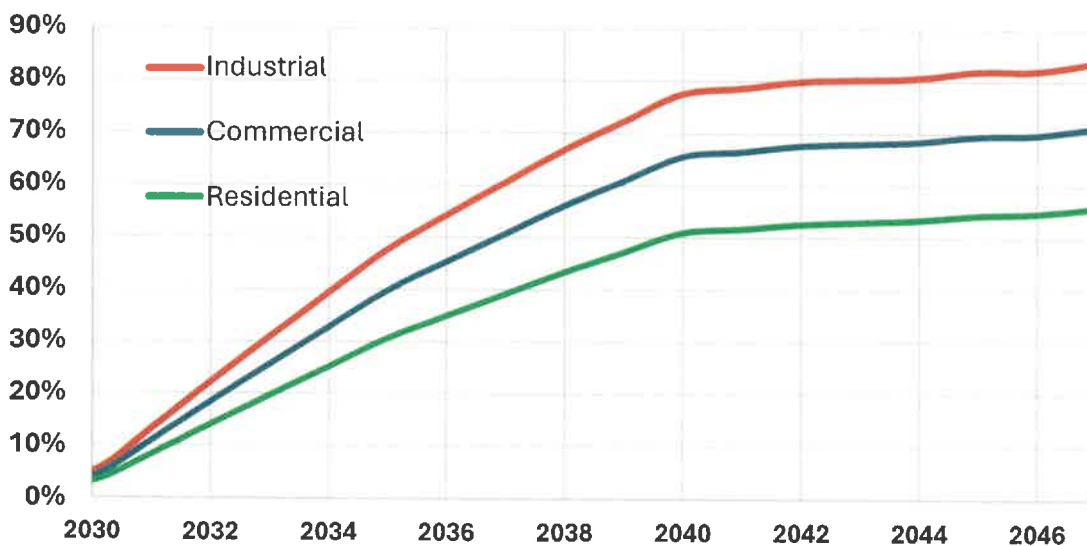


BALLOONING COSTS FOR NEW JERSEY’S OFFSHORE WIND PLAN DEMAND IMMEDIATE SCRUTINY

New Jersey's ambitious Energy Master Plan, which aims to provide 100% clean energy by 2050, hinges significantly on offshore wind development in the state. While these goals are noble, the costs and consequences are staggering and demand immediate scrutiny.

First among the concerns is the financial burden on ratepayers. An independent analysis of the economic impact of the offshore wind program concludes that by 2050 added ratepayer costs will exceed \$100 billion and raise electric customer rates by 55%, 70% and 85% respectively for residential, commercial, and industrial customers as shown in the chart below.

¹ Based on these prices, a typical residential customer will pay an additional \$1000 per year. Commercial customers and small business will pay an additional \$8300 and industrial will pay \$95,000 more in annual electric bills.



*Percentage NJ Electric Rate Increase Due to Offshore Wind
(November 2023 Whitestrans Consulting, LLC)*

New Jersey’s Offshore Wind Economic Development Act authorized above-market prices for offshore wind projects, potentially tripling electricity costs compared to current wholesale rates. For context, in 2024 wholesale power purchase prices are roughly \$55 dollars per megawatt-hour, whereas the New Jersey Board of Public Utilities has recently approved contracts for offshore wind with a price of \$144 per megawatt-hour. By 2050, a projected 60% average increase in electric bills could cost consumers more than \$7 billion annually, equivalent to a 15% across the board increase in state income tax. Such a burden disproportionately affects lower-income residents and small businesses, prompting potential migration to more affordable regions. Transmission is also a major problem. Most of New Jersey’s transmission system is designed to distribute power from the west to east, rather than receiving power from offshore wind to send west. To provide distribution within the PJM grid, system upgrades are forecast to increase progressively from \$1 per megawatt-hour to roughly \$40 per megawatt-hour in 2047. Together, both the costs of generation and transmission severely increase the cost of offshore wind development.

The visual blight of towering turbines and the disruption of marine ecosystems could irreversibly harm New Jersey's coastal regions. Every study of visible wind farms offshore of coastal communities cited by federal agencies demonstrates a reduction in summer tourism visitation, resulting in serious economic losses to the region.

¹ Impact of New Jersey Offshore Wind Program on State Electric Rates, Whitestrans Consulting, November 2023.



*Atlantic Shores North Construction and Operations Plan
Rendering provided by Atlantic Shores Offshore Wind*

Last summer, Long Beach Township commissioned its own visual renderings of what the offshore wind buildout would look like together with one of the nation’s leading multi-media companies. Atlantic Shores, the developer of the project proposed 9 miles off of Long beach Island, quickly responded publicly saying that the depictions were inaccurate. But on May 1, 2024, offshore wind developer Atlantic Shores provided its own renderings of the project, which were even more damning than the renderings produced by Long Beach Township.

Plus, the lack of a viable plan for decommissioning turbines after their brief operational lifespan compounds these worries, leaving future generations to contend with the cleanup of offshore windfarms. It is probably that the steel towers will be permitted to remain in place - likely the ultimate goal of the developer to reduce its cost of decommissioning.

In light of these challenges, It is time for elected officials in the legislature and those of us in county and municipal government to weigh in on this critical issue. Too much deference has been granted to the Governor and the agencies he controls to allow this offshore wind program to proceed without a thorough re-evaluation of the role it may play in the goal of reducing carbon emissions in our state. I call upon you to join me in petitioning the Governor to:

- Pause all new awards for offshore wind generation and transmission projects until such time as the total program costs are known and can be clearly shown to be justified by benefits to the state and its ratepayers.
- Evaluate alternatives to offshore wind that can meet EMP objectives at lower economic and environmental costs including advanced modular nuclear technologies that could be adapted to existing sites in NJ, without the need for new transmission infrastructure.

As Mayor of Long Beach Township, I urge collaboration and dialogue to safeguard our state's economic prosperity and natural beauty. The decision on offshore wind is not just a coastal issue but a statewide concern affecting all New Jerseyans. Together, we must ensure that New Jersey remains a desirable place to live, work, and thrive, including the coast.