## New Jersey Offshore Wind

New Jersey's Offshore Wind Environmental Resources Working Group Meeting





## Third Solicitation Draft Guidance Document

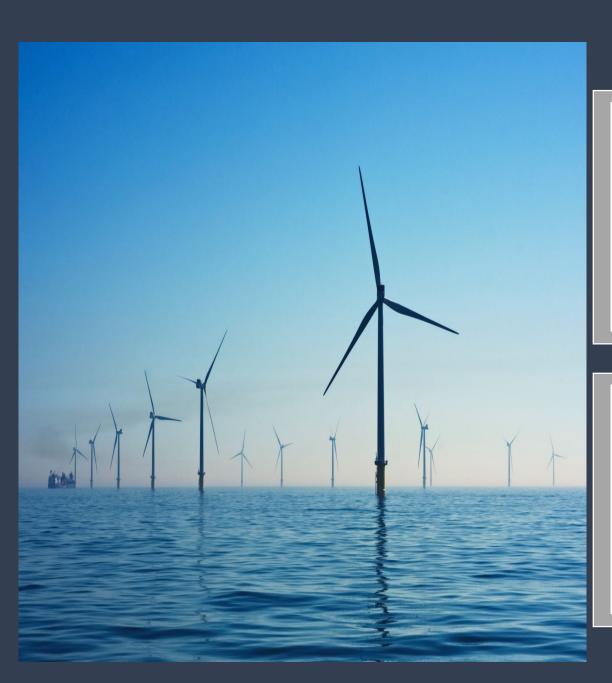
## <u>Agenda</u>

- Third Solicitation Schedule
- The Structure of the Draft Guidance Document
- Key Highlights of the Draft Guidance Document
- Next Steps

## New Jersey Offshore Wind 3rd Solicitation Draft Schedule

- Seeks to secure ORECs for approximately 1,200 -4,000 MW of Qualified Offshore Wind Projects
- Status: Draft Solicitation Guidance Document released for public comment in December 2022

Event	Date
Draft for Public Comment	December 2022
<b>Board Consideration of Solicitation</b>	Q1 2023
Final Solicitation Released	Q1 2023
Applications due	Q2 2023
Board Decision	Q4 2023



## Overview

- Implement Governor Phil Murphy's vision of making New Jersey a leading hub of offshore wind development and to meet the State's aggressive clean energy goals
- Minimize impacts to natural resources, wildlife and fisheries
- Procure approximately 1,200 MW to 4,000 MW
- Encourage competition and reduced OREC prices

#### Layout of the Document

- Timeline and mechanics of the Third Solicitation
- Application requirements
- Criteria for evaluating Applications
- Additional information, Forms and templates -Attachments

## **Required Submittals**

- Applicant Information
- Projects Description
- Energy Production Estimates
- Financial Analysis
- Project Financing Plan
- Documentation of Financial Incentives
- Project Revenue Plan and Strategy
- Economic Development Plan
- Environmental Protection Plan and Emissions Impacts
- Fisheries Protection Plan
- Project Timeline

- Interconnection Plan
- Permitting Plan
- O&M Plan
- Decommissioning Plan
- Data Management and Availability Plan
- Offshore Wind Infrastructure Monitoring Plan
- Cost-Benefit Analysis
- Prebuild Infrastructure Plan
- Offshore Transmission Network Preparation Requirements

