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December 2, 2015

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President, Board of Public Utilities
44 South Clinton Avenue
Trenton, NJ 08625

By USPS to: EMP Update
Board Secretary
NJ Board of Public Utilities
P. O. Box 350, 44 S. Clinton Ave.
Trenton, NJ 08625-0350

Dear Mr. Mroz:

ED08121065

Please accept the following comments on behalf of the Board of Directors and members of the New Jersey Environmental Lobby (NJEL), in response to the Energy Master Plan Update (the Update) as released on November 20, 2015.

DIRECTORS
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NJEL is disappointed in the BPU's reversal with respect to offshore wind energy policy as stated in the Update. New Jersey has the opportunity to be a leader in the United States in developing this clean, reliable source of energy. With the high demand for power in the State, the gently sloping coastline, and high offshore wind speeds, New Jersey is a prime location for offshore wind development. Polls show that the public is positive about the prospect of wind turbines off the coast. The Bureau of Ocean Energy Management (BOEM) recently granted two leases of acreage off New Jersey's coast. At this critical opportunity for offshore wind development, New Jersey is retreating from potential leadership with respect to this resource. NJEL strongly opposes this retreat.

EXECUTIVE DIRECTOR
Noemi de la Puente

The Update dismisses offshore wind as a component of the State's electricity portfolio. This is a puzzling contradiction of Governor Christie's statement when he signed the Offshore Wind Economic Development Act in 2010. At that time, he heralded it by saying, "It makes sense for us to go in this direction not only because it's good for the environment, but because it's going to help us create jobs."

DIRECTOR OF ADMINISTRATION
Linda Dickman

WEBMASTER
James P. Gleason

Indeed, the offshore wind power industry has created tens of thousands of jobs in Europe¹, where wind energy is widely used. The Update's discussion of "European and Chinese Wind" (page 30) turns into a conclusion that decisions made in Europe and China necessarily apply to New Jersey, without evidence to that effect. Europe may have "scrapped plans for more than 5,700 MW of offshore wind projects" (page 30) but that claim omits the fact that over 10% of European Union members' electricity is already produced from offshore wind. While some projects may have been withdrawn, in the first six months of 2015, over 2300 MW of new wind power was grid-connected, a 200% increase over the comparable

¹ 75,000 FTE jobs in Europe in 2014 per the European Wind Energy Association:
<http://www.ewea.org/policy-issues/offshore>

² The European Offshore Wind Industry-key trends and statistics 1st half 2015. A report by the European Wind Energy Association - July, 2015: <http://www.ewea.org/fileadmin/files/library/publications/statistics/EWEA-European-Offshore-Statistics-H1-2015>

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period in 2014. That did not include another 422 MW that were awaiting connection. There were both increases and decreases in various other facets of construction, none of which is necessarily meaningful to conclusions about New Jersey.² The Update fails to take into account other factors that may have caused a downsizing of European projects, including a global economic slowdown, the fall of the Euro relative to the dollar, and the sovereign debt crises in certain Eurozone countries.

It is also unclear how China's cutback in its four-year plan for offshore wind would be instructive for New Jersey. Given China's pattern of boom-and-bust infrastructure investment, its controversial currency policies, its focus on developing its inland cities, and the huge areas available for land-based turbines, the reasons for its energy resource decisions are hardly transferable to New Jersey.

Offshore wind makes sense for meeting New Jersey's goal of generating more power in-state. As per the Update, "New Jersey's limited ability to generate renewable energy in-state is due to its constrained geographic size, dense development, and limited climatic and natural resource features (e.g., solar radiance, wind, and hydrologic assets). Overall, 76% [of the RPS is coming] from out-of-state sources . . . 2012 RECs were supplied from renewable energy facilities in Illinois (26%), Pennsylvania (17%), Indiana (15%), West Virginia (9%), Ohio (4%), Virginia (3%) and Maryland (2%)" (page 14). Offshore wind is New Jersey's largest potential source of renewable energy, with thousands of megawatts of power available off the coast. If New Jersey is serious about more clean in-state generation, offshore wind is the obvious answer.

Offshore wind is New Jersey's best option for delivering energy to the state while bypassing the congestion in the transmission grid, congestion that is costly and threatens reliability. As per the EMP update, "The State will continue to encourage new in-state generation, especially in areas of high congestion. The State will continue to work to assist in reducing financial, regulatory, and technical barriers and provide for opportunities for new entry (page 17)." Offshore wind is the only resource that can deliver power from east-to-west, avoiding the major congestion constraints encountered by land-based sources of energy that are delivered from west-to-east.

It has been over five years since Governor Christie signed the Offshore Wind Economic Development Act, but the financing mechanism required to facilitate projects has yet to be finalized. We ask the BPU to work with stakeholders to fully implement the Act so that offshore wind energy becomes a reality for New Jersey. **Even with the substantial investments in solar infrastructure made by New Jersey's electricity providers and property owners, the portion of renewables in the State's portfolio is only 4%, much of it produced out-of-state.** We must not ignore an additional resource that will benefit our economy and our environment. *Now* is the time for offshore wind power in New Jersey.

Sincerely,



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