

**Con Edison Transmission, Inc.**  
**Comments on**  
**New Jersey Board of Public Utilities Offshore Wind Transmission Technical Conference**  
**Docket No. QO20100630**

**March 12, 2021**

**I. Introduction**

Con Edison Transmission, Inc. (“CET”) submits these comments on the New Jersey Board of Public Utilities’ (“NJBPU”) February 26, 2021 Offshore Wind Transmission Technical Conference. CET supports the NJBPU in its efforts to further examine the risks associated with a potential separation of the generation and transmission development for the advancement of offshore wind resources. CET thanks the NJBPU for hosting this technical conference and allowing stakeholders the opportunity to participate. The NJBPU’s leadership on independent offshore transmission is a significant step in helping New Jersey meet its 7,500 MW offshore wind goal.

CET’s comments set forth below address statements made during the Offshore Wind Transmission Technical Conference. CET provides recommendations related to these matters.

**II. About Con Edison Transmission**

CET is a subsidiary of Consolidated Edison, Inc., one of world’s largest energy delivery systems. CET was formed to support Con Edison’s transition to a clean energy future. Its mission is to advance electric transmission to connect customers to the supply of clean sources of renewable energy supplies.

CET is working to develop several projects that connect on and offshore wind, generated away from urban electric customer demand centers, to those customers through the development of high voltage electric transmission. As an example, we are working with Bay State Wind to develop an electric transmission project related to offshore wind. We seek to use existing right-of-ways and interconnection locations when available.

CET is the largest member of New York Transco, LLC (“NY Transco”). NY Transco is a partnership of the four New York state investor-owned utilities, and its mission is to plan, develop, and own new high-voltage electric transmission projects in New York State designed to reduce power flow congestion, facilitate the growth of renewable generation sources, and provide continued grid reliability. NY Transco currently has several projects that are in service since June 2016, with FERC-approved rates and an asset base of over \$200 million.

NY Transco is also developing the New York Energy Solution (“NYES”), a project that will bring clean renewable energy from upstate to downstate New York, relieve historic congestion on New York’s bulk electric power system, and maintain reliability. NYES will upgrade approximately 55 miles of existing utility infrastructure, permanently eliminating approximately 230 existing transmission structures, and replacing other towers with new monopole structures. NYES was awarded development in April 2019 by the New York Independent System Operator under its FERC Order 1000 competitive solicitation process.

### **III. Comments made by conference participants**

The discussion by panelists and participants of the NJBPU's Offshore Wind Transmission Technical Conference emphasized many key aspects of separating the development of offshore wind generation and transmission. CET understands it is important for the NJBPU to facilitate a proactive and thorough analysis of solutions, and we will address five key points made by participants of the conference.

1. New Jersey seeks to expand and strengthen its onshore high-voltage transmission grid to support new incoming offshore wind power. The flow of energy in New Jersey is expected to change as new offshore wind resources are added, with power flowing from east, offshore, to west. If the grid is not adequately expanded, this new power injection may not be able to flow at all times, leading the power grid operator, PJM, to curtail transactions. The proposed offshore grid will bring more flexibility to PJM while also enhancing reliability and resiliency, and in the long run, reducing costs cost for customers.
2. The complexities of landing cables in crowded, sensitive shore areas and integrating offshore wind into the electric grid means we need to expand the grid once. An offshore grid involving secondary paths (loops) rather than radial transmission connections seems to be the best way to minimize long-term shore community impacts as New Jersey transitions to its clean energy future. The NJBPU's proposal will allow the state to expand the grid in the best, most efficient manner, and be beneficial for all customers for the long-term.
3. CET agrees that the prioritization of a transmission-first approach is an integral part of developing a resilient offshore wind grid. This method of planning reduces uncertainty for developers in future solicitations for offshore generation, while providing the benefit of delivery options for generators in case of forced or unforced outages, and for managing congestion and other system issues.
4. CET is concerned about comments made regarding the suggestion that transmission developers should make generation owners whole for any lost revenue due to outages. This simply should not be the case and is not the case for transmission across the entire electric grid. Transmission is made available to generators under the control of PJM, and the new redundant and reliable grid being proposed for development will provide a high level of reliability. However, any suggestion related to liquidated damages to generators in the event of an outage must be rejected outright. High levels of transmission availability can be encouraged through an incentive structure, such as the Offshore Transmission Owner (OFTO) structure, used successfully in the United Kingdom since 2009. The OFTO structure minimizes transmission outage risk via an availability payment, with a bonus for over performance and a penalty for underperformance.
5. Lastly, CET supports developers' request for NJBPU to hold a technical conference after the next New Jersey offshore wind solicitation bid window opens. As New Jersey progresses toward achieving its renewable goals, CET agrees that proactive dialogue among potential transmission and generation developers, regulators, system operators and customer representatives is an important component of developing a dynamic and long-term solution.

#### **IV. Conclusion**

In closing, CET is eager to support New Jersey's offshore transmission development through participation in the expected PJM solicitation. CET looks forward to continuing working with NJBPU and other stakeholders to thoroughly examine the development of offshore wind transmission as New Jersey transitions to a clean energy future for the people of New Jersey.