

Nation's Largest Combined Offshore Wind Award

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7,000 full- and/or part-time jobs across the development, construction and operational phases of the projects.

This yields approximately 56,000 Full Time Equivalent job years, as some jobs will be shorter term and others will last for many years. They will also generate \$3.5 billion in economic benefits and power 1.15 million homes with clean energy. As required by the solicitation, the project developers will also contribute \$10,000 per MW to fund research initiatives and wildlife and fishery monitoring in the region – totaling \$26 million that will be administered by NJBPU and the New Jersey Department of Environmental Protection through a robust stakeholder process.

Developing New Jersey's offshore wind resources is a core strategy of New Jersey's Energy Master Plan, which pursues ambitious and cost-effective ways to reach

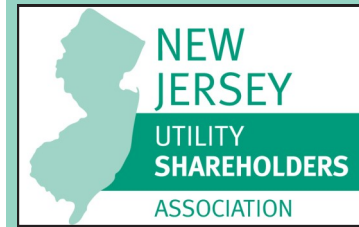
100 percent clean energy by 2050. Offshore wind is part of the Murphy Administration's statewide strategy to advance clean energy while focusing on jobs and economic growth. This includes developing the NJ Wind Port in Salem County, establishing a WIND Institute to coordinate workforce development and research and development in offshore wind, and a \$250 million investment in the Port of Paulsboro for turbine component manufacturing.

The State hails its strategy for offshore wind development as a means to secure the best overall value for ratepayers while protecting the environment and commercial and recreational fishing interests. The NJBPU anticipates opening a third offshore wind solicitation for at least 1,200 MW in 2022.

QUESTIONS? CONTACT US AT: 856.840.4187 OR MEMBERSHIP@NJUSA.US FOR MORE INFORMATION ON NJUSA, VISIT: WWW.NJUSA.US



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Note to members: We greatly appreciate the positive response to our survey about attending a luncheon in September. Unfortunately, since that time, the spread of the Delta variant of the COVID-19 virus has led us to conclude that the prudent course is to postpone holding member events until 2022. We are disappointed that we won't be able to gather soon, but want to err on the side of safety for our members and staff.



NJUSA Insight

NJUSA Approved to Participate in New Jersey Natural Gas' Rate Case Company seeks full recovery of and on investments in SRL Pipeline, other projects

NJUSA has again filed for and been granted approval to be a Participant in a rate case filed by New Jersey Natural Gas (NJNG). As a Participant, NJUSA's role will be to offer shareholder support for granting full recovery of and return on capital investments the utility has made to ensure ongoing operations and enhanced service reliability.

The Company is seeking recovery through rates of \$165.7 million. Since its last base rate filing in 2019, NJNG has invested nearly \$850 million in the safety, reliability and environmental benefits of its delivery system and operations. While many of the investments are already in

service benefiting customers, most are not currently reflected in rates.

Critically important in this case is NJNG's request to recover the costs associated with the construction of the Southern Reliability Pipeline (SRL), and for the Company and its investors to be authorized to earn a full return on the capital investments advanced to construct the pipeline, as well as continued replacement of aging infrastructure and other environmental and safety improvements undertaken. NJNG expects the 30-mile transmission pipeline to be operational this fall. It will supply natural gas to the

southern end of the Company's territory, enhancing reliability and resiliency of the distribution system.

Also included in the filing is a request to initiate a green hydrogen fuel project that will reduce emissions consistent with the Company's and State's clean energy goals, and construction of a training facility for mandatory operator safety training as well as training for third parties, including local emergency personnel. NJUSA will file a legal brief in the case and will testify at public hearings expected in the fall. For more information see: <https://www.njng.com/about/southern-reliability-link/>

A MESSAGE FROM THE PRESIDENT

Dear Members,

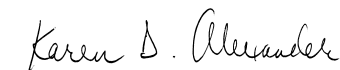
Thanks to all who responded to our recent survey about interest in an in-person September luncheon. As we go to press, regrettably, cases of COVID-19 are on the rise once again, due to the Delta variant. NJUSA's Board of Directors has concluded that in the interest of member and staff safety, a September gathering would not be prudent. In the meantime, I hope you and yours are doing well and we hope you will look forward as we do to gathering next year!

The solitude many face due to the pandemic often prompts reflection. I had such a moment when I received an email entitled "Memory Lane" with pictures of items only Baby Boomers and older would recognize... an Exxon gas pump with regular gasoline priced at \$.54 (remember "Esso" on the East Coast and "Standard" in other regions?); a rotary dial telephone; drive-in movie theater car window speakers; a library card catalog (captioned "Prehistoric Googling!"); and more. It was a reminder not so much of how old I am (yes, that thought did occur to me), but of how far technology has advanced in seemingly little time.

The mid-20th century advent of commercial nuclear power generation was one such technological advancement. While construction of new nuclear facilities in the U.S. has mostly ended due to cost and environmental concerns, existing facilities such as PSEG's Salem and Hope Creek facilities (Salem, pictured p.1) are recognized as critical components of a low- to no-carbon energy future. Subsidies for the plants will continue now that the New Jersey Supreme Court has denied the Division of Rate Counsel's appeal of BPU's approval of the subsidy's first three years and the BPU has recently granted an additional three years to support continued operation.

