## State of New Jersey Governor Philip D. Murphy Lt. Governor Tahesha L. Wav

### **Board of Public Utilities**





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## **Christine Guhl-Sadovy** President

Dr. Zenon Christodoulou Marian Abdou Michael Bange **Commissioners** 

# NOTICE

# IN THE MATTER OF THE OPENING OF NEW JERSEY'S FOURTH SOLICITATION FOR OFFSHORE WIND RENEWABLE ENERGY **CERTIFICATES (ORECs)**

Docket No. QO24020109

#### STAKEHOLDER MEETING AND REQUEST FOR COMMENTS

The New Jersey Board of Public Utilities ("BPU" or "Board") hereby gives notice of a virtual stakeholder meeting to discuss the draft solicitation guidance document ("SGD") for its fourth offshore wind solicitation ("Fourth Solicitation"). The draft SGD can be found, here: https://nioffshorewind.com/fourth-solicitation/solicitation-documents/.

## **Background and Procedural History**

On August 19, 2010, the Offshore Wind Economic Development Act ("OWEDA") was signed into New Jersey law. 1 OWEDA directed the Board to establish a program for Offshore Wind Renewable Energy Certificates ("ORECs") to support at least 1,100 megawatts ("MW") of offshore wind ("OSW") generation capacity from qualified OSW projects.<sup>2</sup>

On January 31, 2018, Governor Phil Murphy signed Executive Order No. 8 ("EO 8"), which directed the Board to fully implement OWEDA and begin the process of moving the State toward a goal of 3,500 MW of OSW by 2030.3 To achieve these goals. EO 8 also directed the Board to develop and implement a strategic plan to examine the critical components of OSW development. With the clear directives from the State Legislature and the Governor, after issuing an order directing Board Staff to take specific actions to implement EO 8 such as the preparation of an initial 1,100 MW solicitation and initiating a rulemaking procedure for the OREC funding mechanism, and after having adopted rules creating the OREC, on September 17, 2018, the desired OSW capacity target of 1,100 MW.4 By Board Order dated June 21, 2019, the Board

<sup>&</sup>lt;sup>1</sup> See N.J.S.A. 48:3-87.1 et seq.

<sup>&</sup>lt;sup>2</sup> OWEDA defines an OREC as representing the environmental attributes of one MWh of electric generation from an OSW project. For each MWh delivered to the transmission grid from an OSW that is a Qualified Offshore Wind Project, such OSW project will be credited with one OREC. See also N.J.A.C. 14:8-6.1.

<sup>&</sup>lt;sup>3</sup> See Exec. Order No. 8 (Jan. 31, 2018), 50 N.J.R. 887(a) (Feb. 20, 2018) ("EO 8").

<sup>&</sup>lt;sup>4</sup> See September 17, 2018 Order.

awarded ORECs for 1,100 MW of OSW capacity to the Ocean Wind 1,100 MW project.<sup>5</sup>

On November 19, 2019, Governor Phil Murphy signed Executive Order No. 92 ("EO 92"), which directed the Board to take "all necessary actions to implement OWEDA in order to promote and realize the development of wind energy off the coast of New Jersey to meet a goal of 7,500 megawatts of offshore wind energy generation by the year 2035."

On September 9, 2020, the Board issued its second OREC solicitation ("Second Solicitation"). The Second Solicitation sought a desired OSW capacity target of 1,200 MW to 2,400 MW.<sup>7</sup> By two (2) Board Orders, each dated June 30, 2021, the Board awarded two (2) projects, the 1,509.6 MW Atlantic Shores 1 project and the 1,148 MW Ocean Wind 2 project.<sup>8</sup>

On September 21, 2022, Governor Phil Murphy signed Executive Order No. 307 ("EO 307"), which further expanded the State's OSW goal to 11,000 MW by 2040.9

To position the State to reach Governor Phil Murphy's OSW goals, the Board formally requested inclusion of its OSW public policy into PJM Interconnection L.L.C.'s ("PJM") regional transmission expansion analysis through the State Agreement Approach ("SAA"). In October 2022, the Board approved a series of transmission projects under the SAA that provides a coordinated transmission solution for 6,400 MW of OSW generation.

