



**NEW JERSEY
OFFSHORE
WIND ALLIANCE**



**MAREC
ACTION**



March 27, 2024

Christine Guhl-Sadovy
President
New Jersey Board of Public Utilities
44 S. Clinton Avenue
Trenton, NJ 08625-0350

Sherri L. Golden
Secretary of the Board
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, NJ 08625-0350

RE: New Jersey Offshore Wind Solicitation #4, Solicitation Guidance Document, Application Submission for Proposed Offshore Wind Facilities, Docket No. QO24020109

Dear President Guhl-Sadovy, Secretary Golden, and NJ BPU Staff,

New Jersey Offshore Wind Alliance (NJOWA) along with MAREC Action (informally, “Mid-Atlantic Renewable Energy Coalition”) and the American Clean Power Association (ACP) respectfully submit these comments in response to the New Jersey Board of Public Utilities Draft Fourth Solicitation Documents. NJOWA is a newly formed advocacy project created to be the trusted voice of the offshore wind industry in the garden state. It is organized through MAREC Action which is a non-profit coalition of utility-scale offshore wind, land-based wind, solar and energy storage developers and manufacturers dedicated to the growth and development of renewable energy in New Jersey and across the PJM grid region. ACP is the national trade association representing the renewable energy industry in the United States, including in all aspects of offshore wind energy, bringing together over 1,000 member companies, 120,000 members, and a national workforce located across all 50 states with a common interest in encouraging the deployment and expansion of renewable energy resources. Significantly, our memberships include the leaseholders in New Jersey-adjacent offshore wind areas.

Jointly, we would like to commend the Board of Public Utilities on its expedient work of issuing the draft solicitation and providing a clear timeline of the bidding process. We appreciate the hard work of BPU staff on ensuring the industry is kept up to date and on track to meet the

state's 11,000 megawatt goal by the year 2040. Outlined below are views and opinions expressed in this filing which do not necessarily reflect the official position of each of NJOWA, ACP, and MAREC Action's individual members.

Please consider the following comments and questions as you finalize the Fourth Solicitation Guidance Document:

1.2 Overview of the Solicitation (Size)

We appreciate the consistent and transparent solicitation process and encourage the Board of Public Utilities to continue fostering competition. We believe maximizing the size of the solicitation beyond the 4,000 megawatt potential would be helpful in creating a healthy competitive offshore wind marketplace.

1.3 Pricing Structure

We welcome the ability to index inflation and are encouraged by the mechanisms proposed. Our concern is the potential use of only United States indices. The supply chain much like offshore wind is still a nascent industry in the United States. The use of US index numbers only, for components such as steel, fabrication, and fuel, will not provide an accurate picture. Including foreign for example European Union indices, would allow for a more realistic reflection of CAPEX inflation risk.

1.4 Transmission and Interconnection Requirements

We value the Governor's decision to expedite the fourth solicitation timeline and appreciate his intent for making sure New Jersey stays on track with its offshore wind goals. However, we have concerns about the timing of submission for New Jersey's fourth solicitation and the expected announcement of the pre-build infrastructure solicitation. We advocate for the submission deadline for bids to be scheduled after the announcement of the PBI. This would allow developers to have a better understanding of project design and cost. To be clear, we in no way would like to delay, impede, or obstruct the current schedule of the solicitation, but ask for critical decision-making time between the announcement and submission deadline.

2.6 Performance Guarantee

As New Jersey moves forward with further solicitations and awards more projects, it deserves assurances from its new tenants. NJOWA, MAREC Action, and ACP support performance guarantee measures. The fourth solicitation requests guarantees beyond those included in previous solicitations and would like to see more flexibility in the proposal. Additionally, the commitment security is unusually high and an added layer of complexity in an already challenging financial schematic for offshore wind projects. We would like to see some relaxation in these requests.