



COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF
ENERGY AND ENVIRONMENTAL AFFAIRS
DEPARTMENT OF ENERGY RESOURCES

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April 28, 2017

Mark D. Marini, Secretary
Department of Public Utilities
One South Station, 5th Floor
Boston, MA 02110

Re: D.P.U. 17-xx, Long-Term Contracts for Offshore Wind Energy Generation Pursuant to Section 83C of Chapter 188 of the Acts of 2016.

Dear Secretary Marini:

On April 28, 2017, pursuant to Section 83C of the Green Communities Act (Chapter 169 of the Acts of 2008), as added by Section 12 Chapter 188 of the Acts of 2016 (hereinafter "Section 83C"), Fitchburg Gas and Electric Light Company d/b/a Until, Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid, NSTAR Electric Company and Western Massachusetts Electric Company each d/b/a Eversource Energy, (collectively, the "Distribution Companies") proposed a timetable and method for solicitation of long-term contracts for Offshore Wind Energy Generation to the Department of Public Utilities ("Department") for review and approval. In particular, the Distribution Companies are seeking to procure 400 MW of offshore wind energy generation, and will consider procuring up to approximately 800 MW if the Evaluation Team determines that a larger-scaled proposal is both superior to other proposals in response to this RFP and is likely to produce significantly more economic net benefits to ratepayers compared to the alternative of procuring the additional capacity in a future solicitation after taking relevant risks into consideration. The Massachusetts Department of Energy Resources ("DOER") writes separately to confirm that the Distribution Companies' filing is a joint filing with the DOER. As such, the DOER requests that the Department approve the timetable and method for solicitation of long-term contracts for Offshore Wind Energy Generation, as set forth in the Distribution Companies' April 28th filing.

The proposed timetable and method of solicitation is a request for proposal ("RFP") based process that is structured, in part, upon the RFPs previously reviewed and approved by the Department in D.P.U. Docket Nos. 17-32, 15-84, and 13-57. The proposed RFP further provides changes that are necessary to conform with the solicitation of Offshore Wind Energy Generation and other parameters required by Section 83C. This solicitation will be coordinated by an evaluation team comprised of representatives from each of the Distribution Companies and the DOER.

The RFP was jointly developed by the Distribution Companies and the DOER. Further, the Distribution Companies and the DOER consulted with the Office of the Attorney General (“AGO”) during the joint development of this proposed RFP. Moreover, as part of this process, the Distribution Companies, the DOER, and the AGO issued a series of stakeholder questions for written input on a number of key areas associated with the development of the RFP. A diverse group of stakeholders provided such input on or about March 13, 2017, and the responses were considered during the final stages of RFP development.

The expectation of the DOER is that the Department’s approval of the RFP will establish a process which further promotes a transparent, consistent, and objective solicitation process, which in turn, will greatly facilitate the Department’s review of subsequent contracts with the selected bidders so that those contracts may be approved in an efficient and timely manner in furtherance of the objectives of Section 83C. In particular, the DOER notes that the DOER and AGO have jointly-selected, and the DOER is under contract with, an Independent Evaluator as required by Section 83C. The inclusion of an Independent Evaluator in the solicitation and bid selection process under this RFP is designed to provide enhanced fairness and transparency. The Independent Evaluator will be making a subsequent filing to the Department analyzing the timetable and method of solicitation and the solicitation process implemented by the Distribution Companies and the DOER.

Once the Department approves the method and timetable for solicitation of Offshore Wind Energy Generation, as encompassed within the RFP, the DOER expects the Distribution Companies to issue the RFP to interested parties. This filing is an important first step towards the procurement of cost-effective long-term contracts for Offshore Wind Energy Generation that will enable the Commonwealth of Massachusetts to satisfy the policy directives encompassed in Section 83C and to assist the Commonwealth with meeting its Global Warming Solutions Act goals. Therefore, the DOER respectfully requests Department review and approval of the proposed RFP in this matter.

Respectfully submitted by,

THE MASSACUSETTS DEPARTMENT
OF ENERGY RESOURCES

By its attorneys,

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