COMMONWEALTH OF MASSACHUSETTS ENERGY FACILITIES SITING BOARD

JOINT INITIAL COMMENTS OF NSTAR ELECTRIC COMPANY D/B/A EVERSOURCE ENERGY AND NEW ENGLAND POWER COMPANY, MASSACHUSETTS ELECTRIC COMPANY AND NANTUCKET ELECTRIC COMPANY EACH D/B/A NATIONAL GRID ON STRAW PROPOSALS FOR PREFILING ENGAGEMENT, INTERVENOR SUPPORT FUND GRANT PROGRAM, AND COMMUNITY BENEFITS PLANS

I. INTRODUCTION

On November 21, 2024, An Act Promoting a Clean Energy Grid, Advancing Equity and Protecting Ratepayers (the "2024 Climate Act") was signed into law by Governor Healey. The 2024 Climate Act requires several agencies, including the Energy Facilities Siting Board (the "Siting Board"), to propose regulations for comment in order to implement the new streamlined siting and permitting pathways for clean energy facilities in the Commonwealth. As part of this process, the Siting Board has issued various straw proposals and guidance identifying areas and topics for input and consideration, leading to the development of proposed rules.¹ On April 24, 2025, the Siting Board held a stakeholder session to discuss straw proposals and guidance on the topics of: (1) pre-filing consultation and engagement requirements for permits issued pursuant to the 2024 Climate Act; (2) the Fund; and (3) community benefits plans and agreements ("CBPs" and "CBAs"). The Siting Board requested written comments from stakeholders on these topics by May 8, 2025. NSTAR Electric Company d/b/a Eversource Energy ("Eversource") and New England Power Company, Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid ("National Grid"; together, the "Companies"), submit these written

¹ With respect to the Intervenor Support Fund Grant Program (the "Fund"), it is the Companies' understanding that the straw proposal is jointly offered by the Siting Board staff and the Department of Public Utilities' ("DPU") Division of Public Participation ("DPP").

comments responding to the Siting Board's straw proposals, guidance, and stakeholder session on the topics of prefiling requirements, the Fund, and CBPs/CBAs.

II. BACKGROUND

Before addressing some of the designated topics for this phase of the Siting Board's review, the Companies believe that some context for their roles as regulated public utilities is appropriate. Combined, Eversource and National Grid provide safe and reliable electric and gas service to over 3 million customers in approximately 320 out of the 351 cities and towns within the Commonwealth. The Companies have an obligation to serve all customers who need such service and to do so in an affordable manner. These energy services are absolutely essential to the residents and businesses in the state. Electricity and gas are critical products in that they provide light, heat, and power to customers, which is integral to the health, safety, and comfort of the Commonwealth's residents and the economic vitality of businesses within the state. The Companies' infrastructure projects also further the public good by providing well-paying construction jobs, stimulating the economy with local purchases, and contributing considerable tax revenue to support community services in the cities and towns they serve.

Unlike other businesses that do not operate under comprehensive regulatory oversight, the Companies are required to serve all customers in their service territory. The Companies must build needed facilities throughout the Commonwealth in a non-discriminatory manner to ensure reliable and safe electric service without regard to the demographics of the community, its economic status, or other sociological factors. Simply stated, the Companies must build transmission and distribution ("T&D") facilities wherever there is customer need to meet their public service

-2-

obligation.² To do otherwise, would be inconsistent with federal, regional, and state electric reliability standards, would be inequitable to historically underserved communities, and could have serious reliability, public health, and safety consequences. It would also deny those underserved communities the opportunity to participate in the clean energy future, which is central to the state's climate change goals. Due to its unique and essential nature, electric service inherently furthers the public good and is beneficial to the health and welfare of residents and businesses in Massachusetts.

The Companies offer this context because they believe it belongs as an overarching consideration regarding the policies, rules, and procedures developed to implement the 2024 Climate Act. The Companies look forward to working with all stakeholders in an earnest and productive manner, including through future working group meetings with stakeholders on these topics as referenced at the April 24th stakeholder session,³ to expeditiously implement the requirements of the 2024 Climate Act by the statutory deadline of March 1, 2026.

² The Companies recognize that undue burdens exist on certain environmental justice ("EJ") communities in the Commonwealth (<u>e.g.</u>, because of emissions from power plants, hazardous waste facilities, substandard water quality). Utility T&D facilities generally have modest impacts and will not cause undue burdens. Utility T&D facilities, by necessity, do and must exist in every community within the state. Moreover, a recent study commissioned by the DPU, entitled Grid Modernization & Environmental Justice Technical Summary, indicated that approximately 80%-90% of all types of grid modernization technologies deployed in the Commonwealth were deployed in municipalities with EJ communities and provided those communities with the increased *benefits* associated with grid modernization. <u>See Grid Modernization & Environmental Justice Technical Summary</u>, available at https://storymaps.arcgis.com/stories/849bf45ec7dd4012875bc0f4e323c52e.

