

March 1, 2023

Marian Swain
Deputy Director of Policy and Planning
Department of Energy Resources
100 Cambridge Street
Boston, MA 02110

Re: 83C Round 4 Comments

Dear Deputy Director Swain:

The Prysmian Group is a global leader in the cable systems industry. With global headquarters in Milan, Italy, Prysmian designs, produces, distributes, and installs cables and systems for the transmission and distribution of power at low, medium, high and extra-high voltage. Prysmian specializes in the development and installation of submarine cables and systems for offshore wind developments.

Prysmian employs over 28,000 workers in over 50 countries. It has 23 facilities in North America, 48 in Europe, and 33 across Asia and the Middle East. Prysmian's facilities include both plants, and research and development centers. In addition, Prysmian has four cable-laying vessels—the Giulio Verne, Ulisse, Cable Enterprise, and Leonardo da Vinci.

Prysmian has successfully delivered transmission cable systems to support a variety of projects in the United States, including the Trans Bay Cable project in San Francisco (completed in 2010), a 53-mile cable under the San Francisco Bay, the Neptune Cable in New York (complete in 2007), a 65-mile undersea and underground cable between New Jersey and New York, and the 7.5-mile Hudson River project between New Jersey and New York. Prysmian is also supporting several additional projects in the US, including the Vineyard Wind project (currently under construction off the coast of Massachusetts south of Martha's Vineyard and Nantucket), the Park City wind project (Connecticut), the SOO Green HVDC Link (a 350-mile-long project in the Midwest), and the Empire Wind project (planned for the waters off Long Island, New York).

In December 2021, Prysmian publicly announced its intent to build a state-of-the-art manufacturing facility for submarine transmission cables at Brayton Point, the site of the former 1,600 MW coal-fired power plant in Somerset. The \$257M investment in the Brayton Point site will include the acquisition of 47 acres of the approximately 300-acre site where Prysmian will design, manufacture, and deliver

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Capitale Sociale sottoscritto
e versato: € 26.814.424,60

submarine transmission cables and create 160-200 local high-skilled permanent jobs. This investment was informed in part by the Commonwealth Wind project, which was selected by the Baker-Polito Administration pursuant to the Section 83C Round III procurement round. However, due to global economic conditions Commonwealth Wind's parent company Avangrid declared the project not viable and requested reconsideration of the ongoing Power Purchase Agreement, creating considerable uncertainty in Prysmian's order volumes that formed part of the company's decision to invest in Massachusetts.

Nonetheless, Prysmian confirmed its commitment to Brayton Point and to supporting the growth of the US market which will require a significant increase in project deployment and, among other things, an increase in domestic manufacturing capacity throughout the offshore wind supply chain. The investment presents an innovative opportunity to deliver on both Prysmian and the Commonwealth's commitment to offshore wind, and anchors Massachusetts in the offshore wind industry for the long-term.

In addition to Prysmian's commitment to the project in the midst of such uncertainty, we are also considering additional investment to double the facility's annual output of high voltage export cables in both alternating current (HVAC) and direct current (HVDC) cables. This additional investment will generate more local jobs and position the Commonwealth as a central and lasting player in the offshore wind supply chain. The future investment is dependent on the existence of a sustainable market. To invest, Prysmian needs certainty that future Massachusetts projects will utilize local assets such as in-state manufacturing. We also recommend that the Commonwealth plan for sequencing of projects to maximize in-state benefits.

The 83C Round 4 solicitation should require projects to purchase local content and to utilize local assets. This will ensure that the state maximizes the use of in-state assets and leverages state investments made in local facilities and infrastructure. Additionally, local content requirements will lower a project's carbon footprint, avoid massive intercontinental logistics and decrease local market dependency on components that are at high demand globally.

We recommend that the round 4 solicitation identify key strategic in-state assets to be utilized by developers as part of the award. The selected developers would then contract with these key strategic in-state assets post bid in accordance with a price adjustment mechanism. This affords developers and supply chain partners time to enter into realistic and sustainable agreements. Additionally, this post-bid process will maximize the use of the Commonwealth's key strategic assets without forcing developer to lock in capacity for projects and volumes that may not be awarded.

In addition to requiring the use of local content in the solicitation, the process should consider a sustainable schedule that aims to avoid situations where developers are sourcing strategic components available in-state from outside of the Commonwealth due to overlapping project timelines. In the case of multiple awards in round 4, the state should consider staggered commercial operation dates to maximize the number of projects able to utilize in-state assets and resources.

Thank you for the opportunity to provide these comments.

Sincerely,



Hakan Ozmen

EVP Projects Business & CEO Prysmian Powerlink