

1.6 Overview

Page 6 Where there is a shortfall in reaching the Annual OREC allowance and that shortfall is added to the following year's OREC Allowance, the pricing for the carried over ORECs should remain at the original expected year of generation not with the new annually increased OREC price.

1.3 Pricing

See comment above on carried over pricing.

Page 6 OREC pricing should also specifically include decommissioning costs.

Page 7 The inflation adjustment should be eliminated. Why give the developers that protection and transfer the inflation risk to the ratepayer? If that factor is retained then the costs to the ratepayer and cost benefit calculations should be shown with the projected ORECS and also with the 15% maximum upward inflation factor.

Page 8 Note 46 needs to be clarified as to whether the 25% applies to full incremental gross revenue received or some net figure.

1.6 Applications from Previously Selected Qualified Projects

This section and related treatment of previously selected projects should be eliminated. It allows the previously selected developers of Ocean Wind 1, Ocean Wind 2, and Atlantic Shores 1 (or their successors) to walk away from their contractual commitments and to rebid at presumably much higher guaranteed rates. Such rebidding will increase the subsidies paid by NJ ratepayers from \$19.3 Billion to \$26.8 Billion - and Billions more if the maximum authorized inflation factor is realized. (These calculations assume the first three projects when rebid come in at the averaged rate of the recent 2 awards.) How is that beneficial to the NJ ratepayer? And how does that meet the OWEDA cost benefit requirement?

This section also allows the previous developers who become eligible under this 4th solicitation – **whether or not they are ultimately selected for an award** – to have their prior agreements terminated. So merely by submitting a qualifying bid they get off the hook for their prior contractual commitment. How is that in the interest of the NJ ratepayer and citizens?

3 Materials Required from Applicant

All applicants should be required submit an affidavit that they agree to comply with the NJ Coastal Zone Management Act requirements NJAC 7.7 , and prior to commencing construction to obtain certification of compliance from the NJ Department of Environmental Protection.

3.2 Project Description - These power generation and distribution facilities should be considered "essential facilities" for purposes of meeting the Building codes. This helps to assure adequate survivability during adverse weather conditions. As noted in the BPU order 8C of 2/14/24 docket number QO2401008: "Atlantic hurricanes pose a significant potential threat to the State's burgeoning OSW sector. Despite this risk, relatively little technical research has been devoted to quantifying and assessing Atlantic hurricane impact upon OSW projects. ... The prevailing uncertainty surrounding what is widely perceived as a substantial threat to OSW, largely without scientific or engineering backing, serves as a considerable obstacle to the development of OSW."

3.4 Financial Analysis

Page 28 As is specified for the construction costs, the feasibility study used to determine decommissioning costs should also be provided with the cost accounting.

3.8 Economic Development Plan

Economic Impacts page 33 – besides addressing the positive impacts, the negative economic impacts should also be addressed and quantified – e.g. on the Overburdened Communities, on the commercial and recreational fishing industries, on the shore communities in property values and taxes, on the tourism industry in revenue and jobs.

The economic impacts should also apply to the decommissioning phase.

3.9 Stakeholder engagement

Page 39 The specific stakeholder engagements that are identified that have taken place and which are planned should be available for public review in the public version of the application

3.10 Environmental Protection Plan

Page 40 As noted before, the applicant should be required to commit to complying with the NJ CZMA requirements, and before construction to obtaining a NJ DEP certification of compliance.

Page 41 The impact on historic properties, nature preserves, and other culturally significant properties (both off and onshore) should be included.

In comparing the environmental impacts to other Class I renewable energy projects, on - shore wind projects should be included.

The comparative analysis with other renewable projects should be available for public review.

The impact of noise should include both waterborne and airborne noise (including the water borne noise related to ocean surveys), and the impacts should address marine life, birds, and the shore communities.

Negative environmental impacts on fisheries (commercial and recreational) and on shore communities (tourism, property values, local tax revenues) from noise, visual, and other degradation of the environment should be quantified both as respects economic dollar impact and the loss of jobs, and included in the cost benefit analysis.

Per the state law, calculations of the cost/benefit of avoided emissions should only include the benefits to NJ - not worldwide.

3.11 Fisheries Protection Plan

Page 43 The negative impacts on commercial and recreational fisheries should be quantified as respects economic impact and the impact on jobs. That should include direct, indirect and induced costs.

3.14 Permitting Plan

Page 48 As noted previously, the applicant should agree to comply with the NJ CZMA requirements per NJAC 7.7, and provide a certificate of compliance from the NJ DEP before beginning construction.

3.16 Decommissioning Plan

Page 51 Include a requirement to show when and where the applicant's plan has been successfully completed elsewhere.

Require a detailed plan for the decommissioning/removal of a turbine and its base of the sizes contemplated in the project.

The applicant's experience related to decommissioning should be available for public review in the public version of the application.

3.17 Cost-Benefit Analysis

Page 51 The estimates of environmental and economic costs and benefits should be spelled out individually before they are combined or netted, so that each cost and each benefit component may be assessed and evaluated individually.

Just as is done for economic benefits in dollars and jobs, the costs of the negative impacts should include direct, indirect, and induced costs in dollars and jobs.

The benefit calculated from avoided emissions should only include the benefits to NJ (per NJ law), not the worldwide benefits.

The benefit calculated from avoided emissions should be broken down into its component parts; such as from rise in sea level, health effects, and economic effects.

The BPU's analysis for the public should include the cost impact in dollars and jobs on the NJ economy from the increased costs of electricity from these projects compared with cheaper alternatives.

The BPU analysis for the public should consider the projects on their own merits but also in the broader context of the full offshore plan and the total expected impact on the ratepayer and the NJ economy from the increased rates due to the projects approved thus far (including the transmission system upgrades), plus those in this solicitation, plus those planned in the future solicitations in order to meet the Governor's goal.

Individual project costs to the ratepayer are included, but nowhere are the totals shown. And nowhere is the total impact on the NJ economy assessed for one or all of these rate increases.