

Comments for 3<sup>rd</sup> Solicitation for NJ Offshore Wind Renewable Energy Certificates (OREC)

BPU Docket No QO22080481

Applicable to Notice

A. Project Design

Minimum project size has become important in the licensing process as the developer's commitment to the BPU establishes the minimum project size that will be considered by the BOEM. Alternatives below the BPU specified project size, such as limiting the number of turbines due to environmental constraints, are not now being considered in the BOEM EIS process. So, a specified planned size and a minimum project size should be specified for all proposed options to provide some flexibility in meeting multiple important goals.

Economic and environmental impact on the local communities (including on viewshed and shore aesthetics, historic/landmark sites and nature preserves) should be considered in the size and proximity to shore of the proposed projects. Strong preference will be given to those proposals that demonstrate minimal impact.

The same consideration is needed on the impact on fisheries and endangered species such as the North Atlantic Right Whale and the piping plover.

With respect to the critically endangered right whale, the turbine operational noise source level and the distance from the turbines to its primary migration corridor should be provided.

With respect to the piping plover the placement and spacing of turbines relative to its offshore migration routes should be considered to facilitate its passage to nesting areas on the shore.

B. Economic Impacts and Strength of Guarantees for Economic Impacts

Negative impacts on the local communities in lost revenue and jobs (e.g., on commercial and recreational fishing, tourism, rentals, property values, etc.) and

negative impacts on the NJ economy in dollars and jobs from any resulting increase in the price of electricity should be assessed and quantified, in addition to the estimates of positive impacts.

#### C. Performance Guarantees

The specific entities that make the financial commitments should be evaluated carefully as the committing entities are often thinly capitalized and have limited assets besides the projects themselves. Financially sound parent companies or third-party guarantors would be preferable.

The details for guaranteeing that funds will be available for ultimate Decommissioning should be made public. The state or its ratepayers should not be responsible if the projects are abandoned prior to the contemplated operational lifetime.

#### D. Inflation/Deflation Adjustments

Any relief provided to the developers should not come at the expense of ratepayers. Inflation risks should not be shifted from the developers to the ratepayers.

#### E. Environmental and Fisheries Mitigation Plan

These comments will be repeated below as respects the Second SGD.

The environmental impact must specifically include the impact of project noise on marine life and on the human environment. For marine mammals that is important from the surveying activities, to construction, operations and decommissioning. Recent studies show that these impacts can be significant depending on the specific equipment used.

Specifically, it should present an analysis of the impact of the project on the primary migration corridor of the critically endangered North Atlantic right whale from operational turbine noise.

Certain impacts on the environment (such as underwater noise, viewshed, and impact on fisheries and wildlife) need to be considered in conjunction with other projects in the region as the impacts are cumulative.

The environmental plan should include an airborne noise source level from the operation of turbines proposed and show that New Jersey Noise Control requirements will be met at the shore.

The emissions impact should include the emissions related to acquiring the base materials, the fabrication of the major component parts, and the ultimate disposal of the used materials/waste - particularly if those activities take place in NJ.

The emissions impact should include the expected changes within the PJM grid from the substitution in New Jersey of dispatchable power with non-dispatchable power.

As noted before, any negative impact on the local economy in dollars and jobs should be quantified. This is likely to be a significant factor in evaluating "close to the shore" projects vs those that are farther out, and farther out options within "close to the shore" wind areas.

As noted before, any negative impact on fisheries in dollar and job costs should be quantified.

As noted elsewhere, there should be more specific treatment of the Coastal Zone Management Consistency Certification to assure NJ requirements are met before the BPU green lights a project.

## F. Evaluation

Each factor should be evaluated independently and disclosed to the public in accordance with the BPU weighting factors - not combined. To comply with NJ law the environmental and the economic factors must each show a positive impact on NJ.

## Applicable to 2nd Solicitation SGD

2.5 Confidentiality - While there is a need for confidentiality, there is also a need for transparency and public disclosure. In evaluating the proposals, the BPU should weigh the level of information that the applicant makes available to the public vs what is claimed as confidential. While not judging each piece of redacted information it can broadly compare with how other applicants are approaching the information. This should be a factor in deciding whether the proposals are complete.

3.2 Project Description - In identifying current uses and conflicts the applicant should commit to providing a Coastal Zone Management Consistency Certificate. This would be provided with the application. How can the BPU give a green light to a project that has not satisfied the NJDEP requirements?

The manufacturer's warranty (as a minimum the lifetime expectancy) should be provided for all major components such as the nacelle, blades, tower, and foundation. This representation should also include their ability to withstand specified storm loads based on the possible storm loads for the locations involved (category 3 or higher). Note that the expected lifetimes may or may not be coextensive with the 20 year OREC lifetime or the claimed project lifetime.

3.3 Energy Production Estimates - While the exact numbers may be confidential, a small range could be provided to the public. How can the public assess the benefits and the ultimate ratepayer costs if the power output is not quantified? For wind and solar projects in particular this can not be judged from name plate capacity.

3.9 Environmental Protection Plan and Emissions Impact - The environmental impact must specifically include the impact of project noise on marine life and on the human environment. For marine mammals that is important from the surveying activities, to construction, operations and decommissioning. Recent studies show that these impacts can be significant depending on the specific equipment used.

Specifically, it should present an analysis of the impact of the project on the primary migration corridor of the critically endangered North Atlantic right whale from operational turbine noise.

Certain impacts on the environment (such as underwater noise, viewshed, and impact on fisheries and wildlife) need to be considered in conjunction with other projects in the region as the impacts are cumulative.

The environmental plan should include an airborne noise source level from the operation of turbines proposed and show that New Jersey Noise Control requirements will be met at the shore.

The emissions impact should include the emissions related to acquiring the base materials, the fabrication of the major component parts, and the ultimate disposal of the used materials/waste - particularly if those activities take place in NJ.

The emissions impact should include the expected changes within the PJM grid from the substitution in New Jersey of dispatchable power with non-dispatchable power.

As noted before, any negative impact on the local economy in dollars and jobs should be quantified. This is likely to be a significant factor in evaluating "close to the shore" projects vs those that are farther out, and farther out options within "close to the shore" wind areas.

3.10 Fisheries Protection Plan - As noted before, any negative impact on fisheries in dollar and job costs should be quantified.

3.13 Permitting Plan - As noted elsewhere, there should be more specific treatment of the Coastal Zone Management Consistency Certification to assure NJ requirements are met before the BPU green lights a project.

3.14 O&M Plan - The applicant should demonstrate how it will comply with the Jones Act during all phases of the project.

3.15 Decommissioning Plan - The proposed plan should demonstrate not only how the decommissioning will be done, but where their approach has been successfully achieved. The decommissioning plan should include their plan for the cable runs.

3.16 Cost- Benefit Analysis - As noted before, NJ law requires positive cost benefit decisions on both economic and environmental impacts. And the impacts are to NJ, not to the US or to the entire globe. So, the costs associated with avoided gas emissions should not include worldwide impacts - which is what the social cost of carbon model does. Those costs need to be scaled down to the impact on NJ. And those claims need to be reviewed in light of BOEM's position on other offshore projects as respects their de minimus contribution to climate change.

The extra costs to maintain grid reliability by maintaining standby/backup power for when the wind is not blowing or blowing too hard must be included in the cost- benefit analysis. Those additional costs should be clearly spelled out for public review.

The added costs to the overall NJ economy in dollars and jobs should be included for any resulting increase in the price of electricity vs the no project alternative.