

**National Wildlife Federation • New Jersey Audubon • Natural Resources Defense Council
Environment New Jersey • Sierra Club • Clean Water Action • GreenFaith**

July 26, 2018

Aida Camacho, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314, CN 350
Trenton, NJ 08625

RE: Comments of The National Wildlife Federation, New Jersey Audubon, Natural Resources Defense Council, Environment New Jersey, Sierra Club, Clean Water Action, and GreenFaith to the New Jersey Board of Public Utilities re: Solicitation of 1,100 MW of Offshore Wind Energy [Docket No. QX18040466]

Dear Secretary Camacho:

The National Wildlife Federation, New Jersey Audubon, Natural Resources Defense Council, Sierra Club, Environment New Jersey, Clean Water Action, and GreenFaith appreciate the opportunity to comment on the Board of Public Utilities' process for soliciting 1,100 megawatts (MW) of offshore wind energy for New Jersey. We support the responsible development of offshore wind power and believe that it can and must play a key role in meeting the state's ambitious climate and clean energy goals. Our comments are rooted in our shared conviction that the responsible development of offshore wind power – with the highest standards of environmental protection in place every step of the way – is essential for protecting our wildlife and communities from the dangers of climate change while sparking transformative economic development opportunities across the state.

We applaud Governor Murphy and President Fiordaliso's early, bold leadership to revive New Jersey's Offshore Wind Economic Development Act (OWEDA)¹ and offer the following comments to ensure the Garden State reaches its full potential as a national leader in the responsible development of offshore wind power. Now is the time to ensure that New Jersey does this right from the start by developing a plan for reaching its laudable 3,500 MW offshore wind goal that can maximize the economic and environmental benefits this massive new clean energy source can deliver.

The following comments address key topics outlined in the Notice, with a focus on providing the Board with recommendations for ensuring that ***every MW built to power New Jersey is developed responsibly in a manner that protects our valuable marine and coastal resources and maximizes job creation and other economic benefits for the state.***

¹ N.J.S.A 48:3-87(d)(4) - 87.2

1: Procurement Schedule

We hold firmly that the large-scale development of offshore wind power is of urgent importance to the public health and economic prosperity of New Jersey. As a coastal state, our communities and wildlife sit on the front lines of climate change and are already enduring its impacts, including rapid coastal erosion and sea level rise. This opportunity to harness the clean, renewable energy off our shores is one that matches the scale of our energy, economic, and environmental challenges and we must embrace it with that imperative in mind. In addition, launching any new industry - especially one that is capital intensive and entails significant onshore infrastructure – requires a predictable market to drive private investment and create local jobs and economic activity. Therefore, we urge the Board to release a clear and bold schedule to scale up to the full 3,500 MW commitment as quickly as the responsible development of this resource allows, with solicitations occurring no greater than twelve months apart. While we recognize that the Board has significant demands on a variety of issues, the best case scenario to drive near term economic opportunities for New Jersey would be to release the schedule before responses to the first 1,100 MW solicitation are due.

Time is of the essence. The race is on to land the billions of investment dollars and thousands of jobs that a robust American offshore wind industry can deliver, and neighboring states are already taking action. New England has 1,400 MW of pending contracts (MA – 800; RI – 400; CT 200) and an additional 800 MW is expected to be procured by MA in 2019. New York is charging forward with implementation of its comprehensive Offshore Wind Master Plan to develop 2,400 MW by 2030, including approving a contract for its first project (90 MW) and actively working to finalize a procurement process for approximately 800 MW by 2019. And to the south, Maryland has committed to 2 projects (just under 400 MW combined). The Board must act quickly to demonstrate New Jersey’s intent to follow through on its policy goals with tangible project commitments totaling at least 1,100 MW that will drive local investments, maximize near-term job opportunities, and allow the state to access the last year of available federal investment tax credits. We recommend that the Board issue a regular solicitation schedule for meeting the full 3,500 MW goal in order to provide a clear signal to the industry regarding the ongoing market and investment opportunities in New Jersey.

3: Procurement Size

In order to provide the Board with the opportunity to evaluate a range of economic and environmental benefits from different projects, we recommend that the Board accept and review proposals of various sizes to fulfill this 1,100 MW solicitation. Inviting proposals of various sizes up to 1,100 MW gives the Board maximum flexibility to identify and select those projects that result in substantial price reductions and other important factors like environmental and labor benefits. Finally, procuring at least 1,100 MW will help realize the New Jersey’s 3,500 MW goal as quickly as possible and spark near term investment and job creation opportunities.

4 & 5: Competition

We recommend that the Board invite proposals from any developer currently holding a lease for offshore wind energy development in federal waters, including those to the north and south of the coast of New Jersey.

7 & 8: Net Benefits Analysis

OWEDA requires all offshore wind developers to demonstrate net economic *and* environmental benefits for the state. This is a critical tool for New Jersey to ensure that ORECs are only awarded to projects that can have a high likelihood of success in navigating the many federal, state, and local permitting and review processes ahead.