On February 15, 2023, Governor Murphy signed Executive Order No. 315 ("EO 315"), changing New Jersey's renewable energy goal from 50 percent renewable energy by 2030 and 100 percent clean energy by 2050 to 100 percent clean energy by 2035.<sup>12</sup>

On March 6, 2023, the Board issued its third OREC solicitation ("Third Solicitation"). The Third

<sup>&</sup>lt;sup>5</sup> In the Matter of the Board of Public Utilities Offshore Wind Solicitation for 1,100 MW – Evaluation of the Offshore Wind Applications, BPU Docket No. QO18121289, Order dated June 21, 2019.

<sup>&</sup>lt;sup>6</sup> See Exec. Order No. 92 (Nov. 19, 2019), 51 N.J.R. 1817(b) (Dec. 16, 2019) ("EO 92").

<sup>&</sup>lt;sup>7</sup> In the Matter of the Opening of Offshore Wind Renewable Energy Certificate (OREC) Application Window for 1,200 to 2,400 Megawatts of Offshore Wind Capacity in Furtherance of Executive Order No. 8 and Executive Order No. 92, BPU Docket No. QO20080555, Order dated September 9, 2020.

<sup>8</sup> In the Matter of the Opening of Offshore Wind Renewable Energy Certificates (OREC) Application Window for 1,200 to 2,400 Megawatts of Offshore Wind Capacity in Furtherance of Executive Order No. 8 and Executive Order No. 92, BPU Docket No. QO20080555 and In the Matter of the Board of Public Utilities Offshore Wind Solicitation 2 for 1,200 to 2,400 MW – Atlantic Shores Offshore Wind Project 1, LLC, BPU Docket No. QO21050824, Order dated June 30, 2021; In the Matter of the Opening of Offshore Wind Renewable Energy Certificates (OREC) Application Window for 1,200 to 2,400 Megawatts of Offshore Wind Capacity in Furtherance of Executive Order No. 8 and Executive Order No. 92, BPU Docket No. QO20080555 and In the Matter of the Board of Public Utilities Offshore Wind Solicitation 2 for 1,200 to 2,400 MW – Ocean Wind II, LLC, BPU Docket No. QO21050825, Order dated June 30, 2021.

<sup>&</sup>lt;sup>9</sup> See Exec. Order No. 307 (Sept. 21, 2022), 54 N.J.R. 1945(a) (Oct.17, 2022) ("EO 307").

<sup>&</sup>lt;sup>10</sup> <u>See PJM, Transmission Planning and Cost Allocation by Transmission Owning and Operating Public</u> Utilities, PJM Compliance Filing, Docket No. ER13-198, 38-39 (October 25, 2012).

<sup>&</sup>lt;sup>11</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.

<sup>&</sup>lt;sup>12</sup> See Exec. Order No. 315 (Feb. 15, 2023), 55 N.J.R. 509(a) (March 20, 2023) ("EO 315").

## **STAKEHOLDER MEETING**

**DATE:** March 20, 2024

**TIME:** 1:00 p.m. Eastern Time to 3:00 p.m. Eastern Time

**LOCATION:** Zoom Virtual Webinar

REGISTER: <a href="https://us06web.zoom.us/webinar/register/WN\_x2XnuGEgQLyQOkSvLCelvA">https://us06web.zoom.us/webinar/register/WN\_x2XnuGEgQLyQOkSvLCelvA</a>

Solicitation sought a desired OSW capacity target of 1,200 MW to 4,000 MW.<sup>13</sup> By two (2) Board Orders, each dated January 24, 2024, the Board awarded two (2) of New Jersey's largest OSW projects to date, the 1,342 MW Attentive Energy Two project and the 2,400 MW Leading Light Wind project.<sup>14</sup> The Board awarded these projects the full SAA capability of the Larrabee Tri-Collector solution.<sup>15</sup>

On October 25, 2023, the Board rejected the Prebuild Infrastructure ("PBI") proposals that were submitted as part of the Third Solicitation, finding that the PBI being awarded to a developer who also receives an award as a Qualified Offshore Wind Project represented an unreasonable risk to New Jersey ratepayers and directed Board staff to develop a separate PBI solicitation. <sup>16</sup>

On November 17, 2023, the Board issued a PBI Solicitation and the Prebuild Solicitation Guidance Document in which it "explained that the Prebuild envisioned a single construction effort to install the necessary Duct Banks and associated access Cable Vaults to house transmission Conduits for future use of up to four (4) OSW Qualified Projects, thereby enabling these projects to access the wholesale transmission system." Any project awarded through the PBI Solicitation will be submitted to PJM for incorporation into PJM's regional transmission expansion plan ("RTEP"), and will also be submitted for cost recovery through the cost allocation provisions for Public Policy Projects, approved by FERC. The Prebuild Solicitation Application Submission Deadline is April 3, 2024, and an award is expected in Q3 2024.