³ The Companies are most appreciative of Undersecretary María Belén Power's willingness to conduct such stakeholder sessions on these most important issues.

III. PREFILING CONSULTATION AND ENGAGEMENT STRAW PROPOSAL

A. Comments on Prefiling Consultation and Engagement Requirements Straw Proposal

1. The Companies' Current Outreach Processes

Engagement with host communities and all affected stakeholders – both prior to filing permit applications and throughout the review and construction process – is a top priority for Eversource and National Grid. Consistent with the Siting Board's straw proposal, the Companies each support equitable and meaningful engagement within reasonable timeframes that enable the timely and efficient siting of critical energy infrastructure in Massachusetts. To that end, meaningful engagement, early and often, is key to facilitating a shared understanding among stakeholders and project proponents. The Siting Board's prefiling straw proposal provides examples of outreach standards and community engagement practices required for applications filed pursuant to the 2024 Climate Act.

As a threshold matter, the Companies are implementing the substance of the consultation and prefiling engagement requirements set forth in the Siting Board's straw proposal. As the Companies have demonstrated through many T&D infrastructure projects, their commitment to meaningful engagement, informed by the Commonwealth's longstanding EJ policy, has led to significant enhancements in the methods and approaches that the Companies use for community consultation and engagement. The Companies believe that their respective outreach practices achieve the objectives contained in the Siting Board's straw proposal. The goal of outreach should be to provide sufficient notice and transparent opportunities to enable interested stakeholders to participate meaningfully in the siting process. As part of this engagement process, the Companies prioritize engaging with interested stakeholders, including community groups, abutters, town officials, and environmental advocates by providing timely and accurate project information (e.g., project need, alternatives, anticipating timing and impacts, etc.), communicating and translating technical materials into plain language and spoken languages, hosting a variety of forums in which they may participate and communicate concerns, and enabling ongoing opportunities to stay informed and have questions addressed throughout the project development and construction process. The Companies provide documentation of the extensive communications that occur throughout a project's arc to the Siting Board in applications and during discovery.

For example, the Companies typically meet extensively with municipal officials and other stakeholders in affected host communities to gain an understanding of issues of concern and provide detailed information about the relevant locations under consideration by the Companies for a given project. This two-way engagement and exchange of information is extremely valuable and informs the Companies' project design and development processes.⁴ The Companies recognize that the priorities of municipal officials may differ from those in the host neighborhood. Similarly, the Companies meet extensively with state, regional and federal permitting agencies, as applicable, to gather information on issues of concern, potential impacts of projects, and related mitigation. Then, once the Companies have a sufficient initial understanding of the technical considerations that inform the scope of and potential locations for needed electrical energy infrastructure, the Companies implement a broader process involving the public generally and abutters and community representatives more specifically. This is done through numerous methods such as multiple public input and listening sessions, online and face-to-face communications with individuals and interested groups, and through written and oral information provided in plain language as well as various languages that are actively spoken in the community.

⁴ The Companies completely agree with the Commonwealth's Office of Environmental Justice and Equity ("OEJE") that engagement "is not a checkbox – it's a continuous, iterative, two-way dialogue throughout the project development, siting and permitting." <u>OEJE 4/24 Stakeholder Session Presentation</u> at 7.

Throughout the engagement process, input is considered and, where the Companies determine that project design or location changes are both technically feasible and warranted, consistent with considerations of reliability, environmental impacts, and costs, such suggestions can be included.⁵

2. The Prescriptive Nature of the Siting Board's Prefiling Straw Proposal Places at Risk the Streamlining of Expedited Clean Energy Facility Siting That Is Required by the 2024 Climate Act.

While the Companies share the substantive objectives of the prefiling consultation and engagement straw proposal, the Companies believe that the straw proposal is unnecessarily prescriptive, especially with respect to timeframes, the level of information needed, and the number and sequence of required meetings with permitting agencies, all of which goes well beyond the requirement in the 2024 Climate Act. If implemented, the straw proposal will have the effect of creating a mandated consultation process that is longer than the Siting Board's regulatory review of the project itself. As proposed, the prefiling process would take at least 15 months and, in some cases, up to two years or more *prior to* the 12-15-month Siting Board review.⁶ In that light, it is important to balance the need for inclusivity, thoroughness, and having multiple opportunities and forms of stakeholder participation with the risk that having a prefiling process that is too long, too early (with a lack of detailed information) and too complicated, which will frustrate stakeholders

⁵ Most commonly, agency and municipal input is incorporated into project design well before formal regulatory processes begin. For example, New England Power's ("NEP") routing of an underground cable through the City of Quincy was informed by extensive consultations with municipal agencies and with the Massachusetts Department of Conservation and Recreation ("DCR"), and the preferred and noticed alternative routes for NEP's underground cable in Beverly and Salem were selected after more than a year of engagement with the Beverly Mayor's Office and City engineers. See New England Power Company, EFSB 19-04/D.P.U. 19-77/78, at 32-36 (2021). More recently, as part of Eversource's Greater Cambridge Energy Program ("GCEP") proceeding, a local neighborhood association provided input, which led Eversource to change its preferred transmission line route in areas of Cambridge and Somerville. See Eversource Energy, EFSB 22-03/D.P.U. 22-21, at 7-8 (2024).

