

**Environment New Jersey • GreenFaith • Jersey Renews
National Resources Defense Council • National Wildlife Federation
New Jersey Audubon • New Jersey League of Conservation Voters
New Jersey Sustainable Business Council • NJ Work Environment Council
Regional Plan Association**

August 19, 2020

President Joe Fiordaliso

New Jersey Board of Public Utilities

44 South Clinton Avenue, 9th Floor

Post Office Box 350

Trenton, NJ 08625

Re: Draft New Jersey Offshore Wind Second Solicitation Guidance Document

Submitted electronically to: OSW.Stakeholder@bpu.nj.gov

Dear President Fiordaliso:

On behalf of the undersigned organizations and the hundreds of thousands of New Jerseyans they represent, we strongly support Governor Murphy's continued leadership to accelerate responsible offshore wind development as a critical climate solution and essential resource for meeting the state's goal of 100% clean energy by 2050. We applaud the Board of Public Utilities' nation-leading actions to date to fulfill this vision, including the recently released Draft Offshore Wind Strategic Plan which outlines the state's roadmap for responsibly scaling up this industry at this key moment. We appreciate the opportunity to comment on the Draft New Jersey Offshore Wind Second Solicitation Guidance Document, as this next step in our offshore wind story is pivotal for signaling to the booming global industry that New Jersey is serious about building offshore wind power and doing so in a manner that brings maximum value to the state by protecting our natural resources and driving significant local investment and job creation in an equitable way.

Now is the moment to ensure that all projects built to power New Jersey are built responsibly with strong environmental protections and commitments to benefit local communities in place. We urge New Jersey to continue its nation-leading efforts to advance the responsible development of offshore wind power by ensuring a clear and effective project selection process that prioritizes and advances these values. The following comments provide recommendations for how New Jersey can ensure that the bidding and contracting process for this Second Solicitation aligns with the vision of OWEDA and Governor Murphy's Executive Order 8.

Solicitation Size & Timeline

We welcome the increase in size of this solicitation of up to 2,400 MW, as awarding this volume of offshore wind contracts will spark significant near-term investments in local port development and other infrastructure needed to launch this new industry. As states to the north and south of New Jersey also accelerate their offshore wind programs, it is increasingly important that we provide certainty to the marketplace regarding New Jersey's long-term, large-scale commitment to buying offshore wind power. We have no time to waste in scaling up climate solutions as swiftly as their responsible development allows, and a more aggressive offshore wind solicitation schedule allows New Jersey to

more quickly begin accessing the many benefits of powering our homes, businesses, and much-needed economic recovery with clean, local offshore wind power.

Application Requirements

We support the approach outlined in the Guidance for bidders to provide detailed project descriptions with their bids to assist the BPU in evaluating their options. In this highly competitive marketplace, it is essential that the state has enough details about each bid to be able to evaluate its compliance with OWEDA and overall likelihood of success in the many federal and state permitting forums ahead for the project and all associated development activities. Specifically, the Economic Development Plan (EDP - Section 3.8), the Environmental Protection Plan and Emissions Impacts (EPP - Section 3.9), and the Fisheries Protection Plan (FPP – Section 3.10) can enable the state to evaluate the different approaches bidders plan to take in these areas, which are critical for securing and maintaining public support over the long term.

While we recognize that projects may be in different stages of the development process at the time bids are submitted, each developer should be required to provide the state with clarity regarding the specific actions it commits to take in building each project responsibly. As this component of the offshore wind contracting process continues to evolve, we support increasing the specificity of the information required in these plans so that the Solicitation sends a very clear signal to the industry and interested stakeholders regarding expectations of every project built for New Jersey.

Environmental Protection Plan (EPP) & Emission Impacts:

We strongly support the excellent provisions of the EPP that are outlined as necessary for the Board to review bids, including requiring: a comprehensive assessment of potential impacts from the project; a plan to address those impacts, including any innovative measures to be deployed; a description of baseline and monitoring data to be collected and made available; and plans to engage stakeholders and address concerns throughout the lifetime of the project. The information provided by bidders in these critical areas will help the state determine if developers have sufficient plans factored into their bid price and timeline to address these issues critical to a project's success.

