



The Commonwealth of Massachusetts
MASSACHUSETTS SENATE

SENATOR MICHAEL J. RODRIGUES

First Bristol and Plymouth District

STATE HOUSE, ROOM 213B
BOSTON, MA 02133-1053

TEL: (617) 722-1114
FAX: (617) 722-1498

MICHAEL.RODRIGUES@MASENATE.GOV
WWW.MASENATE.GOV

DISTRICT OFFICES
ONE GOVERNMENT CENTER
ROOM 235
FALL RIVER, MA 02723
TEL. (508) 646-0650
FAX. (508) 646-0656

SOMERSET TOWN HALL
140 WOOD STREET
SOMERSET, MA 02726
TEL. (508) 673-8408

Chairman
JOINT COMMITTEE ON REVENUE

March 13, 2017

The Massachusetts Department of Energy Resources
The Massachusetts Office of the Attorney General
Fitchburg Gas & Electric Light Company d/b/a Unitil ("Unitil")
Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid
NSTAR Electric Company and Western Massachusetts Electric Company d/b/a Eversource

RE: 83C RFP Development

To whom it may concern:

My name is Michael Rodrigues, State Senator serving the First Bristol and Plymouth district, which includes the city of Fall River, and the towns of Freetown, Lakeville, Rochester, Somerset, Swansea and Westport. As part of the stakeholder process relative to the development of a request for proposals ("RFP") for the competitive solicitation of long-term contracts for Offshore Wind Energy ("OSW") generation pursuant to Section 83C of Chapter 169 of the Acts of 2008, as amended by Chapter 188 of the Acts of 2016, *An Act to Promote Energy Diversity*, please accept this letter as submitted as my written comments for consideration.

As the Commonwealth moves ahead with efforts to secure 1,600 megawatts (MW) of OSW generation by June 30, 2027, I would like to respectfully urge attention to three areas of consideration that should be weighed relative to the development and drafting of the 83C RFP. I feel strongly that these areas of consideration are vital to supporting the development, growth and long-term sustainability of a viable offshore wind industry in the Commonwealth.

1) The utilization of a staggered procurement schedule to nurture stable market conditions

To ensure stable market conditions are nurtured, a staggered procurement schedule should be utilized. A staggered procurement schedule will provide the certainty and predictability that Massachusetts manufacturers, suppliers, and companies will need to establish and grow economic partnerships with offshore wind developers, contractors, and investors.

In return, a procurement schedule that is staggered and spaced out over time will allow market conditions to nurture, grow industry demand, lead to significant expenditures driving economic benefits locally, and help identify barriers or constraints that may develop as offshore wind industry becomes a critical part of our Commonwealth's long term economic and energy future. Ultimately, a staggered procurement spread out over the course of subsequent 24-month intervals will lead to a positive climate where stable and open market conditions encourage industry-wide investments and drive economic benefits significantly to the local level.

2) 83C RFP should aim to solicit no less and no more than 400MW of OSW resources in each competitive bid to allow for near-term and long-term developments.

Recognizing that 83C calls for bid proposals no less than 400MW of aggregate nameplate capacity of OSW resources, it is important that the initial solicitation, and ultimately subsequent solicitations, is aiming to solicit and secure no less and no more than 400MW of OSW resources. This is critically important to allow near-term and long-term developments to support the growth of a viable offshore wind industry. As a practicable and reasonable first step, and until the Commonwealth achieves the statutory goal of securing 1600MW of OSW resources, a solicitation of 400MW would:

a) Lay the foundation and place production of OSW generation on an appropriate scale to allow near-term and long-term developments to support the growth of a viable offshore wind industry;

b) Provide a predictable pathway and establish a ramp-up period for Massachusetts manufacturers, suppliers, and companies to establish economic partnerships with offshore wind developers, contractors, and investors, and;

c) Establish a glide-path market-based approach focused on driving down energy costs since Section 83C requires that the Department of Public Utilities not approve a contract unless the levelized price per MW hour (including associated transmission costs) is less than the previous procurement, which will provide a more cost-effective result for ratepayers over the long-term.

3) Creating and fostering employment, economic development, and local economic opportunities throughout the Commonwealth.

As the Commonwealth continues advancing forward-thinking policies to reduce our carbon footprint and ensure long-term reliability in delivering power, it is clear that the right RFP approach should support the offshore wind industry's development to open up new markets, lead to significant opportunities for local and regional suppliers and create economic opportunities.

To ensure the 83C RFP aims to encourage project bids to include strategies how local economic opportunities will be created and how projects will foster employment and economic development in the Commonwealth, the following factors critical to the development, growth and sustainability of the offshore wind industry must be considered, including:-

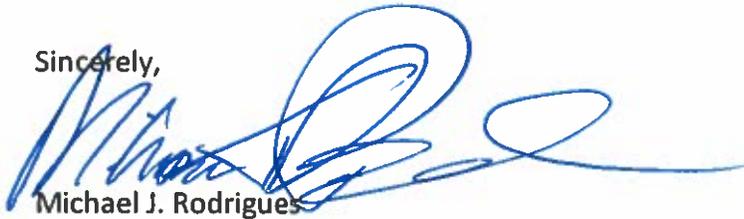
- Access to a readily available skilled and trained workforce to support near-term and long-term operations and maintenance facilities ("O&M");
- The availability and accessibility of port infrastructure essential to developing and growing a new coastal manufacturing base;
- The feasibility of acquiring underdeveloped waterfront sites along the coast that could be potentially improved through private investment to support and service near-term and long-term offshore wind activities, including areas or development sites feasible to support the staging of turbine components, construction and staging of foundations, and manufacturing of components;
- The availability of and access to interconnection points, including available opportunities to utilize existing waterfront sites along the coast that include existing interconnection and transmission infrastructure which can be upgraded to deliver offshore wind energy from the turbines onto the grid, and;
- Access to and availability of energy storage capacity for offshore wind energy after production;
- The potential to develop and sustain local supply chains to support the operational life of the offshore wind market.

In effect, the inclusion of these aforementioned factors as part of the 83C RFP criteria will allow for local supply chain capabilities to be built up across the Commonwealth, which will lead to significant local economic benefits once industry demand can be guaranteed and sourcing can be encouraged. In addition, this will ensure that the 83C RFP will place a great emphasis on companies who invest in workforce training programs and partner with local

community colleges to ensure employment and economic opportunities are available for Massachusetts workers.

Again, I appreciate this opportunity to weigh in with comments and respectfully urge close attention to the areas of consideration I have presented, which are vital to supporting the development, growth and long-term sustainability of a viable offshore wind industry in the Commonwealth.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael J. Rodrigues", with a long, sweeping horizontal line extending to the right.

Michael J. Rodrigues

STATE SENATOR