

February 3, 2020

**VIA HAND DELIVERY**

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CASE MANAGEMENT

2020 FEB -3 P 2:08

BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

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FEB 03 2020

BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

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CASE MANAGEMENT

Ira G. Megdal  
Direct Phone 856-910-5007  
Direct Fax 877-259-7984  
imegdal@cozen.com  
2020 FEB -3 P 2:08

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 Authorization to Procure Capacity Interconnection Rights (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 Management - Conf.*  
*J. Boyd, Esq.*  
*P. Owen, Esq.*  
*S. Bluhm*

FORWARD  
CASE MANAGEMENT  
2020 FEB -3 P 3:20  
BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

LEGAL\44501729\1

Aida Camacho-Welch  
February 3, 2020  
Page 2

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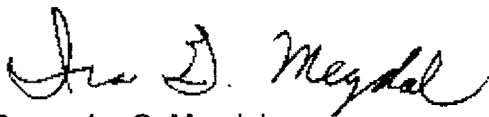
Also enclosed please find the Affidavit of Jens Gravgaard, Project Development Director of Ocean Wind.

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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BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

STATE OF NEW JERSEY

BOARD OF PUBLIC UTILITIES

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CASE MANAGEMENT

2020 FEB -3 P 2:09

BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

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

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 January 23, 2020, Ocean Wind filed with the New Jersey Board of Public Utilities (the “BPU” or “Board”) a Petition for Authorization to Procure Capacity Interconnection Rights (the “Petition”).

3. 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 Capacity Interconnection Rights (“CIRs”). Ocean Wind may seek other CIRs in the future and maintaining confidentiality of these Trade Secrets will benefit ratepayers. Conversely, their disclosure could lead to higher costs for ratepayers.

4. 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 and its affiliates obtain an economic advantage over their competitors. This is valuable commercial information that provides Ocean Wind and its affiliates with an advantage over competitors who do not have that information, and is not generally available.


5. 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).

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

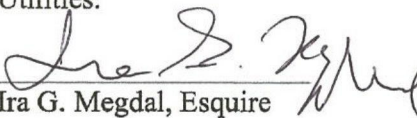
  
\_\_\_\_\_  
Jens Gravgaard

Dated: January 31, 2020

Sworn to and subscribed before me  
this 31st day of January, 2020.

  
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



**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** :  
:  
:  
: **BPU DOCKET NO.: QO18121289**  
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:

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**PETITION FOR AUTHORIZATION TO PROCURE  
CAPACITY INTERCONNECTION RIGHTS**

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**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 910  
Newark, NJ 07102  
(973) 200-7460**

**BEFORE THE  
STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES**

<b>IN THE MATTER OF THE BOARD OF PUBLIC UTILITIES OFFSHORE WIND SOLICITATION FOR 1,100 MW – EVALUATION OF THE OFFSHORE WIND APPLICATIONS</b>	: : : : : : :	<b>BPU DOCKET NO.: QO18121289</b>
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**PETITION FOR AUTHORIZATION TO PROCURE  
CAPACITY INTERCONNECTION RIGHTS**

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. Ocean Wind hereby petitions this Honorable Board ("Board" or "BPU") for authorization to procure the Capacity Interconnection Rights ("CIRs") referred to in this Petition. In support thereof, Petitioner states as follows:

**I. BACKGROUND**

1. By an Order in this docket dated June 21, 2019 (the "June 21 Order") the Board considered the responses to its solicitation (the "Solicitation") for 1,100 MW of offshore wind ("OSW") capacity, in furtherance of Governor Phil Murphy's Executive Order No. 8 (2018) ("Exec. Order No. 8"). Exec. 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 OSW capacity as a first step in meeting the State's goal of 3,500 MW of OSW capacity by 2030. (Now increased to 7,500 MW by 2035). By the June 21 Order the Board approved the Ocean Wind 1,100 MW Project.

