

NJ BPU Public Stakeholder Meeting

Pre-Build Infrastructure Plan to Support New Jersey's Offshore Wind Policy

PUBLIC MEETING IN THE MATTER OF THE OPENING OF A SOLICITATION FOR A
TRANSMISSION INFRASTRUCTURE PROJECT TO SUPPORT NEW JERSEY'S
OFFSHORE WIND PUBLIC POLICY

Docket Number: QO23100719

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My name is Catherine Luthin, and I reside with my husband, John, at 321 Stockton Boulevard. Sea Girt, New Jersey 08750. We moved to Sea Girt in October of 2019.

I was the Principal and Founder of Luthin Associates, an energy management consulting firm established in 1994. The firm was sold in April of 2019. Currently, I am the Principal of Luthin Strategy, and work as a registered lobbyist in NY State, focusing on energy policy. I have a Master of Business Administration degree and a Bachelor of Science degree in Marketing from Fairleigh Dickinson University. Over the past thirty (30) years, I have advised and represented the interests of public utilities, as well as non-profit and corporate entities on issues ranging from utility deregulation to strategic energy planning and management. I previously served as Executive Director of the New York Energy Buyers Forum, an association of commercial real estate operators based in New York City, and was the regulatory advisor to Consumer Power Advocates (CPA), an association of large, world-renowned non-profit institutions whose primary goal is to improve service quality and control the cost of energy by focusing on regulatory decisions and programs which impact energy consumers in New York City.

I have represented clients at the New York State Legislature, represented consumer interests as a member of the New York Independent System Operator (NYISO), and have filed comments and testimony at New York State Public Service Commission and the Federal Energy Regulatory Commission (FERC) since 2002. I have filed testimony before proceedings of the Energy Committee of the New York State Assembly, proceedings of FERC, and proceedings of the New York City Council.

I previously served as a member of Mayor Bloomberg's New York City Energy Policy Task Force, which developed a comprehensive plan for New York City's energy and infrastructure. Along with a representative of NRDC, I wrote the distributed generation section of that plan. In addition, I served as the co-chairperson of the Con Edison Steam Business Development Group.

The purpose of providing these written comments is to object to the BPU's plan to solicit and implement pre-build infrastructure (PBI) for offshore wind.

It is important to robustly determine the health impacts of this proposed plan, accounting for superfund impacts of the health of our residents. The impact of the decline of real estate values should be addressed (just the perception of health concerns regarding EMFs can decrease real estate value), as well as the economic impact on the budgets of our municipalities and impact to local businesses. The cost impact to the consumer should be known and the consumer should know who will be on the hook to pay that cost. Alternative methodologies to reduce carbon should be explored and quantified, and a cost benefit analysis should be prepared in a transparent process for consumers that will achieve the same or similar carbon reduction goals.

BPU staff and engineering consultants made several presentations at the public hearing, attending in person or via webinar on Tuesday, October 1, 2024.

In response to Sea Girt Mayor Fetzer's letter to the BPU concerning similar projects, BPU representative, Sophia Dolashewich, wrote in her response to the mayor on July 11, 2024, "This type of infrastructure is common". To be clear, nothing about this proposed project is common. It is completely unique, which is why comprehensive studies of the impacts are warranted. The examples Ms. Dolashewich provided were absolutely not similar in scope and/or still under construction. The examples cited are:

1. The operational Neptune Regional Transmission System, which is a cable installation of 660 Megawatts (not the 6,400 MW of this proposed project). The path of this installation is directly within waterways (thru Raritan Bay, across the ocean, through Jones Beach State Park and up Wantagh State Parkway). It does not go through a residential neighborhood.
2. The Cross-Sound Cable (all of 330 MW) which crosses the Long Island Sound. Again, this project is not located through a residential neighborhood.
3. The Hudson Transmission Project, is cited as an example of a project of similar scope. However, Ms. Dolashewich fails to mention that this cable is only 660 MW's. Its path follows a route through inactive railways in industrial areas, through a deep underground tunnel, and then across the Hudson River. Again, not a project found in a residential neighborhood and certainly is not as big as PBI
4. The 330-mile Champion Hudson Express line from Canada to Queens is once again found as 60 percent in waterways, 40 percent underground, and most of its route is along major rural highways or along train tracks in rural and industrial

areas. The total project scope is 1,250 MWs which is still under construction. The Prebuilt Infrastructure will serve transmission lines carrying over 5 times as much power through neighborhoods that are densely residential.

None of the 4 listed projects are similar in scope to what is proposed in Monmouth County and all, for the most part, avoid residential neighborhoods. Nothing like the PBI project actually exists in the world.

It is unfathomable to me that the BPU, the State of New Jersey and the Federal government would risk the health of citizens by proposing and soliciting bids for this infrastructure pathway. Currently, the installation is proposed of 4 conduits totaling 6,400 megawatts which will be 190-degree Fahrenheit. No installation of this size, anywhere in the world, has been built in a residential area. The State of New Jersey needs to ensure that the environmental impacts along the route are evaluated and studied with community participation to assure residents of the objectivity of any conclusion. To ensure this will occur, independent analysis by the impacted communities should be funded and cooperative engagement with the communities by the BPU and selected developer must be scheduled and practiced .

IMPACT ON THE LOCAL ENVIRONMENT MUST BE CONSIDERED

Construction of this proposed project could take 2 to 3 years. In Sea Girt, there are only two ways you can enter town, this project will rip up residential streets, tear up a recently installed bike path at Station Park by our elementary school, go past Manasquan Elementary and High Schools, and across the bike path enjoyed by our families, children,

seniors and tourists. The impact on real estate sales, tourism in the construction zone, and economic loss to local businesses, which are still struggling to recover from the pandemic, have not been estimated nor quantified. The State of New Jersey must take all of this into consideration as they weigh the cost benefits with the negative outcomes communities will face.

