

A FirstEnergy Company

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July 30, 2024

# VIA ELECTRONIC MAIL ONLY

New Jersey Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, New Jersey 08625-0350

Sherri L. Golden, Secretary Board.secretary@bpu.nj.gov

Genevieve DiGiulio Project Manager, Offshore Wind Genevieve.DiGiulio@bpu.nj.gov

 Re: In The Matter of Declaring Transmission to Support Offshore Wind, A Public Policy of the State of New Jersey
Docket No. QO20100630
Developer Quarterly Report for Close of Second Quarter 2024

On October 26, 2022, the New Jersey Board of Public Utilities ("BPU" or "Board") staff ("Staff") issued the SAA Order<sup>1</sup> awarding a series of projects under the SAA. The SAA Order sets forth certain quarterly reporting obligations. Specifically, the SAA Order's Item 6 of Appendix B requires the following:

The SAA Developer shall provide regular, quarterly status reports in writing to the Board. The reports shall contain, but not be limited to, updates and information regarding: (a) current permitting and land acquisition status of the project; (b) current engineering and construction status of the project; (c) project completion percentage, including milestone completion; (d) current target project and phase completion date(s); and (e) cost expenditures to date, including any associated overhead and fringe benefits related costs and revised projected cost estimates for completion of the project.

<sup>&</sup>lt;sup>1</sup> In the Matter of Declaring Transmission to Support Offshore Wind a Public Policy of the State of New Jersey, BPU Docket No. QO20100630, Order dated October 26, 2022 ("SAA Oder").

In addition, the SAA Order requires that these quarterly reports "shall include, but are not limited to, updates on construction activities, community engagement, all PJM and FERC filings and updates, schedule updates and notification of delays."<sup>2</sup>

In compliance with these requirements, Jersey Central Power & Light herein submits its quarterly report for the three months ended on June 30, 2024, which appears on Attachment A hereto.

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<sup>&</sup>lt;sup>2</sup> SAA Order, at 71.

#### Attachment A

#### **QUARTERLY REPORT**

#### FOR

#### Jersey Central Power & Light Company

#### 1) EXECUTIVE SUMMARY

Project Name: New Jersey Clean Energy Corridor ("NJCEC" or "Project"), formally referenced as "Larrabee Tri-Collector Solution."

Scope Summary (please provide a high-level summary). Please highlight any major project developments or changes to previous quarterly reports, including not limited to scope changes or completion dates:

The NJCEC Project is designed to provide interconnection points for the distribution of 4,890 MW of offshore wind generation by 2030. Jersey Central Power & Light Company ("JCP&L" or "Company") does not have any proposed scope or schedule changes currently pending before the Board to report for this quarter.

2) Current Permitting and Land Acquisition of the Project

# Provide update. Highlight milestones, outstanding items, and issues. Include percentage completion.

The NJCEC Project does not require any land acquisition.

The Company is continuing to determine what environmental and construction permits are required, including required start dates and perceived durations. Relatedly, the Company continues to work through options to satisfy the anticipated mitigation requirements related to tree clearing within specific Watershed Management Areas ("WMA") along the Company's existing right-of-way. The tree clearing mitigation requirements traverse three different WMAs along the Company-owned right-of-way.

As noted in prior quarterly reports, on September 7, 2023, the Company awarded the environmental engineering, environmental permitting, mitigation solutions and environmental construction oversight to three separate firms. The Company continues to meet regularly with stakeholders at the New Jersey Department of Environmental Protection concerning environmental permitting for the Endangered and Nongame Species Program, the Green Acres Program, and stormwater management, as well as with personnel in the Historic Preservation Office.

Separately, the Company has partnered with Saul Ewing LLP to facilitate all nonenvironmental permitting needs, including, but not limited to, zoning and planning submissions and construction-related permitting.

To date, the Project is approximately 18 percent complete as it relates to permitting.