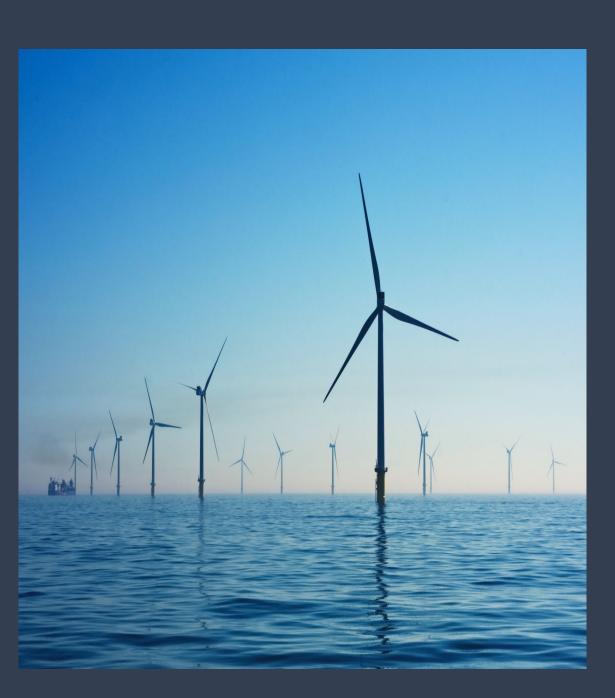


## **Evaluation Criteria**

Evaluation Factors	Weight
OREC Purchase Price and Ratepayer Impacts	70%
Non-Price Factors:* 1) Economic Impacts and Strength of Guarantees for Economic Impacts and 2) Environmental and Fisheries Impacts	30%

\*Implementing Minimum Requirements for Environmental & Fisheries and Preferred Economic Benefits

Likelihood of Successful Commercial Operation criteria will be used to determine whether a Project is eligible to become a Qualified Project, but will not be included in quantitative scoring.



## Key Updates

- Capacity target
  - 1,200 MW- 4,000 MW

#### • Inflation adjustment mechanism

- Tied to commodity indexes that allows a one-time adjustment to account for inflation between bid submission and the trigger date, BOEM COP approval
- Adjustment may be up or down, but cannot change by more than 15%

#### • Prebuild Infrastructure

- Concept developed to minimize the onshore cable route construction efforts of future projects utilizing the Larrabee Tri-Collector Solution
- Applicants must include a standalone Prebuild proposal for each of their submitted projects



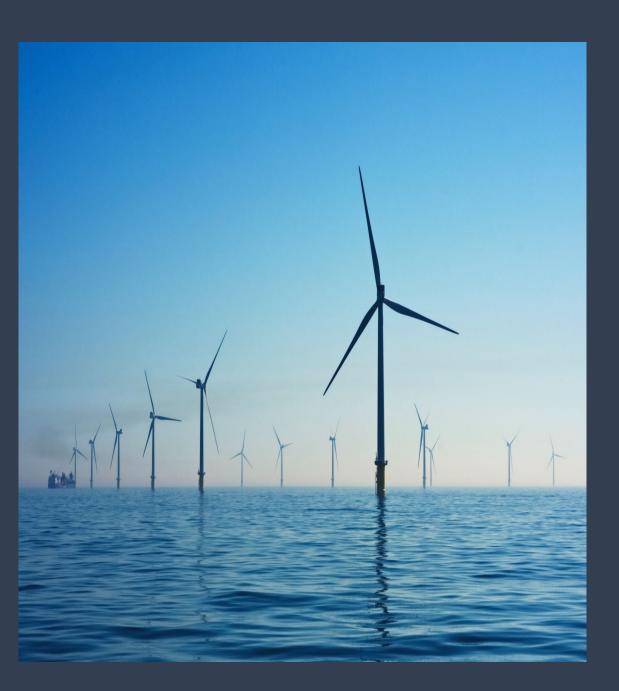
## Key Updates (cont.)

- Environment & Fisheries Minimum Requirements (discussed further on next slides)
- Preferred Economic Benefits
  - Use of the New Jersey Wind Port
  - Incremental supply chain infrastructure
  - Economic benefits for Environmental Justice and Overburdened Communities
  - Unconditional guarantees for direct in-State spending
  - Unconditional guarantees for proposed jobs and workforce development
- Offshore Transmission Network Preparation



