

March 27, 2015

Commissioner Rob Klee, Connecticut Department of Energy & Environmental Protection  
Massachusetts Electric Distribution Companies  
Narragansett Electric Company

**RE: Request for Proposals for Clean Energy and Transmission**

Dear Soliciting Parties:

Offshore Wind Massachusetts, LLC (“OWM”) welcomes the opportunity to offer comments on the draft Request for Proposals (RFP) issued by the Commissioner of the Connecticut Department of Energy and Environmental Protection, the Massachusetts Electric Distribution Companies and the Narragansett Electric Company.

OWM is an association dedicated to the promotion and creation of the offshore wind energy industry in Massachusetts. At this time, OWM offers no comments on the portion of the solicitation addressing the outstanding Massachusetts obligations under Section 83A of the Green Communities Act, as added by Chapter 209 of the Acts of 2012.

However, OWM does have concerns with the solicitation for transmission projects. This regional procurement appears to contradict in some ways the overall stated goals of the RFP. The RFP notes that the “essential purpose of this three-state procurement is for parties in each state to identify any projects that offer the potential for the Procuring States to meet their clean energy goals in a cost-effective manner...” (See page 2 of the RFP). To our knowledge, no analysis has been presented that indicates that the short-term and long-term financial impact to ratepayers will in fact be “cost-effective” if this transmission procurement is fulfilled. We are aware of the independent study published by Dr. Sue Tierney of the Analysis Group in 2012 suggesting that transmission alone from the subsidy of the large-scale, provincially owned hydropower most likely considered in this RFP would be \$1 billion. This raises considerable concerns about costs and we request that thorough analysis be done on this issue prior to any commitments made through this RFP.

Moreover, we are deeply concerned about the organizational structure of the RFP and the process in which transmission bids are selected. Perhaps unintended, the utilities are directed to participate in each step of the process. They are able to submit bids. They are part of the “Evaluation Team” that receives the bids and conducts the evaluations on each. They then make up the “Selection Team” that considers the criteria and is the sole

arbiter to the merits of all the applications. This is a little like knowing the final score before the game begins. This process does little to protect the utilities from potential conflicts that may arise. We suggest that more consideration of the defined roles of each “team” be in place prior to the process beginning.

Additionally, such a proposal circumvents the Massachusetts Legislature by seeking an alternative avenue remarkably similar to the one that the legislature declined to act upon last year. This RPF appears to be directed at soliciting power from large-scale hydropower from Canada. The Clean Energy Resources bill, introduced in 2014, had a similar goal in that it attempted to create a regional approach to the construction of transmission and the purchasing of large scale hydropower from Canada. The Legislature’s refusal to consider this issue prior to the end of the legislative session signaled an unwillingness to explore this option.

Massachusetts has the potential to create a significant energy industry. Three major companies have made significant investments into offshore wind space by winning leases in federal waters off the coast of Massachusetts. This new industry has the potential to reduce our dependence on energy imports from other parts of the country and Canada. Offshore wind means jobs, tax revenues and economic development in Massachusetts. Relying on large scale energy from Canada would be devastating to emerging technologies and industries that could eventually be the backbone of the energy infrastructure in the Commonwealth.

Offshore Wind Massachusetts appreciates the opportunity to submit these comments and requests that Massachusetts conduct a more thorough investigation into the costs and long-term impacts that a solicitation such as this could have on the ratepayers and an emerging industry in the Commonwealth before moving forward.

Sincerely,



Matt Morrissey  
Executive Director