## 3) Current Engineering and Construction Status of the Project

# Provide update. Highlight milestones, outstanding items, issues, and proposed or approved scope change.

As noted in prior reports, the Company has completed a scope review of all phases of the Project. The Company has finalized all engineering milestones that comport with the required inservice dates. To date, the Project is approximately 40 percent complete as it relates to engineering. This includes electrical, site civil, and environmental engineering. The Company and Mid-Atlantic Offshore Development, LLC continue to have coordinated engineering discussions and have achieved milestones related to site plan, layout, major equipment procurements, and converter-to-line exit coordination for the NJCEC Project.

### 4) Project Completion Percentage, Including Milestone Completion

# Provide update on milestone progress, including percentage complete of each milestone. This can be a table, if preferred. Please do not only reference another document.

The Project is currently in the engineering, procurement and permitting phase. On January 13, 2023, the Company and PJM Interconnection, LLC ("PJM") agreed to milestones related to the Project's in-service date ("ISD"). No ISD milestones have been completed as of this report. Geotechnical explorations, performed by Kleinfelder Inc., commenced on January 22, 2024, and were completed on June 21, 2024, in areas between Larrabee, Smithburg, and East Windsor Substations. Letter notifications containing information related to the scheduled geotechnical work were sent to the affected local government representatives.

The Project remains on schedule.

## 5) Current Target Projects and Phase Completion Dates

# Provide updates, project milestones that are in the pipeline, and when projects in the pipeline are expected to be completed. Please include overall project completion date. Please do not only reference another document.

The Company does not have any updates to project milestones at this time. As stated above, the Project is currently in the pre-construction engineering, procurement and permitting phase. The Project is currently on track to meet the overall project completion date of June 1, 2030.

#### 6) Cost Expenditures

Include any associated overhead and fringe benefits-related costs and revised projected cost estimates for completion of the project. Highlight any cost adjustments. Provide initial project cost (at time of SAA Order), overall (current) expected project cost, and current spend.

When the Project was awarded, the Company's projected total costs were \$910 million. This cost estimate has not changed as there are no cost adjustments to report for this quarter. The Company has spent \$17.55 million as of July 10, 2024.

## 7) Community Engagement

# Provide an update regarding any community engagement activity in which you have engaged this quarter.

As discussed previously, the Company will refer to the JCP&L-awarded portion of the SAA as the NJCEC.

The Company has procured an economic impact study to be developed by the Edward J. Bloustein School of Planning and Public Policy at Rutgers University. Preliminary results are expected in November 2024. The Company continues to maintain an open dialog with relevant departments of New Jersey government as well as with federal regulatory bodies. In conjunction with a strategic community outreach program to introduce the Project and receive feedback from municipalities, the Company has partnered with Momentum LLC ("Momentum"), Electric Power Research Institute, and Change Research LLC ("Change Research") to conduct polling and to provide counsel on topics related to community impacts. As noted in prior reports, the Company will work with Change Research to facilitate text polling, focus groups and community outreach. The Company initiated a robust community outreach plan during the first quarter of 2024. The NJCEC team has met with officials of the following municipalities: Howell, Jackson, East Windsor, Millstone, and Freehold. Meetings with other relevant municipalities are scheduled to continue through 2024.

## 8) PJM FERC Filing Update

# Provide updates on any relevant PJM FERC Filing activities related to the project that occurred during this quarter.

The Company does not have any such activities to report for this quarter.

#### Department of Energy Loan Programs Office ("LPO")

The Company has formed an internal team to work through the application process for potential incentives. In addition, the Company partnered with Momentum to assist with obtaining potential low-interest loans under the Energy Infrastructure Reinvestment ("EIR") Financing program established pursuant to the Inflation Reduction Act ("IRA").

The anticipated timeline for the application in the EIR program is outlined below:

Event	Estimated Date
Pre-Application Meeting with U.S.	July 27, 2023 (COMPLETE)
Department of Energy Loan Programs Office	
Application Part 1 Submitted to LPO	December 22, 2023 (COMPLETE)
Application Part 2 Submitted to LPO	March 13, 2024 (COMPLETE)
FirstEnergy accepted invitation to the Due Diligence phase	June 23, 2024 (COMPLETE)

The Company's loan application is pending LPO review.

9) Attachments, as applicable (list names of all attachments included, next to the Items number above to which they each refer):

The Company does not have any attachments to provide at this time.