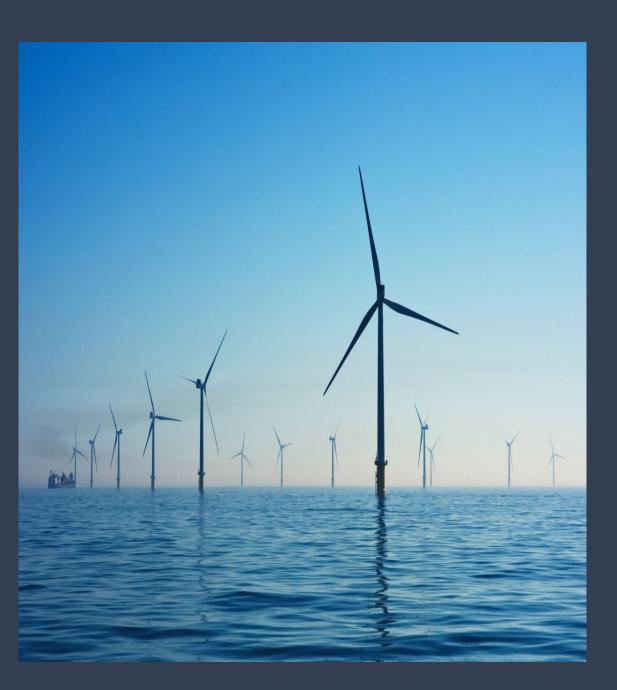
## **Environmental and Fisheries Updates**

- Applicants are required to work collaboratively with state and federal agencies and other stakeholders to avoid, minimize and mitigate potential impacts to New Jersey's natural resources.
- SGD establishes minimum mitigation requirements for environmental and fisheries resources.
  - $\,\circ\,$  Measures developed in collaboration with DEP.
  - Primarily based on BOEM COP Guidelines, recommended Best Management Practices.
  - $\circ$  Modifications based on guidance/input from:
    - BOEM, NOAA, NMFS
    - Regional Wildlife Science Collaborative (RWSC)
    - Responsible Offshore Science Alliance (ROSA)
    - NYSERDA
    - Funded NJ Research and Monitoring Initiative (RMI) Project



## **Environmental Protection Plan**

- In addition to measures required by statute, the Environmental Protection Plan covers:
  - Protections for sensitive marine and terrestrial habitats
  - $\circ~$  Cable burial depth and monitoring requirements
  - Recommendations for turbine foundation scour protection
  - Lighting controls and measures to improve navigation and reduce impacts on avian and bat species
  - Required protections for avian and bat species
  - Requirements for minimizing noise and acoustic impacts
  - Measures to avoid marine mammal and sea turtle strikes by vessels
  - Measures to minimize adverse visual impacts



## Fisheries Protection Plan

- In addition to measures required by statute, the Fisheries Protection Plan covers:
  - NOAA Essential Fish Habitat mapping and data requirements
  - Required engagement with fishing communities to avoid, minimize, mitigate conflicting use
  - $\circ~$  Requirements for fisheries compensation



# Environmental and Fisheries Updates (continued)

- Applicants must also include:
  - o Infrastructure Monitoring Plan
  - o Data Management and Availability Plan
- Award recipients will be required to develop:
  - Adaptive Monitoring Plans
  - $\circ\,$  Adaptive Mitigation Plans
  - $\circ\,$  Fisheries Communication Plan
- Stakeholder engagement is a required part of the development of these post-award plans
- Solicitation 3 maintains the \$10,000/ MW fee to support NJ Research and Monitoring Initiative (RMI)

## Next Steps

- Written comments due by 5:00 p.m. EST on Thursday, December 29, 2022
- Access the Draft Guidance Document <u>here</u>
- Submit electronically:
  - Using the "Post Comments" button on the Board's Public Document Search tool; or
  - Email: <u>Board.Secretary@bpu.nj.gov</u>
    - PDF or Word format
    - Include a subject line of "Draft Solicitation 3 Guidance Document Comments"
- Comments will be considered "public documents" for purposes of the State's Open Public Records Act (OPRA)
- Stakeholders may identify information that they wish to keep confidential by submitting them in accordance with the confidentiality procedures set forth in N.J.A.C. 14:1-12.3 and the OPRA, N.J.S.A. 47:1A-1 et seq.