The stakeholder meeting for the Fourth Solicitation will be held at the following date and time, and in the following manner:

Please note that the meeting will be conducted virtually. You must register before attending

<sup>&</sup>lt;sup>13</sup> In the Matter of the Opening of New Jersey's Third Solicitation for Offshore Wind Renewable Energy Certificates (OREC), BPU Docket No. QO22080481, Order dated March 6, 2023.

<sup>&</sup>lt;sup>14</sup> In the Matter of the Board of Public Utilities Approving Attentive Energy Two 1342 MW Project as a Qualified Offshore Wind Project, BPU Docket No. QO22080481, Order dated January 24, 2024; and In the Matter of the Board of Public Utilities Approving Leading Light Wind 2400 MW Project as a Qualified Offshore Wind Project, BPU Docket No. QO22080481, Order dated January 24, 2024.

<sup>&</sup>lt;sup>15</sup> The Larrabee Tri-Collector Solution means the Mid-Atlantic Offshore Development, LLC's and Jersey Central Power & Light Company's ("JCP&L") jointly submitted proposal selected by the Board for New Jersey's inaugural offshore wind coordinated transmission solution under PJM's SAA. This Tri-Collector solution includes 3 circuits, providing 3,742 MW to the Larrabee Collector Station, a new substation adjacent to the existing JCP&L Larrabee substation that represents the predominant portion of the Larrabee Tri-Collector Solution.

<sup>&</sup>lt;sup>16</sup> In the Matter of the Opening of New Jersey's Third Solicitation for Offshore Wind Renewable Energy Certificates (OREC), BPU Docket No. QO22080481, Order dated October 25, 2023.

<sup>&</sup>lt;sup>17</sup> In the Matter of the Opening of a Solicitation for a Transmission Infrastructure Project to Support New Jersey's Offshore Wind Public Policy, BPU Docket No. QO23100719, Order dated November 17, 2023.

the meeting at least 48 hours prior to the scheduled date. Stakeholders and members of the public may participate after registering by utilizing the link or dial-in information set forth above and may express their views. In order to encourage full participation, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, at least 48 hours prior to the above meeting date to the Secretary of the Board at board.secretary@bpu.nj.gov.

If you wish to reserve a speaking opportunity, please designate this during the online registration process. After registering, you will receive a confirmation email containing information about joining the meeting and information about checking your system requirements in advance of the meeting. Please check your access devices in advance of the meeting to ensure that they will properly connect.

Questions on this stakeholder process may be directed to Kira Lawrence at kira.lawrence@bpu.nj.gov.

# **Comments**

The Board is also accepting written and/or electronic comments.

All public comments should be filed under <u>Docket No. QO24020109</u>. The deadline for comments on this matter is 5:00 p.m. Eastern Time on Wednesday, March 27, 2024.

Please submit comments directly to the specific docket listed above using the "Post Comments" button on the Board's <u>Public Document Search</u> tool. Comments are considered public documents for purposes of the State's Open Public Records Act. Only public documents should be submitted using the "Post Comments" button on the Board's <u>Public Document Search</u> tool. Any confidential information should be submitted in accordance with the procedures set forth in N.I.A.C.

14:1-12.3. In addition to hard copy submissions, confidential information may also be filed electronically via the Board's e-filing system or by email to the Secretary of the Board. Please include "Confidential Information" in the subject line of any email. Instructions for confidential e-filing are found on the Board's webpage <a href="https://www.nj.gov/bpu/agenda/efiling/">https://www.nj.gov/bpu/agenda/efiling/</a>.

E-mailed and/or written comments may also be submitted to:

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

Phone: 609-292-1599

Email: <u>board.secretary@bpu.nj.gov</u>

<u>Sherri L. Golden</u> Sherri L. Golden

Secretary of the Board

Dated: March 6, 2024