⁶ It is worth noting that, in many respects, the prefiling process identified in the straw proposal replicates and extends the duration of the Massachusetts Environmental Policy Act ("MEPA") process that formerly applied to jurisdictional energy projects, which the 2024 Climate Act eliminated for clean energy infrastructure ("CEIF") to avoid redundancy and to promote streamlining.

and act against the purpose of the 2024 Climate Act, resulting in stakeholder fatigue and confusion without providing meaningful benefits. Relatedly, the Companies are particularly concerned that any project currently in development and targeting a July 1, 2026 filing (to coincide with the implementation of the new permitting process) would need to start documenting engagement <u>now</u> (if not, even earlier) to align with the straw proposal. Without certainty provided by final regulations, such a project would not be able to fulfill the proposed requirements necessary to initiate Siting Board review and to do so within the expected timeframe for kicking off EFSB 2.0 by July 1, 2026. This would introduce unnecessary delays and increase costs, at odds with the overall intent of the 2024 Climate Act. Accordingly, the Companies request interim guidance from the Siting Board on how to proceed with prefiling outreach while these stakeholder processes are pending to ensure that the Legislature's intent and schedule for streamlined permitting begins on time.

Moreover, outreach should not be a generic, "one-size-fits-all" approach because no two projects or communities are the same. Whether small or large, or proposed by a utility or a clean energy developer, meaningful engagement efforts are iterative and tailored to the type of facility, scope of impacts, and the particulars of host communities. Using public utility infrastructure examples, a modest upgrade to an existing substation in an industrial area necessarily warrants a different engagement process than the construction of an entirely new substation serving multiple towns and supplied from a distant transmission line. Similarly, a proposed new overhead transmission line along an existing overhead transmission line right-of-way ("ROW") in a remote area requires a different engagement process than a new underground transmission line proposed in municipal streets in a densely populated urban community. To require each of these examples to follow an identical prefiling and outreach process would necessarily render each of those processes less useful in achieving the goal of meaningful engagement tailored to specific projects, their impacts, and community concerns.⁷

Recognition of these important differences calls for flexibility in the scope, methods, and timing of prefiling engagement that supports the development of partnerships, creative responses to community input and a greater consensus on a project's merits. To that end, the plain language of the 2024 Climate Act very clearly indicates the appropriateness of such tailored plans. Section 74 adds G.L. c. 164, § 69T, which provides, among other provisions, that the Siting Board establish "pre-filing requirements <u>commensurate with the scope and scale of the proposed large clean energy infrastructure facility</u>, which shall include specific requirements for pre-filing consultations with permitting agencies and the [MEPA] office, public meetings and other forms of outreach that must occur in advance of an applicant submitting an application." G.L. c. 164, § 69T(b) (emphasis added). Accordingly, the statute reflects that the nature of the facility is what dictates the level of consultation that is required with the MEPA Office, other state and local agencies, stakeholders, and the public.

3. The Companies' Proposed Modifications to Increase Flexibility.

The Companies request that the Siting Board establish working groups to flesh out more flexible and tailored prefiling engagement requirements prior to drafting regulations. In the interim, the Companies offer three specific areas from the straw proposal that warrant more flexibility and differentiation: (1) the Phase 1/Phase 2 construct is unnecessary because engagement is an iterative, two-way, continuous process, and the Companies' existing focus on

⁷ As stated above, public utility infrastructure is distinct from other, potential clean energy projects covered by the 2024 Climate Act. The Companies do *not* have the flexibility of, for example, a large battery energy storage system or solar developer to locate their facilities anywhere in the Commonwealth that makes sound business sense. The Companies are obligated to serve customers in their service territories, subject to strict reliability requirements and extensive regulatory oversight. Thus, to require the same template for outreach for all types of projects would result in a blunt tool for community engagement.

meaningful engagement ensures that key stakeholders (especially municipal professionals and representatives in affected host communities) have an opportunity to weigh in on project design;⁸ (2) the stated timeframes should be guidelines and suggestions, not rigid requirements subject to strict enforcement; and (3) the prefiling requirements that the Companies must take should be limited to actions that are within the Companies' control; namely, municipalities or project opponents should not be able to hold up the filing of a (perhaps controversial) project by refusing to meet or to self-certify to the Companies' engagement efforts (see Prefiling Straw Proposal at 10).⁹

In sum, the Companies believe that the straw proposal serves as a good starting point for a broader discussion in facilitator led working groups to further define and develop transition rules (for projects that are in flight now). In addition, final regulations should support a more flexible and iterative process that meets the spirit of the straw proposal, consistent with the good work and effective methods already undertaken by the Companies, which can be tailored to the type of project, its potential impacts, and the needs of individual communities.