2. In addition to approving Ocean Wind's Project, the June 21 Order stated, in pertinent part, as follows:

The Board acknowledges Ocean Wind's proposal to mitigate the costs of transmission system upgrade costs through the use of

Capacity interconnection Rights (CIRs). At the time of this Board decision, the availability and price of CIRs are unknown. The Board recognizes that Ocean Wind's ability to obtain CIRs at good value has the potential to yield significant economic benefits for New Jersey ratepayers through lower transmission system upgrade costs. The Board is generally supportive of Ocean Wind's plan to mitigate transmission system upgrade cost risk through the procurement of CIRs, provided such procurement is prudent and therefore protective of New Jersey ratepayer interests. *Upon price discovery Ocean Wind is required to seek Board authorization to procure CIRs.* The Board will review Ocean Wind's request on an expedited basis and will not unreasonably withhold its consent so long as the resultant cost of transmission system upgrades may be reasonably expected to be lower than would otherwise be the case absent the procurement of CIRs. (Emphasis added.)

3. Ocean Wind has performed its price discovery and now seeks BPU authority, on an expedited basis, to procure the CIRs referenced in this Petition.

## **II. THE PROPOSED CIR PROCUREMENT**

4. Ocean Wind has been exploring the procurement of CIRs with points of interconnection, *inter alia*, at the substation adjacent to the BL England Generating System in Beesley's Point, New Jersey ("BL England") (the "BL England CIRs"). This Petition only addresses the BL England CIRs.

5. For a number of months, Ocean Wind and RC Cape May Holdings, LLC ("RC Cape May"), the owner of the BL England CIRs, have been engaged in negotiations for the purchase and sale of , *inter alia*, the BL England CIRs.

6. RC Cape May and Ocean Wind have now reached a tentative agreement for the purchase and sale of the BL England CIRs [REDACTED]

7. RC Cape May and Ocean Wind are in the process of negotiating a definitive CIR Agreement, not yet completed (the "CIR Agreement"). It is Ocean Wind's intention to complete the CIR Agreement and submit the same to the BPU and Rate Counsel on or about January 31, 2020.

8. The CIR Agreement will be conditioned, *inter alia*, upon an order of this Board approving the CIR procurement (the "Board CIR Procurement Order").

9. The purchase price at which RC Cape May is prepared to sell the [REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]

**IV. IF OCEAN WIND PROCURES THE CIRs FROM RC CAPE MAY AT RC CAPE MAY'S STATED PRICE, THE RESULTANT COST OF TRANSMISSION SYSTEM UPGRADES AT BL ENGLAND MAY BE REASONABLY EXPECTED TO BE LOWER THAN WOULD OTHERWISE BE THE CASE ABSENT THE PROCUREMENT OF CIRs**

14. Ocean Wind must make a determination as to whether to secure approval of the procurement of the BL England CIRs at this time based upon currently available information. Currently available information may change over time, and Ocean Wind will bring material changes to the BPU's attention when such changes arise. However, this section of the Petition.



is based upon currently available information, and Ocean Wind seeks authorization based upon such currently available information.

15. Under separate cover Ocean Wind will submit to the BPU and Rate Counsel documentation supporting its request in this Petition.

#### **V. REQUEST FOR EXPEDITED TREATMENT**

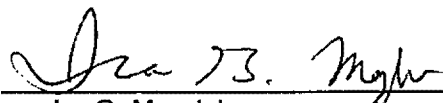
16. If not previously acquired, the BL England CIRs will expire April 30, 2020.

17. As a result, and in order to allow for requisite notices, and approval of the transfer of the BL England CIRs by PJM Interconnection, LLC Ocean Wind requests that this matter be considered by the Board at its scheduled March 25, 2020 meeting.

#### **VI. CONCLUSION**

18. Because the proposed procurement of CIRs will, based upon currently available information, yield a resultant cost of transmission system upgrade which may be reasonably expected to be lower than would otherwise be the case absent the procurement of the BLE England CIRs, the Board should approve the acquisition of CIRs and do so on an expedited basis, consistent with the June 21 Order.

COZEN O'CONNOR  
Attorneys for Ocean Wind, LLC

By:   
Ira G. Megdal

DATED: January 23, 2020

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 910  
Newark, NJ 07102  
(973) 200-7460  
e-mail: [geisenstark@cozen.com](mailto:geisenstark@cozen.com)


**VERIFICATION**

Jens Gravgard, 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 W. Gravgard

Sworn to and subscribed before  
me this 23rd day of January, 2020.

  
Kathleen Nelson  
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  
Ira G. Megdal, Esq.