Additional specificity regarding expectations by the state for each of these areas could greatly enhance the role of the EPP in helping New Jersey's awarded projects remain on track for responsible development. For example, we recommend New Jersey keep pace with New York in advancing responsible offshore wind development through its procurement process by clarifying, where appropriate, specific mitigation practices that will be required of all selected projects. NYSERDA's recently announced solicitation for 2,500 MW includes several firm commitments for wildlife, including an important prohibition on nighttime pile-driving to protect marine mammals (which Maryland has also placed on its awarded projects) as well as a new provision that would require awarded projects to contribute funds for regional research needed to assess and avoid potential impacts to fish and other wildlife.^[1] This research is critical for helping stakeholders and regulators evaluate project proposals, and for driving innovations within the industry to advance solutions that can avoid or minimize impacts.

Looking forward, New York has implemented a condition for offshore wind contracts of \$10,000 per MW contribution to regional wildlife and fisheries research needed to assess potential impacts and effectiveness of mitigation strategies. New York's Environmental Technical Working Group, which includes project developers as well as conservation organizations, supported the inclusion of these measures in the procurement process.^[2] This is a major precedent and we sincerely hope that New

Jersey, with its major commitment to offshore wind, will similarly step up and help ensure sufficient resources are marshaled to advance the research needed to address regional obstacles that could prevent this critical climate solution from reaching its full potential. Further, we recommend that New Jersey continue to evolve the role of the DEP Environmental Resources Offshore Wind Working Group in advising the state of regarding recommended research and mitigation measures, as well as engaging in ongoing dialogue with selected projects to ensure the implementation of each EMP remains aligned with New Jersey's vision of responsible development.

Economic Development Plan (EDP):

The EDP offers a critical opportunity for New Jersey to evaluate the local economic and community impacts in each bid and select those that maximize the many benefits a project can deliver. And similar to the EPP, the state could provide further details in the Solicitation regarding specific actions that must be included in order to consider an EDP plan sufficiently complete. For example, selected developers should be required to commit to paying prevailing wage, to accept union neutrality agreement, and to participate in a community benefit agreement that includes a commitment to local hiring, as well as skills training for local people.

Priority should be given to companies developing a regional, low-carbon supply chain that goes beyond final fabrication and assembly and includes Buy American provisions. COVID -19 has highlighted the strategic importance of creating domestic supply chains. Supply chain composed of companies whose business practices most closely reflect the values and principles upon which Governor Murphy's vision of a stronger, fairer economy is based. Those companies whose corporate governance policies and business practices are geared toward creating long-term value for all stakeholders, rather than primarily maximizing shareholder profits, should be recruited and incentivized. This includes investing in workforce development, paying a living wage and benefits and a clear path towards career advancement. There also needs to be improved access for women, BIPOC, disabled people, and others traditionally left out of the clean energy workforce.

To ensure that each project solicitation results in the selection of a company that will bring the greatest local benefits, we also recommend the creation of an oversight committee, including labor and community representation, to monitor each bid process. We request a labor group made up of stakeholders is developed and has the same role and responsibilities similar to the DEP Environmental Working Group.

Evaluation Criteria

We appreciate that the Guidance includes new clarity regarding how projects will be evaluated, including specific criteria and transparency regarding how each factor will be weighted in the selection process. This sends an important signal to bidders regarding the importance of factors beyond price to New Jersey in considering project proposals, providing a powerful incentive for bidders to similarly prioritize these areas of project development.

In conclusion, we appreciate the steps New Jersey is taking to become a leader in responsibly developed offshore wind. It is critically important for the state to establish a fair and thorough solicitation process, early on in the expansion of the industry, which is in line with the vision of OWEDA and Governor Murphy's Executive Order 8. The protocols and projects developed at this stage will set key precedents

for future development, and based on the draft guidance, our state is on the right track. We hope that our recommendations will help to further ensure that New Jersey's offshore wind industry meets its potential to benefit our residents, our environment, and the economy. Thank you for your consideration.

Sincerely,

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^[1] New York State Energy Research and Development Authority – 2020 Offshore Wind Solicitation: <https://www.nyserda.ny.gov/All-Programs/Programs/Offshore-Wind/Focus-Areas/Offshore-Wind-Solicitations/2020-Solicitation>

^[2] April 2020 Memo to NY Public Service Commission re: Recommendations of the NY Environmental Technical Working Group: https://a6481a0e-2fbd-460f-b1df-f8ca1504074a.filesusr.com/ugd/4b9f26_54ce70c6cba54158a9ebc3ddcd248a4b.pdf?index=true