

March 12, 2021

Aida Camacho-Welch  
Secretary of the Board  
New Jersey Board of Public Utilities  
Docket No. QO20100630  
Submitted electronically to: Board.Secretary@bpu.nj.gov

Dear Ms. Camacho-Welch,

Atlantic Shores Offshore Wind, a 50/50 Joint Venture between EDF Renewable Energy, Inc. and Shell New Energies, appreciates the opportunity to submit comments concerning NJ BPU Docket No. QO20100630. These comments are submitted as a follow up our presentation made at the February 26, 2021 BPU Transmission Technical Conference.

Atlantic Shores applauds the forward thinking and proactive work by the BPU to engage PJM to look more closely at the State Agreement Approach (SAA) and how it can be used to expand the transmission system in New Jersey. Setting the SAA in motion can give a needed jump start to infrastructure that will help projects coming online in 2030 and beyond. In setting up an alternative to the current queue, the first question to ask is, *will the State Agreement Approach help reduce the current queue schedules?*

With any new effort, many questions are raised to ensure that the effort will be better. Below are some key considerations which should be taken into account during determination of the scope and requirements of the RFP.

1. Are the current substations outlined in the November 18, 2020 Board Order the right ones?  
Atlantic Shores understands that only projects with a signed ISA were included in the study. While that may have simplified the analysis, it does not account for the Round 1 or potential Round 2 OREC solicitation winners. If those projects are assumed to move forward, the interconnection capacity at those previously identified substations could change dramatically. Atlantic Shores hopes the state will allow for alternative solutions that take into account current late stage queue positions.
  2. Can bidders see the PJM study that was done?  
This could help guide responses to our first question when replying to the RFP.
  3. As part of the RFP, will there be an explanation for how the State Agreement Approach can reduce the interconnection timeline?  
This is a key item that all offshore wind projects must consider and evaluate when deciding if a radial or offshore transmission line is best for a project.
  4. How will the perspective of offshore wind developers, as customers, be included in the evaluation and award?  
This is important to evaluate the success of proposed transmission projects.
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5. What standardization can be implemented?

The equipment used for offshore substations is not the same between manufacturers, which means that preplanning is needed to allow offshore substations to connect properly.

6. How does financing community view the risk of unbundled transmission?

As part of the RFP review, having input from potential financing entities could help further the BPU's understanding of this risk.

7. What, if any, role do the transmission system owners play in Capacity Market payments?

It would appear that the transmission system does not qualify for payments, should they exist, from the PJM Capacity Market. Confirmation of this assumption as part of the RFP would be helpful in quantifying the potential value streams.

8. How transparent will pricing be?

Offshore wind projects need to understand transmission costs ahead of bidding into offshore wind generation solicitations. Ratepayers will be protected by a market where the owners of offshore transmission infrastructure create a transparent and uniform pricing system.

9. Could onshore transmission capacity be taken by non-offshore wind projects?

If incumbent utilities prebuild their system for offshore wind, understanding what, if anything, can be done to preserve that capacity until future projects come online is very important.

Lastly, Atlantic Shores encourages the NJ BPU to include this transmission effort as an option for the Round 3 OREC solicitation, but not an obligation for any bidders. This will allow future bidders to make that case that leveraging existing queue positions and infrastructure may be a value for the ratepayers of New Jersey. It would also create an incentive to attract offshore wind generation bidders to any transmission efforts based on value – rather than through laws and regulations.

Atlantic Shores is excited to work with the NJ BPU and applauds the effort to explore the State Agreement Approach. Our comments are not meant to question the value of a coordinated offshore transmission system, which is clear. They are designed to highlight the risks that must be accounted for as the state embarks on this innovative effort.

Sincerely,



Doug Copeland  
Development Manager  
Atlantic Shores Offshore Wind