



THE ALLIANCE FOR BUSINESS LEADERSHIP















JOIN US FOR GOOD"







ONSUMERS ALLIANCE

GREEN ENERGY







LEAGUE OF WOMEN VOTERS





Power**Options**

















January 14, 2022

Speaker Ron Mariano Massachusetts House of Representatives 24 Beacon Street Boston, MA 02133

Chair Jeffrey N. Roy Joint Committee on Telecommunications, Utilities and Energy 24 Beacon Street Boston, MA 02133

Chair Aaron Michlewitz House Committee on Ways and Means 24 Beacon Street Boston, MA 02133

RE: H.3310 An Act Advancing Offshore Wind and Clean Energy

Dear Speaker Mariano, Chair Michlewitz, and Chair Roy,

On behalf of the undersigned organizations and our members and supporters across the Commonwealth, we write to express our sincere gratitude and enthusiastic support for H.3310 An Act advancing offshore wind and clean energy. Your efforts to advance the responsible development of offshore wind power, while maximizing benefits for Massachusetts workers and

communities and ensuring the protection of wildlife and habitat, are essential to shaping this burgeoning industry. We applaud your commitment to getting this right.

In particular, we appreciate your attention to the role of the Massachusetts Clean Energy Center (MassCEC) in Sections 5, 6, and 7. MassCEC is well-positioned to serve as a focal point for the Commonwealth's offshore wind endeavor and to coordinate initiatives across the state. We are thrilled as well by the creation of an Offshore Wind Industry Investment Fund within MassCEC to enable and facilitate the smart investments that will be critical to fulfilling the potential of a Massachusetts offshore wind industry. We support each of the named intended uses of these funds and are especially pleased to see the language surrounding workforce training and the proactive investments needed to prepare the individuals who will bring this industry to fruition.

In Section 12, we support your attention to the importance of readying the transmission network and distribution grid to accelerate the Commonwealth's progress toward our electrification and decarbonization requirements. We applaud the creation of a Grid Modernization and Planning Council and this body's charge to increase transparency and public engagement in the grid planning process. Finally, while we are pleased to see that a goal of the Council will be to advance proposals that "reduce impacts on and provide benefits for environmental justice populations and communities, we would prefer to see representatives from environmental justice communities and community development organizations included on the council.

Section 13 is rich with improvements to the offshore wind procurement process. We appreciate your careful attention to the matter of the offshore wind "price cap" and support your determination that in the case of a competitive market with carefully designed criteria, it is no longer serving its original purpose. We are immensely grateful for your amendments to the list of criteria for preference in the project selection process, including: avoidance, minimization, and mitigation of impacts to wildlife and natural resources; choosing optimal interconnection locations; commitments to enter into long-term contracts with businesses, nonprofits, municipalities, or aggregation; and use of a project labor agreement.

We are deeply grateful for this bill's significant elevation of the importance of protecting wildlife, habitat, and ecosystems throughout all stages of offshore wind development. We applaud the inclusion of a requirement for bidders to submit environmental and fisheries mitigation plans, and for plans to include descriptions of best management practices and plans for pre- and post-construction monitoring. Monitoring will be essential to ensuring that we continue to evolve our understanding of best practices, which underscores our appreciation for the requirement that bidders commit financial and technical assistance to regional research and monitoring and that specific scoring weight be applied to such commitments. Finally, we strongly support the establishment of environmental and fisheries working groups to harness the knowledge of expert stakeholders in evaluating mitigation plans and helping to guide research and monitoring decisions.

We also offer comments on suggested changes and areas for improvement or clarification:

Economic Inclusion

We appreciate the addition of 'opportunities for diversity, equity, and inclusion' to the list of criteria

that should be given preference in the evaluation process. We suggest changes that would strengthen this language by adding a requirement for diversity & inclusion plans to the clause pertaining to DPU regulations; increasing coordination between state agencies including the Supplier Diversity Office (SDO); and increasing accountability towards diversity, equity, and inclusion goals. These changes would incorporate successful models employed by other public agencies in the Commonwealth, most notably Massport and the Gaming Commission, which saw notable success in increasing economic inclusion by creating the conditions for healthy competition and ongoing accountability.

