# Massachusetts 83C Round 5 Offshore Wind Solicitation: Request for Public Comment May 22, 2025

The Massachusetts Department of Energy Resources (DOER), the Massachusetts Electric Distribution Companies (EDCs), and the Attorney General's Office (AGO) (collectively "RFP Drafting Parties") welcome public comments on the following areas relevant to the issuance of a Request for Proposals (RFP) for a fifth-round solicitation for offshore wind energy projects under Section 83C (Section 83C Round 5). The RFP Drafting Parties provide the questions below to solicit input from interested parties and stakeholders on specific questions of interest related to Section 83C Round 5.

Interested parties and stakeholders are invited to provide comments in response to the prompts below and/or on any other topics related to Section 83C Round 5. Comments are also welcomed with specific reference to sections of the last RFP solicitation, Section 83C Round 4, available <a href="https://linear.com/here">here</a>. Whenever possible, please provide explanations or justifications for any recommendations provided. Please note that the RFP Drafting Parties will consider comments in drafting the RFP but not otherwise respond to comments received.

**Submission Instructions:** Please submit all comments via email to Chris Connolly (Clean Energy Coordinator at DOER) at <a href="mailto:Chris.Connolly2@mass.gov">Chris.Connolly2@mass.gov</a> and <a href="mailto:marfp83C@gmail.com">marfp83C@gmail.com</a> as soon as possible, but no later than **5:00 PM on June 13, 2025.** Please include "83C Round 5 Comments" and the name of the individual or organization submitting comments in the subject line.

Confidentiality: Please note that all comments received will be posted publicly on the MACleanEnergy.com webpage following the submission deadline; unless a party indicates its submission contains proprietary or commercially sensitive business information that should be treated as confidential energy information, to the extent permitted by law. Such submissions should be clearly marked "CONFIDENTIAL" and submitted along with a public version with any such confidential information redacted. Commenters are encouraged to limit redactions to the extent possible. Pursuant to DOER's authority under Massachusetts General Law Chapter 25A, Section 7, and Section 83C certain energy and other information collected by DOER can be maintained for the sole and confidential use of the Commonwealth, its agencies, and offices. DOER may also apply any applicable exemption under the Commonwealth's public records law. DOER shall also confidentially provide any and all confidential comments or responses to the Massachusetts Electric Distribution Companies, the Office of the Attorney General, the Independent Evaluator (DOER's procurement consultant), and possibly to the Massachusetts Department of Public Utilities (collectively, the "Massachusetts Parties") in a manner as determined by DOER, in its sole discretion. In the event confidential information is submitted to DOER and confidential treatment is not afforded for any reason, by a governmental agency or otherwise, or any confidential information is inadvertently made public, DOER and the Massachusetts Parties shall not be held responsible.

## **Questions for Prospective Bidders:**

- 1. Please indicate your preliminary, non-binding interest in submitting a bid in Section 83C Round 5. Please comment on what factors you are considering when deciding whether to participate in the Round 5 solicitation.
- 2. Are there any special contract provisions that would be appropriate in the Section 83C Round 5 solicitation given the development risks existing in the current market environment? If so, please elaborate on specific provisions, and how they could be structured to balance protections for Massachusetts ratepayers.
- 3. In addition to this request for written comments, the RFP Drafting Parties may wish to conduct meetings with prospective bidders<sup>1</sup> prior to finalizing and filing an RFP for Section 83C Round 5. Please indicate your interest in participating in a prospective bidder meeting.

### **Questions for Public Comment (including for Prospective Bidders and others):**

- 4. Federal Permitting: Given the January 20, 2025, Executive Order: Temporary Withdrawal of All Areas on the Outer Continental Shelf from Offshore Wind Leasing and Review of the Federal Government's Leasing and Permitting Practices for Wind Projects<sup>2</sup> and the review led by the Secretary of the Interior of existing wind energy leasing and permitting, please elaborate on federal permitting and approval risk for offshore wind projects. What steps, if any, could be taken in this RFP to address those risks?
- 5. <u>Project Viability</u>: How could the Section 83C Round 5 RFP be designed to best support developers in ensuring project viability and ultimately reaching commercial operation while also ensuring these projects are cost-effective, beneficial, and represent an appropriate balancing of risks for Massachusetts electric ratepayers?

