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NJPUC APPROVES UNITED STATES' LARGEST OFFSHORE WIND ENERGY PROCUREMENT

On 30 June 2021, the New Jersey Board of Public Utilities (NJPUC) approved two offshore wind projects with a planned capacity exceeding 2.6 GW, selecting Ørsted's and Atlantic Shores' respective offshore wind proposals. The companies' projects must abide by environmental standards and incorporate fisheries protections, including expenditures of US$10,000 per MW to research and monitor impacts on wildlife and fisheries.

This is the single largest offshore wind procurement in the United States to-date. NJPUC's approval is part of New Jersey's initiative to reach 100 percent clean energy generation by 2050, including via 7.5 GW of offshore wind by 2035.

SMARTEST ENERGY, PROVIDENCE ASSET GROUP AGREE TO 500 GWH PPA

On 6 July 2021, Smartest Energy, an Australian-based subsidiary of the Marubeni Corporation, has agreed to purchase approximately 500 GWh of annually-generated solar power from more than 30 community-based solar farms throughout Australia. The Providence Asset Group will sell the power to Smartest Energy for a term of 30 months.

This power purchase agreement (PPA) is unique because each solar farm will incorporate dual technology of producing green hydrogen and utilizing lithium-ion batteries with metal hydride hydrogen storage container infrastructure. The PPA contemplates the green hydrogen will be exported to Japan inside the newly designed, yet standard appearing, shipping container.

If the metal hydride hydrogen storage containers prove successful, this technology could pave the way for more seamless global transport of green hydrogen.

OREGON PASSES AMBITIOUS CLEAN ENERGY TARGETS

On 26 June 2021, Oregon lawmakers passed House Bill 2021 (HB 2021), thereby setting one of the most ambitious decarbonization goals in the United States. HB 2021 requires electric utilities in Oregon to reduce their greenhouse gas emissions to 80 percent below baseline levels by 2030; 90 percent below baseline levels by 2035; and 100 percent below baseline levels by 2040. HB 2021 also appropriates 50 million dollars from Oregon's General Fund to create the new Community Renewable Investment Fund. The fund will provide grants for community renewable energy projects in order to make such small-scale renewable energy projects feasible.

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HB 2021 also creates new reporting obligations for retail electric utilities. Electric utilities will now be required to develop a clean energy plan for meeting the clean energy targets set forth in the bill. Beginning in 2022, electric utilities must either file a clean energy plan with the utility's integrated resource plan filing or the clean energy plan must filed no later than 180 days after the integrated resource plan is filed. The clean energy plan must incorporate the greenhouse gas reduction targets set by HB 2021; include a risk-based examination of resiliency opportunities; examine the costs and opportunities of offsetting energy generated from fossil fuels with community-based renewable energy; demonstrate the electric company is making continual progress within the planning period towards meeting the clean energy target; and result in an affordable, reliable and clean electric system.

BOEM INITIATES ENVIRONMENTAL REVIEW OF DOMINION ENERGY'S PROPOSED OFFSHORE WIND PROJECT

The Bureau of Ocean Energy Management (BOEM) announced on 1 July 2021 that it will conduct an environmental review for a potential offshore wind project located in federal waters off of the coast of Virginia Beach. Dominion Energy intends to develop, build, operate and own the proposed project, known as the Coastal Virginia Offshore Wind Commercial Project (CVOW-C). The project is slated to be located 23.5 miles offshore, and will consist of up to 205 turbines capable of generating up to 3,000 MW of electricity. The proposal includes three offshore substations, with one possible cable landfall location in Virginia Beach. The energy produced would help Virginia reach its legislated goal of securing 5.2 GW of offshore wind energy by 2034.

On 2 July 2021 BOEM published a Notice of Intent (NOI) to Prepare an Environmental Impact Statement (EIS) in the Federal Register. The publication of the NOI initiates the public scoping process, which is used to identify issues and potential alternatives for consideration in the EIS. Following the comment period, BOEM will publish a scoping report for consideration in the CVOW-C Draft EIS. Public comments are due by August 2, 2021.

U.S. DEPARTMENT OF HOMELAND SECURITY DETAINS IMPORTS FROM SILICA MANUFACTURER

On 24 June, at the direction of the White House, US Customs and Border Protection (CBP) issued a Withhold Release Order (WRO) that affects solar imports. The WRO specifically applies to all silica-based products made by Hoshine Silicon Industry Co., Ltd. (Hoshine) and its subsidiaries, as well as to materials and goods (such as polysilicon) derived from or produced using those silica-based products. The WRO is not specific to the China's Xinjiang region and would apply to any manufacturer in any country that used an input from Hoshine and then tried to import that product into the United States. Located in the Xinjiang region, Hoshine is one of the world's largest producers of metallurgical-grade silicon products.

Pursuant to a WRO, imported products produced by convict or child labor, may be subject to exclusion and/or seizure at the US border by CBP and/or trigger a criminal investigation of the importer. See 19 U.S.C. § 1307. If a shipment is detained, the importer will be notified and will have 90 days to act in one of two ways. First, they can provide proof of admissibility showing that the cargo does not contain any inputs from Hoshine. Note that CBP is the sole arbiter of the adequacy of that proof. Second, the importer may re-export the products.

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The Solar Energy Industries Association has produced industry guidance to help companies comply with U.S. import obligations and avoid products created with forced labor.

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