of 4.5 TWh/ year established in the June 21 Order. Second, use of the GE WTG does not change the OREC strike price established in the June 21 Order. And third, use of the GE WTG does not change the obligation of any QOWP to return market revenues, as set forth in NJAC Section 14:8-6, nor does it change Ocean Wind's commitment to fulfill this obligation, as set forth in the Application.

6 Furthermore, use of the GE WTG is not expected to have any material adverse effect on the Project's economic development benefits, including for the following four reasons. First, Ocean Wind expects that the total value of local content spending in New Jersey during the construction period will be approximately the same with either the GE WTG or the WTG in the Application's Design Basis, and unchanged from our Application. Second, Ocean Wind expects that the total employment and local content spending in New Jersey during the operations period will not be materially different with either the GE WTG or the WTG in the Application's Design Basis. Third, use of the GE WTG does not change Ocean Wind's guaranteed local content commitments for either the construction or operations periods. Ocean Wind will comply with all in-state construction-phase spending and operations and maintenance-phase employment commitments as stated in the June 21 Order. And fourth, use of the GE WTG does not change Ocean Wind's commitment to port development as set forth in its Application. Ocean Wind continues to maintain the level of commitment for foundation fabrication and operations and maintenance port facilities set forth in its Application and subsequent commitments to the Board.

7 Finally, use of the GE WTG is expected to allow Ocean Wind to meet the schedule for the commencement of operations set forth in the Application, [REDACTED]

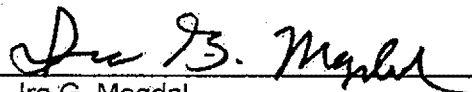
PUBLIC COPY

8 Based on the forgoing, Ocean Wind has determined, and if the Board determines to entertain this Petition, Ocean Wind asks the Board to similarly determine, that the GE WTG meets the applicable standard for replacement or update.

VI. CONCLUSION

1 In an abundance of caution, Ocean Wind seeks approval to utilize the GE WTGs pursuant to N.J.A.C. 14:8-6.5(a)2.ii. However, Ocean Wind believes for the reasons stated herein that such approval is not required.

COZEN O'CONNOR
Attorneys for Ocean Wind, LLC

By: 
Ira G. Megdal

DATED: October 2, 2019

Communications addressed to the Petitioner in this case are to be sent to:

COZEN O'CONNOR
Attn: Ira G. Megdal
457 Haddonfield Road
P.O. Box 5459
Cherry Hill, NJ 08002
(856) 910-5000
e-mail: imegdal@cozen.com

Attn: Gregory Eisenstark
One Gateway Center
Suite 200
Newark, NJ 07102
(973) 200-7460
e-mail: geisenstark@cozen.com

VERIFICATION

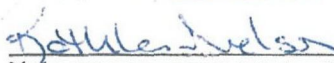
Jens Gravgaard, of full age, being duly sworn, according to law, deposes and says:

1. I am the Project Development Director of Ocean Wind, LLC and am authorized to make this Verification on behalf of Ocean Wind, LLC.
2. I have read the contents of the foregoing Petition and hereby verify that the statements therein contained are true and accurate to the best of my knowledge and belief.



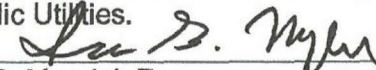
Jens Gravgaard

Sworn to and subscribed before me
this 2 day of October, 2019.



Notary
KATHLEEN NELSON
ID # 2448515
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES AUGUST 01, 2024

This Verification is being submitted in facsimile form. The undersigned attorney, Ira G. Megdal, certifies that the affiant acknowledge the genuineness of the signature and that the Verification or a copy with an original signature affixed will be filed if requested by the Board of Public Utilities.



Ira G. Megdal, Esq.