

FOR IMMEDIATE RELEASE

**FERC Filing Marks PJM's Second Collaboration With New Jersey on Offshore Wind Transmission Study**  
*Unique Approach Leverages PJM's Regional Planning Process To Advance State Policy Goals*

(Valley Forge, PA – Feb. 5, 2024) – PJM and the New Jersey Board of Public Utilities have agreed to the terms on the next phase of a historic collaboration that deploys PJM's competitive planning process to help New Jersey further advance its ambitious offshore wind goals.

This next phase of the State Agreement Approach Study Agreement (referred to as "SAA 2.0"), signed by PJM and NJBPU and [filed](#) (PDF) with the Federal Energy Regulatory Commission on Feb. 2, marks the second time New Jersey has leveraged a provision in PJM's Operating Agreement that enables the state to take advantage of PJM's expertise and planning process to develop transmission improvements necessary to support the reliable interconnection of public policy resources.

This request asks PJM to solicit transmission solutions to serve an additional 3,500 MW of offshore wind energy, totaling 11,000 MW, by 2040.

New Jersey is the first state to use PJM's State Agreement Approach process to advance public policy goals. PJM's work with NJBPU under the SAA has been cited as a model for other states to develop the transmission infrastructure needed for their own energy policies.

"The continued collaboration between PJM and New Jersey through the State Agreement Approach underscores PJM's commitment to reliably and cost-effectively facilitating states' renewable energy policy goals," said PJM President and CEO Manu Asthana. "PJM's competitive planning process allows for creative solutions to complex infrastructure challenges. New Jersey has been a leader in this approach and can be a template for other states pursuing their individual energy policies."

The NJBPU in November 2020 requested use of the SAA to incorporate New Jersey's initial offshore wind goals (7,500 MW by 2035) into PJM's regional transmission planning process. That culminated in NJBPU awarding \$1.1 billion in projects to construct the onshore transmission facilities necessary to deliver those 7,500 MW to New Jersey customers, while minimizing community and environmental impacts and customer costs. Those enhancements to the grid are currently being implemented by the designated entities that were awarded project components.

"In 2022, New Jersey demonstrated its national leadership in coordinated offshore wind transmission with the first-ever use of State Agreement Approach to help support the interconnection of responsibly developed offshore wind off of our coasts," said NJBPU President Christine Guhl-Sadovy. "Through our SAA 2.0 Study Agreement with PJM, we are excited to take a major step forward in evaluating the best and most cost-effective ways to on-shore more clean energy and further cement New Jersey as a national leader in the offshore wind industry."

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## **About the State Agreement Approach**

The SAA was incorporated into the PJM Operating Agreement in 2013 with the implementation of FERC's Order 1000. With that order, FERC required regional grid operators to "provide for the consideration of transmission needs driven by public policy requirements in the regional transmission planning processes."

The SAA may be used by any state, or combination of states, to advance state public policy goals, as long as the state (or states) agrees to pay all costs of the project's build-out included in the PJM Regional Transmission Expansion Plan.

*[PJM Interconnection](#), founded in 1927, ensures the reliability of the high-voltage electric power system serving 65 million people in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia. PJM coordinates and directs the operation of the region's transmission grid, which includes 88,115 miles of transmission lines; administers a competitive wholesale electricity market; and plans regional transmission expansion improvements to maintain grid reliability and relieve congestion. PJM's regional grid and market operations produce annual savings of \$3.2 billion to \$4 billion. For the latest news about PJM, visit PJM Inside Lines at [insidelines.pjm.com](http://insidelines.pjm.com).*

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