New Jersey’s
Offshore Wind Generation & Transmission

Andrea Hart, Esq.
New Jersey Board of Public Utilities
### NJ Offshore Wind Generation Solicitation Schedule

<table>
<thead>
<tr>
<th>Solicitation</th>
<th>Capability Target (MW)</th>
<th>Capability Awarded</th>
<th>Issue Date</th>
<th>Estimated Commercial Operation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1,100(^{(1)})</td>
<td>1,100</td>
<td>Q3 2018</td>
<td>2024-25</td>
</tr>
<tr>
<td>2</td>
<td>1,200-2400(^{(2)})</td>
<td>2,658</td>
<td>Q3 2020</td>
<td>2027-29</td>
</tr>
<tr>
<td>3</td>
<td>1,200</td>
<td>N/A</td>
<td>Q1 2023(^{(3)})</td>
<td>2030</td>
</tr>
<tr>
<td>4</td>
<td>1,200</td>
<td>N/A</td>
<td>Q2 2024</td>
<td>2031</td>
</tr>
<tr>
<td>5</td>
<td>1,342</td>
<td>N/A</td>
<td>Q2 2026</td>
<td>2033</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Project 1 includes preliminary studies and significant costs; \(^{(2)}\) The range includes the minimum achievable capacity; \(^{(3)}\) The date is preliminary.
NJ Offshore Wind Transmission

• PJM Interconnection is New Jersey’s regional grid operator
• BPU identified the potential benefits of soliciting coordinated market-based options for building out the transmission facilities necessary to achieve the offshore wind goal
• November 2020, BPU requested PJM to solicit competitive transmission proposals to support New Jersey’s offshore wind via the State Agreement Approach (SAA)
State Agreement Approach (SAA)

• The SAA is a tool offered by PJM—transmission development, based on policy

• New Jersey is the first state to utilize the SAA

• The SAA is a competitive solicitation for transmission projects from a broad pool of regional developers

• Proposals—lower costs, greater innovation resulting in efficiencies, decreased environmental impacts and increased ratepayer savings.
New Jersey’s 2021 SAA

- PJM with BPU Staff developed a solicitation for transmission project applications under the SAA to meet New Jersey’s public policy of developing 7,500 MW of offshore wind
  - Window Opened: April 15, 2021
  - Window Closed: September 17, 2021
- The solicitation requested Applications for four distinct options shown on the next slide, with each entity having the choice to propose more than one option
- Received Applications from 13 entities proposing a total of 80 projects
SAA Evaluation Process

• BPU Staff is currently working with PJM to evaluate the SAA proposals

• PJM and BPU Staff are also evaluating project costs, constructability, risk mitigation, environmental impacts, permitting plan, quality of proposal and developer experience, flexibility, modularity, and option value, and additional New Jersey benefits

• On April 15, 2022 FERC approved the SAA order (ER22-920)
How does SAA fit into the federal government’s larger goals?

The SAA is one tool states may use to expand the grid to accommodate the expansion of renewables

Congressional Considerations:

- Availability of federal funding
- Regional coordination
- Timing
Thank you

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