



OFFSHORE WIND

SUMMARY

Generating energy from offshore wind is the most obvious – and yet still untapped – strategy to allow New Jersey to reach its clean energy goals. Offshore wind also represents a clear win for both labor and the environment because the massive wind turbines create a supply-chain of union labor through the construction, delivery, installation, interconnection and long-term maintenance of these units. New Jersey – because of its geographical location on the East Coast – still represents a tantalizing hub for the off-shore wind industry. More than a decade ago, New Jersey was poised to become a leader in off-shore wind, and even in the early days of the Christie Administration, it looked like New Jersey would establish itself as the first state in the nation to move forward on off-shore wind.

Unfortunately, state policy on offshore wind has remained frozen over the last seven years. The landmark legislation of 2010 – the Offshore Wind Economic Development Act – now serves as a white elephant, as there has been little to no progress moving forward since its passage. Yet the potential for offshore wind remains as strong as ever, with a 2016 Environment New Jersey Research & Policy Center report labeling the state as the strongest of the East Coast wind energy areas, based on data from the National Renewable Energy Laboratory.

The largest step forward came during the Obama Administration, as the Department of Interior successfully announced auctions for offshore wind lease areas, and held a successful auction in November 2015 generating roughly \$2 million. Today, there are two large offshore wind companies – DONG Energy and U.S. Wind – waiting in the wings to move forward on off-shore wind.

But seven years after grinding to a halt, there is much to do to get offshore wind moving in New Jersey.

We anticipate that New Jersey, once a leader on offshore wind, now a laggard, can once again become a leader and establish itself as the national leader in offshore wind production.

POLICY RECOMMENDATIONS

1. ESTABLISH AN OFFSHORE WIND PROGRAM

Establish an offshore wind program, including an offshore wind renewable energy credit program, through the NJ Board of Public Utilities, which will give certainty to offshore wind developers as they need to secure financing for turbines.

2. ESTABLISH AN ENERGY MASTER PLAN

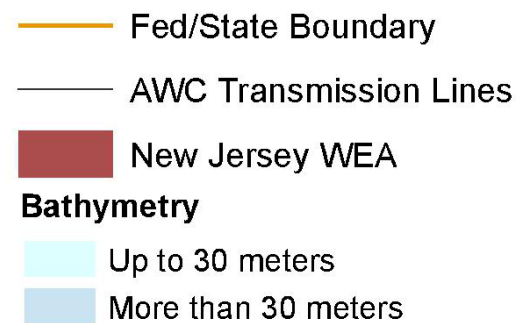
Set an ambitious goal for offshore wind power, either through executive order or through a revised Energy Master Plan, of 3,000 megawatts of clean energy by 2025 and 5,000 megawatts by 2030, and ultimately codify this goal through legislation. The projects should be implemented in phases so that the local workforce can be trained and NJ labor will benefit.

3. EXPAND OFFSHORE WIND RESPONSIBLY

Require BPU to fully evaluate the state's full potential for offshore wind, including capacity, preliminary siting scenarios and economic analysis for offshore wind that includes the social cost for carbon, as well as a comprehensive ocean planning process to inform decisions on siting and size.

4. CREATE A PORT FOR TURBINE MANUFACTURING

Prioritize the creation of a regional hub for turbine manufacturing that could serve as a state and regional hub for domestic component manufacturing, assembly and delivery to the region via ship at a deep-water port.



WE WANT

3,000 MEGAWATTS BY 2025

5,000 MEGAWATTS BY 2030

That's more than 1 million homes powered by wind!