



**Leading Light
Wind**

New Jersey's 3rd Offshore Wind Solicitation – Clarification Question Responses

Responses to October 31, 2023 clarification questions



Prepared By

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Origination

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Introduction

Dear Mr. Ferris and NJBPU Staff,

This document contains Leading Light Wind's (LLW) written responses to the BPU's October 31st, 2023 list of clarification questions related to our bid into New Jersey's 3rd offshore wind solicitation.

LLW believes that the initial set of responses herein fully cover the clarification questions. However, should additional information be needed related to these topics or any others, please advise and we will respond promptly. Thank you for your consideration of the LLW proposal.

Best Regards,
The Leading Light Wind Project Team

Responses to NJBPU October 31st, 2023 questions

NJBPU Question 1

Section 1.4: Invenergy Wind Offshore states that “the company has successfully developed over 30 GW of power projects across the Americas, Europe and Asia.”

a. Please provide a list of the projects included in this portfolio, including the technology, size, commercial operation date, and location of each.

b. Please specify the company’s development role for each project in this portfolio, i.e., was the company responsible for the full development process versus acquiring an already-developed project?

Question 1 Response

Please see “CONFIDENTIAL_Invenergy Portfolio Project List” for a project-by-project list of Invenergy’s portfolio and the company’s development role. The file has been uploaded to the Levitan & Associates Sharefile site as an Excel spreadsheet. [REDACTED]

NJBPU Question 2

Section 8.2: Exhibit A to the [REDACTED] Prospectus included in Attachment 12 to the SGD indicates that the minimum base rent for [REDACTED]

a. Do Invenergy Wind Offshore’s proposals with [REDACTED] lease rent?

b. If no, why not?

c. If yes, what did Invenergy Wind Offshore use as its assumptions regarding the rent per acre and number of months covered by the lease? Please describe all assumptions made.

d. When is the lease commencement date upon which Invenergy Wind Offshore assumes that rent would be payable to the [REDACTED]

e. What is the lease term (start date, end date, and extension/renewal options)?

Question 2 Response

a. Yes, we can confirm our proposals all account for [REDACTED]

b. N/A

c. [REDACTED]
[REDACTED]
[REDACTED]

d. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

NJBPU Question 3

Section 8.7: *Regarding the statement: “The stated job guarantees as listed in the Application Forms and described above are directly related to the spending guarantees, and any shortfall that might be realized in job creation in any phase of the project should be understood to be directly related to any spending shortfalls.”*

- Please confirm that the job guarantees are unconditional.*
- Please further confirm that any shortfall in spending shortfall will not impact or place any conditions on the jobs guarantee.*
- Please provide an example illustrating the calculation of the remedy for a shortfall in jobs.*

Question 3 Response

- Confirmed. The job guarantees are unconditional.
- Confirmed. Any spending shortfall will not impact or place any conditions on the jobs guarantee.
- As part of our forthcoming Best and Final Offer, LLW has modified the proposed jobs shortfall compensation mechanism to make it simpler and more comprehensive. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] (Please note that this response modifies our previous response to Question #8 in Clarifying Question Set 1 received by LLW on September 1, 2023).

NJBPU Question 4

Section 13.4: *Invenergy Wind Offshore indicates that the [REDACTED] may need additional upgrades [REDACTED]*

- Has Invenergy Wind Offshore incorporated potential payment responsibility for this upgrade into the OREC price for the submitted Project options?*
- If so, how do these additional upgrades impact the OREC price?*

Question 4 Response

- We can confirm that we have included potential payment responsibility for this upgrade into our OREC price for our submitted Project alternatives. [REDACTED]
- These costs have a relatively minor impact on OREC price, and we expect an OREC price reduction of less than [REDACTED] if the upgrade costs were removed.

NJBPU Question 5

Response to CQ2 Question 60 as submitted on October 3, 2023: Invenergy Wind Offshore cites guidance provided by PJM pursuant to FERC's acceptance of the Capacity Interconnection Rights ("CIR") proposal. In the presentation materials for the January 25, 2023 Markets and Reliability Committee, PJM published a presentation showing that an Offshore Wind in the Mid-Atlantic region would need to have CIRs of 73% of the maximum facility output ("MFO") to achieve a similar level of UCAP that would be achieved prior to the institution of the CIR proposal.

a. Recognizing Invenergy Wind Offshore's statement that "PJM has not provided any additional guidance on the relationship between CIRs and ELCC Class Ratings beyond Delivery Year 2025/2026," what cost increases would Invenergy Wind Offshore expect under a higher CIR request?

Question 5 Response

At this time, it is very challenging to assess what cost increases to expect under a higher CIR request scenario. This is primarily due to the following factors:

[REDACTED]

NJBPU Question 6

Appendix 10.1: Invenergy Wind Offshore describes measures that will be taken to minimize the release of direct carbon emissions during construction and operation of the Project. Has Invenergy Wind Offshore considered, or does Invenergy Wind Offshore intend to consider, embodied carbon metrics as a basis for other construction decisions or supply chain and/or OEM selections?

Question 6 Response

In addition to our commitment to reducing our carbon footprint through the minimization of direct emissions during all phases of the project, LLW is committed to reducing our *indirect* (embodied carbon) emissions as well, including those released throughout the project's supply chain for raw material extraction and processing, fabrication of parts, manufacturing and assembly of project components, and long-distance transportation of the components to the project site for installation (together otherwise known as "Scope 3" emissions as per the GHG Protocol).

LLW is aware that the raw and processed materials for manufacturing and operations of wind power plants including steel, fiberglass, resins, plastics, iron, copper, aluminum, concrete, cement, and quarried stone are all produced using energy-intensive processes that are currently significantly contributing to the total global greenhouse gas emissions. [REDACTED]

[REDACTED] As a result, we have already seen and evaluated several responsive and innovative proposals. In addition, our commitment to the use of in-state and domestic manufacturing [REDACTED]

[REDACTED] will significantly reduce emissions associated with long-distance truck transportation and trans-oceanic shipping.

[REDACTED]

In addition to providing raw metrics of embodied carbon and net avoided emissions (e.g., million tons of CO2 equivalents) broken out by material, component, and industry sector, LLW will also provide estimates of the project's "carbon payback period" which is the time required for the carbon emissions displaced by wind power to equal the life cycle carbon emissions (direct and indirect) of the wind farm. For offshore wind, this "carbon payback period" is currently estimated as less than 1 year (see Section 3.4 of our Environmental Protection Plan). These metrics can be included by LLW with the regular quarterly and/or annual reporting to NJBPU during the project execution.