#### 6. Procurement Schedule:

a. Absent an intervening statutory directive regarding the timing of solicitations under Section 83C, what would be the ideal timing for the Section 83C Round 5 RFP to maximize cost-effectiveness and benefits for Massachusetts electric ratepayers?

<sup>&</sup>lt;sup>1</sup> "Prospective Bidder" means an offshore wind leaseholder eligible to bid into the Section 83C solicitation, or a party directly involved in preparation of a bid with such a leaseholder.

<sup>&</sup>lt;sup>2</sup> Available at: <a href="https://www.whitehouse.gov/presidential-actions/2025/01/temporary-withdrawal-of-all-areas-on-the-outer-continental-shelf-from-offshore-wind-leasing-and-review-of-the-federal-governments-leasing-and-permitting-practices-for-wind-projects/">https://www.whitehouse.gov/presidential-actions/2025/01/temporary-withdrawal-of-all-areas-on-the-outer-continental-shelf-from-offshore-wind-leasing-and-review-of-the-federal-governments-leasing-and-permitting-practices-for-wind-projects/</a>.

- b. What should the RFP Drafting Parties consider when designing the schedule for the 83C Round 5 RFP, including deadlines for bid submission and selection of projects for negotiation? Please include as much specificity in key schedule milestones and timing, as well as justification for preferred dates.
  - i. What is the minimum amount of time that should be allowed between RFP issuance and bid submission?
- c. How could the 83C Round 5 RFP schedule be designed to best align with other offshore wind procurements being conducted or planned in neighboring Northeastern states?
- d. Should bidder meetings be conducted as part of the bid evaluation process during the procurement to clarify bid specifics? Why or why not?

# 7. Inflation, Supply Chain, and Macroeconomic Factors:

- a. Please comment how uncertainty related to macroeconomic factors, including the federal Investment Tax Credit, tariffs, and supply chain challenges, are likely to impact (i) project financing; and (ii) project pricing for upcoming Section 83C solicitations.
- b. How could the Section 83C Round 5 RFP be designed to address the macroeconomic uncertainties outlined in subpart a., to both ensure project viability and protect Massachusetts ratepayers? Please comment on whether bidders should be requested to identify the anticipated price impact of tariffs in their contract pricing and include provisions for sharing cost reductions if tariffs are reduced or eliminated.
- c. Please provide any specific comments on the design of the indexing adjustment mechanism included in the Section 83C Round 4 RFP, including but not limited to the chosen indices, adjustment cap, weighting of factors, and timing of the adjustment.<sup>3</sup>
  - i. Please comment on any potential modifications to the indexing adjustment mechanism for future solicitations. Please ensure any recommendations for modifications recognize the importance of allowing for fairness and consistency in evaluating project proposals from different developers and the importance of mitigating risks to Massachusetts electric ratepayers.
- 8. <u>Procurement Size</u>: What should be the maximum procurement target, in MW, for the Section 83C Round 5 RFP solicitation and why? What would the impact be of a target that is either higher or lower than your recommended amount?

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<sup>&</sup>lt;sup>3</sup> See Petitioners Information Filing in MA DPU Docket 23-42, Feb. 5, 2024; available at: <a href="https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/18578719">https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/18578719</a>.

- 9. <u>Project Size</u>: What would be an appropriate minimum and/or maximum (if any) bid size for the Section 83C Round 5 RFP solicitation? Additionally, please describe if phasing is critical for developing a project and why or why not.
- 10. <u>Commercial Operation Date</u>: What should be the latest allowable commercial operation date for projects bidding into the Section 83C Round 5 RFP and why?
- 11. Transmission and Interconnection:
  - a. How should the Section 83C Round 5 RFP requirements regarding transmission and interconnection of proposed projects be designed to maximize efficient use of the onshore transmission system?
  - b. Given the reformed ISO-NE interconnection process partially approved in FERC's April 4th ruling on Order 2023,<sup>4</sup> how should the Section 83C Round 5 RFP interconnection requirements change?
  - c. In previous Section 83C solicitations, projects were required to complete ISO-NE's Forward Capacity Auction Qualification (FCAQ) process to ensure deliverability of the project at a Capacity Capability Interconnection Standard (CCIS)-equivalent level. ISO-NE's Capacity Auction Reforms and compliance to Order 2023 are incorporating the FCAQ process into cluster studies. What mechanism should the Section 83C Round 5 RFP use to ensure deliverability at a level equivalent to the CCIS? Why?
  - d. Should the Section 83C Round 5 RFP allow projects utilizing surplus interconnection service (SIS) to obtain only Network Resource Service (NRS)? Why or why not? What considerations should be factored into the decision?
- 12. Economic Development, Workforce, and Diversity, Equity & Inclusion (DEI): How could the Section 83C Round 5 RFP be designed to best encourage investments and commitments that maximize economic benefits to the Commonwealth, support workforce harmony, and advance goals for DEI? Specifically, please refer to Sections 2.2.4.1 2.2.4.4 of the 83C Round 4 RFP<sup>5</sup> and to the relevant provisions in Section 61 of *An Act Driving Clean Energy and Offshore Wind*.<sup>6</sup>

