

July 25, 2018

Aida Camacho, Secretary  
New Jersey Board of Public Utilities  
44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314, CN350  
Trenton, NJ 08625

Subject: Comments on Docket No. QX18040466 Offshore Wind Solicitation of 1,100 Megawatts

We wish to offer comments on Topic #7 of the call for comments on the Offshore Wind docket dated June 29, 2018: "OWEDA requires that offshore wind developers demonstrate a net economic benefit for the State. How should the BPU ensure net economic benefits in order to be able to compare applications?"

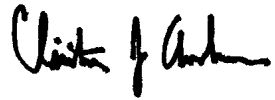
To allow for comparability across OSW project applications, BPU should establish a standard set of assumptions to be used when estimating the economic impacts of proposed projects. This should include both standardized energy market and economic forecasts, as well as a standard set of policy assumptions.

- 1) Forecasts of key variables should be drawn from the U.S. Energy Information Administration's 2018 *Annual Energy Outlook*, including:
  - a. natural gas prices changes
  - b. electricity demand and supply changes
  - c. economic growth scenarios.
- 2) Impacts should be estimated for a standard range of scenarios (e.g., high/reference case/low economic growth; high/reference/low natural gas price).
- 3) Additional standard assumptions for policy and project parameters should be established, including:
  - d. Construction timeline (construction start, in-service year)
  - e. RGGI requirements and
  - f. RPS
  - g. Other relevant environmental regulations

A variety of regional economic and supply chain modeling tools are defensible for use in assessing economic impacts in New Jersey, but requiring bidders to report on some shared scenarios will make their results more comparable. In addition, we recommend that bidders be required to share technical documentation or reference to peer reviewed literature that summarizes key features of the models they use.

I submit these comments on behalf of myself and my colleagues Dr. Michael Lahr, Dr. Jennifer Senick, and Mr. Will Irving.

Sincerely yours,

A handwritten signature in black ink that reads "Clinton J. Andrews". The signature is written in a cursive style with a large initial 'C' and 'A'.

Clinton J. Andrews