THE COST TO UTILITY CUSTOMERS IS UNKNOWN

Although to date the cost impact is unknown, it is speculated that this project will cost approximately 1.13 billion dollars, which rate payers will be on the hook for. One example of an estimated cost projection is that of Champlain Hudson which is presently estimated to cost \$6 billion. However, it must be noted that CHPEs initial estimated cost was \$4.5 billion, resulting in a 25 percent increase in potential cost. It is likely with current increased construction costs and supply shortages a more realistic number for this project in Monmouth County will be \$1.25 billion to \$1.63 billion or higher. How these estimated costs will be passed on to consumers is unknown at this time.

During the public hearing, Bob Branson, Executive Director of the Board of Public Utilities presented materials on “New Jersey’s Electric Transmission Need,” but his comparison of peak use to available capacity was flawed. Critically, he compared **non-coincident peak load** to total generation capacity, showing current deficit. This is incorrect. The proper basis for comparison is **coincident load**, the total amount of load the system may be required to serve at its peak. Without that correct analysis, we cannot be assured that any new generation is required to meet reliability standards. More to the point, wind generation is inherently intermittent, meaning it cannot be fully relied upon for reliability

purposes. Based on New York's experience, wind turbines may be derate by as much as 90% or more for reliability planning purposes. In fact, the intermittent nature of wind power requires more use of fast ramping power sources, which are typically natural gas or oil powered. While New Jersey may face significant reliability challenges, this project cannot address those needs effectively without the concurrent development of more fossil generation. At the present time, no other resource that can ramp up that fast and is commercial in scale can be found .

At present, natural gas and nuclear energy together have fueled more than 90% of the New Jersey's total electricity generation in every year since 2011. In 2022, natural gas accounted for about 49% of New Jersey's total electricity generation and nuclear power provided almost 42%. Both are projected to provide 40% of its energy in the future. It makes more sense for the NJBPU to prioritize siting and building additional traditional electric infrastructure to meet the significant growth demand to transmit the generation of natural gas and nuclear power. Certainly, if the goal is net zero emissions, recommissioning or commissioning nuclear is essential.

THE SYSTEM IMPLICATIONS HAVE NOT BEEN ADDRESSED

The necessary components of offshore wind development are not included in this analysis. BPU is presenting the arguably environmentally benign elements, without even mentioning the more problematic ones (including the need for fossil fuel back up capacity as noted above). Once this project is complete, 6,400 MW will need to be transmitted away from Howell. There has been no mention of how the interconnection will be accomplished, or what transmission upgrades will be required within the materials

provided to the public at this meeting held in Wall, NJ If PJM has an interconnection plan, it has not been disclosed here. Residents deserve to know before the BPU commits ratepayers to this costly project.

ALTERNATIVES ARE BEING IGNORED

Is it possible to develop a program which targets low to middle income residents of NJ to effectively reduce carbon usage in their homes and is a permanent demand reduction? And, is it possible to reduce more than 6,400 MWs of energy consumption at a much lower cost? Yes, I believe both statements are possible.

In 2014-2015 I was a contractor to NYSEDA under Con Edison's peak demand reduction program and through our participation 70.5 MWs were reduced for a total program cost that was estimated at \$50,623,380 dollars. These types of programs will be significantly lower than off shore wind transmission or traditional electric infrastructure. The best way to limit load growth is to curb demand. Some transmission will still have to be built, however the more demand we can get off the system, the less cost remains for the NJ ratepayers.

ACTIVE GROUND WATER POLLUTION REMEDIATION NEEDS TO BE CONSIDERED

The final reason why we object to this plan is that it will be built on a superfund site which is still under a remedial cleanup plan. The site, White Swan Cleaners, has been determined to be a source of area-wide volatile organic compound (VOC) contamination in soil and in groundwater. Contaminated groundwater extends from the general area of

Sea Girt Avenue and Route 35 in an eastward direction to the Atlantic Ocean, and extends as far north as Hannabrand Brook and Wreck Pond and as far south as Judas Creek and Stockton Lake, according to the EPA. The contamination affects both the groundwater and the soil in the area¹. How a superfund site is appropriate for this type of construction and the additional health concerns construction can place on residents during this process is unfathomable.

COMMUNITY CONCERNS MUST BE ADDRESSED

Although I appreciate the opportunity to comment today, it is apparent, that previously the BPU has not engaged in substantive outreach or solicited input from communities impacted by this construction prior to the solicitation of bids for construction of this proposed project. The lack of transparency regarding this process has resulted in significant community mistrust. A transparent process must be put in place reestablish that trust. To this end, BPU should provide significant resources to the affected municipalities to assure effective participation in the planning process.

I propose that the four most affected municipalities each be awarded \$500,000 to engage **independently qualified** consultants to study concerns raised by residents and to propose effective measures to mitigate those concerns. If this type of funding is not available from rate payer funds, this should be included as an additional cost to the developer who will be awarded the project in the future. This type of community interventor funding has occurred within the State of New York when communities **are**

¹[https://starnewsgroup.com/2024/09/26/epa-gives-update-on-white-swan-superfund-work/#:~:text=Contaminated%20groundwater%20extends%20from%](https://starnewsgroup.com/2024/09/26/epa-gives-update-on-white-swan-superfund-work/#:~:text=Contaminated%20groundwater%20extends%20from%20)

significantly impacted as in this example of implementation of pre-build infrastructure (PBI) for offshore wind.

Thank you for the opportunity to make this statement.