



New Jersey Board of Public Utilities

PRESS RELEASE

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Board of Public Utilities Approves First Step towards Exploring Off-shore Wind Development in New Jersey

*Offshore Wind Grant Solicitation provides funding source for offshore wind
test project*

(Newark, NJ) – The Board of Public Utilities today unanimously approved an offshore wind competitive grant solicitation with up to \$19 million in funding to support the financing and development of an offshore wind pilot. As part of this funding the Board will provide up to 10 percent of the total incentive upfront to help conduct the needed studies and prepare needed permit applications.

Governor Jon Corzine has committed his Administration to aggressively pursuing clean, renewable energy sources for New Jersey's electricity supply. As a part of his overall renewable energy strategy, the Governor directed his Administration to explore the possibility of offshore wind, which has significant potential along the New Jersey coastline.

"I commend Governor Corzine on his leadership in exploring off shore wind, a clean, renewable resource that has the potential to provide greater fuel diversity for New Jersey, while simultaneously fighting global warming that threatens our New Jersey shoreline," said Board of Public Utilities President Jeanne M. Fox. "Today's Board decision will allow New Jersey to move forward in gathering essential data to help us determine the feasibility of off-shore wind in New Jersey."

The successful grant will build an aggregate capacity of up to 350 MW of offshore renewable wind electricity. This capacity represents enough electricity to power approximately 125,000 homes. Criteria to be considered in the awarding of the grant include:

- Location in the study area from the DEP ecological baseline study, extending 20 miles offshore from Seaside Park to Stone Harbor (72 miles of the NJ coastline)
- Assist in relieving or reducing congestion in the ACE distribution system and the PJM transmission system
- Demonstrate an ability to finance construction through market sources, which may include tax exempt bond financing through EDA.

The Board will accept proposals for funding up to and including January 16, 2008, with the award projected for March of 2008. The evaluation committee will chose a proposed winner to recommend to the Board if a proposal meets the relevant criteria, but reserves the right not to make an award if no acceptable proposal is received.

“Governor Corzine has been very clear that the State will not move forward with construction if upcoming studies or analyses conducted by the Department of Environmental Protection and Commerce indicate that the construction or operation of this pilot project will have unacceptable adverse impacts on the environment, the economy or tourism,” said President Fox. “In taking this approach, the Administration is responsibly exploring the potential development of off shore wind in New Jersey.”

The grant solicitation will be available in full at the end of this week on the New Jersey Clean Energy website, at www.njcleanenergy.com.

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About the New Jersey Board of Public Utilities (NJBPU)

The New Jersey Board of Public Utilities is a state agency and regulatory authority mandated to ensure safe, adequate, and proper utility services at reasonable rates for New Jersey customers. Critical services regulated by the NJBPU include natural gas, electricity, water, wastewater, telecommunications and cable television. The Board has general oversight responsibility for monitoring utility service, responding to consumer complaints, and investigating utility accidents. To find out more about the NJBPU, visit our web site at www.bpu.state.nj.us