A comprehensive analysis of the environmental benefits of an offshore wind project should include a robust analysis of the pollution and other environmental degradation that will be prevented by bringing the project online. In addition, we recommend that the Board require all applicants to provide detailed plans outlining the steps that will be taken to avoid, minimize, and/or mitigate potential environmental impacts from the construction and operation of the project. Key components of such a plan include siting the project outside of important habitats (ie near shore areas, shoals, inlets, etc) and ensuring that strong environmental protections are in place during all development activities to minimize risks to wildlife, with close attention to the needs of our most vulnerable species that are threatened, endangered, or of conservation concern such as North Atlantic right whale and Red Knot.

The Board should require applicants to provide a thorough environmental characterization of the proposed project site and cable routes – including potential environmental impacts during all phases of development and a detailed plan to avoid, minimize, and mitigate impacts to coastal and marine ecosystems and wildlife, including but not limited to marine mammal, bird, and fish populations. Project environmental impact mitigation plans should draw upon robust stakeholder engagement and utilization of the best available data. Applicants should include a review of research regarding potential habitat disturbance and avoidance in the project area, and commit to post-construction monitoring.

As an example, we specifically recommend that project applicants include in their proposals a comprehensive plan to protect the critically endangered North Atlantic right whale during all stages of development. Proposals with strong protections should be given added weight in the selection process. An appropriate suite of mitigation measures, tailored for the specific project site and based on the best available data, should include:

- seasonal restrictions on sub-bottom profiling and pile-driving to avoid co-occurrence of these activities with the presence of right whales;
- selection of the least impactful noise-generating technology currently available, including use of noise attenuation and source level reduction technology;
- marine mammal exclusion zones;
- sufficient real-time monitoring during sub-bottom profiling and pile-driving; including shipboard protected species observers, infrared monitoring, aerial monitoring, passive acoustic monitoring, and telemetry work;
- speed restrictions for project-related vessels transiting to/from and operating within the project area; and
- a practicable post-construction monitoring plan to assess potential changes at the project site.

Additionally, the Board should require that developers identify all relevant stakeholders, including but not limited to: those who are active in the area (e.g., commercial and recreational fishermen, shipping companies, recreational boaters, wildlife watchers, and others), those who live in adjacent communities, and any other interested parties, as well as any concerns raised by these stakeholders.

Proposals should describe practical measures to mitigate any significant impacts to these stakeholders and their interests. As an example, requiring that anglers have access to fish access right up to foundations of offshore wind turbines is a critical strategy for ensuring the continued contribution of this valuable industry to the state's economy.

Similarly, applicants should be required to provide detailed plans outlining clear commitments to maximize economic opportunities for New Jersey's workforce and onshore assets (port facilities, supply chain companies) in the development of their projects. To help ensure timely, cost-effective completion of high-quality projects built to meet New Jersey's offshore wind goal, we urge the Board to require all applicants to demonstrate a commitment to utilize local labor and content in the development of their projects. In addition to paying prevailing wage for construction and building service work, applicants should also commit to participate in Project Labor Agreements (PLA) for manufacturing, construction, operations and maintenance work, as well as joint labor-management training programs. PLAs are particularly important because they can bring coordinated, proactive planning to complex projects, provide important benefits to local communities in terms of skill training, employment opportunities and future workforce development, and ensure that highly productive and skilled craft labor is available to work on a project. Including high-quality employment requirements in the contracting evaluation process will make New Jersey a national leader in developing a successful, robust and equitable offshore wind industry.

By only selecting projects that have strong environmental protections and local workforce commitments included, New Jersey can lead the nation in demonstrating how to successfully advance responsibly developed offshore wind power.

9: Transmission

We recognize that shared radial, expandable and/or independently owned transmission could potentially provide benefits for future offshore wind development, for example by enabling the construction of an efficient transmission system that could cost less and have fewer environmental impacts. However, we don't believe that shared transmission should be required and feel strongly that consideration of shared, expandable and/or independent transmission options should not – and need not – slow the process of getting New Jersey's first offshore wind power project(s) in the water. Looking forward, we urge the Board to study the potential benefits and risks of shared and/or expandable offshore wind transmission and whether any adjustment to New Jersey's offshore wind procurement process is warranted.

In conclusion, we urge the Board to move forward and finalize a plan for offshore wind procurement that maximizes local environmental and economic benefits for New Jersey. We recommend that the Board act expeditiously to adopt a strong offshore wind procurement mechanism that will jumpstart New Jersey's offshore wind industry with a first solicitation of at least 1,100 MW of offshore wind power in 2018. Bold action is needed to ensure that the state achieves its 3.5 GW by 2030 goal and receives the many accompanying public health, environmental, air quality and economic benefits it can deliver.

We appreciate the opportunity to comment and stand ready to work with the Murphy Administration to maximize the many benefits of offshore wind power for New Jersey.

Respectfully Submitted,

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