Procurement Process & Selection Authority

In order to streamline and increase the integrity of the offshore wind procurement process, we believe that the authority for designing solicitations and for issuing the final determination of the winning bid(s), as outlined in Section 13, subsections b and c, should rest with the Department of Energy Resources (DOER). The distribution companies should remain part of the procurement process in a technical advisory role, to be consulted by DOER. This structure of authority would bring the Commonwealth's procurement process in line with those of other states, including our neighboring state of Connecticut.

Remunerations

We appreciate the slight decrease of the remunerations to the utilities as well as the requirement that the distribution companies demonstrate a quantified level of incremental risk to justify the requested remuneration rate in Section 13, subsection d. However, we hope you will consider removing the remunerations altogether. The cost – and the risk – of offshore wind contracts is borne by the ratepayers, and this bill also adds surcharges to both electricity and gas ratepayers for a Massachusetts Offshore Wind Industry Investment Fund. In order to minimize the burden on ratepayers, this costly and unnecessary provision on remunerations to the utilities should be removed.

Transmission

We appreciate Section 14, which requires DOER to solicit proposals for offshore wind energy transmission, as well as the mention of collaboration with other states and with ISO-New England for such a solicitation and procurement. Please consider a technical amendment that <u>requires</u> regional collaboration with other states and ISO-NE for an offshore wind transmission solicitation. Regional collaboration is a critical component of transmission planning for our shared electricity grid.

Aggregation

We appreciate that the bill recognizes the value of municipal aggregation and large private off-takers, such as business and non-profit institutions, as a potential off-taker of offshore wind power. We recommend that Section 7c be amended to allow funding to be used to support a long-term contract for energy and renewable energy certificates by MassCEC and then resold to municipal aggregations or other private aggregation groups through shorter term contracts. Among aggregations, contracts would be for Class I RECs greater than required by law in the years of the contracts.

On behalf of all the undersigned organizations and our thousands of members and supporters across Massachusetts, we thank you for your work to advance responsibly developed offshore wind power and to ensure that the Commonwealth maintains a leadership role in this industry.

Sincerely,

Susannah Hatch

Environmental League of Massachusetts

Amber Hewett

National Wildlife Federation

Steven Tolman

Massachusetts AFL-CIO

Richard Delaney

Cape Cod Climate Change Collaborative

Jennifer Benson

The Alliance for Business Leadership

Mary Usowicz

University of Massachusetts Lowell

Patricia A. Gozemba and Cindy Keegan

SAFE-Salem Alliance for the

Environment

Don Keeran

Association to Preserve Cape Cod

Ben Hellerstein

Environment Massachusetts

Michael Duclos

Energy Efficiency Associates

Kai Salem

Green Energy Consumers Alliance

Nicole Obi

Black Economic Council of Massachusetts

E. Heidi Ricci

Mass Audubon

Jim Mulloy 350 Mass

Melissa Birchard **Acadia Center**

Scott Farmelant

Mills Public Relations

Noelle Pina

Cape Cod Chamber of Commerce

Mark O'Reilly

Boston Energy Wind Power Services

Adele Franks

Climate Action Now, Western Mass

Cindy Luppi

Clean Water Action

John Carlson

Ceres

Paula García

Union of Concerned Scientists

Michael Sales

Elders Climate Action of Massachusetts

Elizabeth Foster-Nolan

League of Women Voters of

Massachusetts

Heather Takle

PowerOptions

Wendy Burge **Eastern Bank**

Ben Howard

Bemis

Steve Long

The Nature Conservancy

David Zeek

Sierra Club Massachusetts Chapter