Developments such as renewable natural gas and the U.S. Supreme Court's refusal to hear an appeal of New Jersey's approval of the PennEast pipeline, combined with increases in solar and wind energy deployment, bode well for an "all fuels" approach to New Jersey's energy future. NJUSA will continue to track these developments and keep members informed.

Wishing you well,



Karen D. Alexander
President

News Briefs

New Jersey American Water has received the J.D. Power award for ranking highest in customer satisfaction among large water utilities in the Northeast, according to the J.D. Power 2021 U.S. Water Utility Residential Customer Satisfaction Study. In addition to ranking #1 in the Northeast Large region, New Jersey American Water also achieved the highest score in the Northeast Large region for two of the six factors measured within the 2021 study – price and customer service.

New Jersey Natural Gas announced that John Wyckoff succeeded Craig Lynch as Vice President-Energy Delivery following Lynch's retirement. In addition, Kraig Sanders was promoted to a newly expanded role of Vice President-Operations.

New Jersey American Water signed an agreement to acquire the water and wastewater assets of Egg Harbor City, in Atlantic County, for \$21.8 million. The municipally-owned water and wastewater systems serve approximately 1,500 customer connections each, or 3,000 combined. The acquisition is anticipated to be completed in the second half of 2021, following approval from the New Jersey Department of Community Affairs and the New Jersey Board of Public Utilities.

PSEG announced that Kim Hanemann, formerly PSE&G's senior vice president and chief operating officer, succeeded David M. Daly as president of the utility, effective June 30, 2021. With her promotion, Hanemann will become the first woman to lead the state's largest electric and gas utility in its 118-year history. Daly will retire at the end of 2021 after 35 years of service.

NJUSA Holds 2021 Elections

On June 16, the NJUSA Board of Directors held its Annual Meeting (virtually).

Stephanie Scola was elected chairperson and Tim Hearne was elected treasurer; both positions are two-year terms. Ron Pitko and Eileen Della Volle were elected to additional three-year terms as directors.

Congratulations and thanks to all of NJUSA's officers and directors, including Art Guida, secretary, and Kathleen Lally, vice chairperson, whose terms continue!

NJBPU Approves Nation's Largest Combined Offshore Wind Award Second Solicitation Award Advances State Toward Clean Energy Goals While Creating Thousands of Jobs and Billions in Economic Benefits

In June, the NJBPU awarded a combined 2,658 MW of offshore wind capacity to EDF/Shell's Atlantic Shores Offshore Wind and Ørsted's Ocean Wind II, bringing the state's total planned capacity to over 3,700 MW and moving New Jersey closer to Governor Phil Murphy's goal of 7,500 MW of offshore wind by 2035 and 100 percent clean energy by 2050.

In a unanimous vote, the Board awarded 1,510 MW of capacity to Atlantic Shores Offshore Wind and 1,148MW to Ocean Wind II. In addition to strong environmental and fisheries protection plans, each project has committed to investing in New Jersey's burgeoning offshore wind industry by building new manufacturing facilities at the New Jersey Wind Port, utilizing the foundation manufacturing facility at the Port of Paulsboro, creating tens of thousands of jobs, and injecting billions of dollars in economic benefits into the State.

"Expanding New Jersey's offshore wind industry is a major component of achieving our goal of 100 percent clean energy by 2050, while providing significant opportunities and economic benefits for our state," said Governor Phil Murphy. "By leveraging a

whole-of-government approach and the strengths of our state, this award ensures that our investment in clean energy is also an investment in our communities, and will generate good-paying, union jobs and bring valuable investments to New Jersey. This award, which is the nation's largest combined award to date, further solidifies New Jersey as an offshore wind supply chain hub and leader in the offshore wind industry in the United States."

"We have a once-in-a-generation opportunity to establish New Jersey as the epicenter of a new industry that will provide tens of thousands of jobs and billions of dollars in economic benefits when we need it most," said Joseph L. Fiordaliso, NJBPU President. "Under Governor Murphy's leadership, we have made significant progress toward our goal of 7,500 MW of offshore wind by 2035 and will continue fighting for a clean energy future that benefits all New Jersey residents, improves public health, mitigates climate change and bolsters our economy with sustainable, good-paying jobs."

Combined, the two projects are estimated to create

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NJBPU Approves Continued State Financial Support of PSEG Nuclear Plants

The New Jersey Board of Public Utilities has again agreed for ratepayers to provide financial support to enable the ongoing operations of the Salem 1 & 2 and Hope Creek nuclear facilities in Lower Alloways Township, Salem County.

The authorization comes under the Zero Emissions Credit (ZEC) Program created by the State Legislature in 2018. The first three-year authorization will expire this year. The second will enable the plants to continue to operate despite negative market conditions.

The operation of the three nuclear plants is viewed to be critical to New Jersey achieving its clean energy goals through low- to no-carbon electricity. NJUSA testified in support of PSEG's ZEC II application.

