



April 29, 2022

The Honorable Michael Barrett, Senate Chair
The Honorable Jeffrey Roy, House Chair
Joint Committee on Telecommunications, Utilities, and Energy
State House, Boston

RE: SB2842 “An Act driving climate policy forward” and HB4524, “An Act advancing offshore wind and clean energy”

Dear Chairmen Roy and Barrett,

As you begin negotiations on **SB2842 “An Act driving climate policy forward” and HB4524, “An Act advancing offshore wind and clean energy”**, we wish to express our support for the establishment of a competitive solicitation process to procure energy transmission for offshore wind. This provision was included in Section 23 of HB4524 and we urge the conference committee to adopt it in any conference committee report.

By way of background, the Massachusetts Municipal Wholesale Electric Company (MMWEC) is the Commonwealth’s designated joint action agency for municipal utilities in the state. MMWEC is a non-profit, public corporation and political subdivision of the Commonwealth of Massachusetts created by an Act of the General Assembly in 1975. MMWEC is authorized to issue debt, and has issued \$5 billion in bonds to finance a wide range of energy facilities. MMWEC provides a variety of power supply, financial, risk management and other services to the state’s consumer-owned, municipal utilities.

Preliminary results from several future transmission needs studies show that it will be necessary to make major transmission investments to meet the Massachusetts and other New England states’ decarbonization goals. For example, the preliminary results of the 2050 Transmission Study, conducted by ISO New England at the request of the New England states, shows that nearly half of the transmission miles of Pool Transmission Facilities (PTF) will become overloaded by 2050.

Current transmission build-out in Massachusetts and the region, based on Federal Energy Regulatory Commission approved tariffs and procurement procedures, results in transmission infrastructure that is not sufficiently cost competitive and does not minimize environmental impact. A 2020 Brattle Group report, *Offshore Transmission in New England: The Benefits of a Better-Planned Grid*, found that developing independent offshore transmission would reduce marine cabling by 49%.

This study and others have shown that a planned solicitation for the independent procurement of transmission results in savings to ratepayers. In fact, the Brattle report found over \$1 billion in avoided onshore upgrades and 10% overall (onshore plus offshore) transmission costs savings from developing independent transmission.

Procuring transmission independently increases competition. New Jersey's recent procurement of offshore transmission attracted 13 bidders and 79 bids; whereas Massachusetts' last procurement of bundled offshore wind generation including associated transmission attracted only two bidders. Studies from the U.K. show that completion across independent transmission developers reduced costs 20% to 30%.

There is diverse stakeholder support for independent transmission development. Business, labor, academic and environmental organization members of New England for Offshore Wind have also weighed in favorably on this issue.

We thank you for your consideration and urge you to include a competitive solicitation process for offshore wind energy transmission in any final conference committee report. If you have any questions, please feel free to reach out.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. DeCurzio', written in a cursive style.

Ronald C. DeCurzio
Chief Executive Officer