<sup>&</sup>lt;sup>4</sup> See Order on Compliance and Tariff Revisions, Issued April 4, 2025 in Docket Nos. ER24-2009 and ER24-2007; <a href="https://www.iso-ne.com/static-assets/documents/100022/er24-2007">https://www.iso-ne.com/static-assets/documents/100022/er24-2007</a> and er24-2009.pdf.

<sup>&</sup>lt;sup>5</sup> Request for Proposals for Long-Term Contracts for Offshore Wind Energy Projects, Issued Aug. 30, 2023; available at: <a href="https://macleanenergy.com/wp-content/uploads/2023/08/83c-rd4-rfp-8.30.2023.pdf">https://macleanenergy.com/wp-content/uploads/2023/08/83c-rd4-rfp-8.30.2023.pdf</a>.

<sup>&</sup>lt;sup>6</sup> Chapter 179 of the Acts of 2022; available at <a href="https://malegislature.gov/Laws/SessionLaws/Acts/2022/Chapter179">https://malegislature.gov/Laws/SessionLaws/Acts/2022/Chapter179</a>.

- a. <u>Memorializing Commitments</u>: In Section 83C Round 3, DOER executed Memoranda of Understandings (MOUs) with the selected projects to memorialize and track their commitments to economic development and DEI.<sup>7</sup> Please provide any comments on these prior MOUs or other mechanisms to memorialize and track these commitments with selected projects.
- 13. <u>Environmental Justice</u>: How could the Section 83C Round 5 RFP be designed to best encourage project design and investments that avoid negative impacts on, and direct positive benefits of the project to, Environmental Justice (EJ) communities? Please refer, in particular, to Appendix J of 83C Round 4 RFP and to the relevant provisions in Section 61 of *An Act Driving Clean Energy and Offshore Wind*.
- 14. Environmental and Fisheries Impacts: How could the Section 83C Round 5 RFP be designed to best encourage project designs that avoid, minimize, and mitigate negative impacts on the environment and fishing industry? Please refer, in particular, to Appendix J of 83C Round 4 RFP and to the relevant provisions in Section 61 of *An Act Driving Clean Energy and Offshore Wind*.
  - a. Please provide any additional comments regarding implementation of the new provisions in Section 61 of *An Act Driving Clean Energy and Offshore Wind* in the Section 83C Round 5 RFP.
- 15. Are there any other comments you would like to provide for consideration in the design of the Section 83C Round 5 RFP, not captured by the previous questions?
- 16. The RFP Drafting Parties are considering filing a joint 83C Round 6 RFP for review and approval at the DPU simultaneously with the 83C Round 5 RFP. The goal would be to enable the RFP Drafting Parties to issue a Round 6 solicitation if needed to meet the Section 83C procurement target of 5,600 megawatts (MW) of offshore wind by June 30, 2027 without requiring the development and filing of a new RFP for review at the DPU during 2026.
  - a. Please comment on whether and how such a simultaneous filing would affect your interest in submitting a bid in Section 83C Round 5 and on the benefits and risks of such an approach.

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<sup>&</sup>lt;sup>7</sup> Public versions available at: <u>15416361 (comacloud.net)</u> (Commonwealth Wind) and <u>Microsoft Word-83C Rd3 Offshore Wind Development and Reporting Agreement - MFW - EXECUTION v2.docx (comacloud.net)</u> (SouthCoast Wind Energy, formally known as Mayflower Wind).