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STATE OF NEW JERSEY
Board of Public Utilities
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NOTICE¹

Docket No. QX18040466
Offshore Wind Solicitation of 1,100 Megawatts

The Staff of the Board of Public Utilities (BPU Staff or Board Staff) invites all interested parties and members of the public to a Public Hearing to provide comment on issues related to a future solicitation of 1,100 megawatts of offshore wind capacity as discussed below.

On January 31, 2018, Governor Phil Murphy signed Executive Order No. 8 (EO8) directing the New Jersey Board of Public Utilities (BPU or Board), in collaboration with other State agencies, to fully implement the Offshore Wind Economic Development Act (OWEDA), N.J.S.A. 48:3-87(d)(4) to -87.2. To this end, EO8 specifically directs the Board to:

Following the establishment of an OREC Pricing Plan application process consistent with this Order, the BPU shall issue a solicitation calling for proposed offshore wind projects for the generation of 1,100 megawatts of electric power, the nation's largest such solicitation to date.

On February 28, 2018, the Board directed Board Staff to begin the OREC Funding Mechanism rulemaking process. BPU Staff subsequently convened a public-comment hearing on May 8, 2018, and established a comment period ending May 18, 2018. Also, on February 28, 2018, the Board directed Board Staff to take the necessary steps to establish an OREC Application Process for the solicitation of 1,100 MWs. Pursuant to law, Executive Order, and Board Order, BPU Staff invites all interested parties to provide comments on issues related to the solicitation as noted below.

Offshore Wind Solicitation Public Hearing:

Date: July 19, 2018
Location: **Mercer County Community College**
Conference Center at Mercer Auditorium
1200 Old Trenton Road
West Windsor, NJ 08550
Time: 10:00 am

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Written comments are also invited and must be submitted to Aida Camacho, Secretary, New Jersey Board of Public Utilities, 44 South Clinton Avenue, 3rd Floor, Suite 314, CN350, Trenton, New Jersey 08625, on or before July 26, 2018. Written comments may also be submitted electronically to Rule.Comments@bpu.nj.gov in PDF or Word Format. All comments must be received **on or before 5:00 p.m. July 26, 2018.**

Please note that this proceeding is specifically limited to the solicitation of 1,100 megawatts. The public will be invited to comment on other subjects related to Offshore Wind (OSW) development in New Jersey at subsequent public hearings. Please take further notice that the key issues and discussion points below have been prepared by Board Staff for discussion purposes only.

The following topics are included for comment at the Public Hearing and by written submissions:

1. How should BPU stagger/phase in New Jersey's offshore wind procurements to realize the State's goal of 3,500 megawatts. Should this schedule be announced before any solicitations are released?
2. How should the BPU structure the initial solicitation for 1,100 megawatts of offshore wind capacity as called for under EO8?
3. Should the BPU request proposals scaled at 1,100 megawatts, or should the BPU request proposals in smaller blocks of capacity (i.e. 400 megawatts)?
4. How may a solicitation be structured to ensure strong competition from multiple OSW developers?
5. What conditions should be included to ensure maximum competition in terms of OREC Price?
6. OWEDA requires the OREC Price to be an all-in price that includes the full cost of the construction, operation and decommissioning of the project with all revenues being refunded to ratepayers. What measures can be included in project proposals to optimize all revenues over the life of the project?
7. 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?
8. What other elements should BPU consider including in the 1,100 megawatt offshore wind solicitation called for under EO8 (e.g. storage, other adjunct technologies)?
9. Should the BPU request bids for expandable, nondiscriminatory, open-access offshore transmission facilities for the efficient delivery of power to the onshore transmission system?



Aida Camacho-Welch
Board Secretary

Dated: June 29, 2018