B. Specific Responses to Questions

As part of the straw proposal, the Siting Board asks a series of questions on the pre-filing engagement processes proposed; the Companies' responses to the specific questions are set forth below:

⁸ The need for and benefits of a two-phased engagement process are unclear. The iterative process that the Companies undertake already serves the purpose of affording meaningful opportunities to provide input throughout the phases implicit in the overall process. Unless the Phase 1 approach is meant to lock in the scope of a project so that the community can no longer influence the scope (which the Companies do not believe is the intention), the bifurcation into two phases serves no practical purpose.

⁹ Nor should there be any expectation or requirement that a CBA would be negotiated and agreed-to at the prefiling stage of the proceeding. The topic of CBAs is more thoroughly discussed in Section III.C, below.

1. How many site/route alternatives are typically considered for different project types (e.g., solar, wind, battery storage)? At what stage of the project development cycle are the project site/route options under consideration ready to be shared with stakeholders during Phase 1 outreach?

Electric utility infrastructure projects typically fall into one of two categories: (1) upgrades or replacements to existing transmission or distribution infrastructure; or (2) construction of completely new infrastructure.¹⁰ When considering a new linear project (e.g., a new underground or overhead transmission or distribution line connecting two or more defined locations), the Companies endeavor, whenever possible, to place it within existing Company-controlled ROWs to make the most efficient use of land already dedicated to utility infrastructure. When this is not technically feasible, the Companies seek to identify and evaluate multiple constructible routes for the project, typically along existing transportation ROWs. As part of their routing analyses in Siting Board proceedings, a utility may begin with a myriad of possible route segments (e.g., streets, roads, and highways) that can be combined to create a "universe" of potential routes. This universe of routes is then narrowed down (based in part on municipal and agency input), first to a set of technically feasible Candidate Routes, and finally to the preferred route that is presented to the Siting Board and other agencies for approval.¹¹ Depending on the nature of the area in which the new lines need to be constructed (e.g., urban, suburban, or rural), a utility may identify a dozen or more potential routes, or may find itself limited to one, two or three feasible routes. Thus, no specific number of alternatives should be designated for this purpose. It depends on the project, the affected communities, and the extent of feasible alternatives.

¹⁰ Historically, the Siting Board's review of electric utility infrastructure has been limited to *new* transmission lines of specific lengths and voltages, together with ancillary facilities. However, pursuant to the 2024 Climate Act, the Siting Board may be asked to review projects that upgrade existing utility infrastructure to support the Commonwealth's clean energy goals.

¹¹ Under certain circumstances, the Companies may also present a "noticed alternative route" or "route variations" to the Siting Board for approval.

When a new substation is required to support growing customer load in a specific geographic area, an electric utility first compares the existing electric transmission and distribution infrastructure in the area with the location of customer demand. The physics and practicalities of reliable electric service require substations to be located where T&D exists and in proximity to the area where load is to be served.¹² Once the general geographic area where the new substation is required to enhance the overall reliability of the electric system is identified, the Companies then work to identify technically feasible property parcels that are either already owned or controlled by the Companies, or reasonably available to them (either by purchase or other agreement) for the substation. In addition, the Companies consult with municipalities and potential partners to identify property parcels to which the Companies may not have clear access for evaluation. After technically feasible and reasonably available parcels are identified, the Companies then evaluate each parcel based on reliability, constructability, environmental and community impacts, schedule and cost considerations. Again, the number of feasible sites varies depending on available properties, development density, terrain, wetlands, necessary parcel size, property access and any number of other considerations.

Currently, the Companies engage state and local officials throughout all phases of project development. Input from the public is generally most useful once the Companies have identified (based in part on the technical input of subject matter experts, agency and municipal officials) the universe of *technically feasible* sites and locations. At that point, input from the general public

¹² By locating needed infrastructure in the area on the Companies' systems where it is most needed, the Companies can minimize the costs of such infrastructure to meet the system needs. As an illustrative example, building electric infrastructure, whether T&D lines or substations, in one part of the state may do little-to-no good in serving a load pocket where there is a need in another, more distant part of the state. Relatedly, locating a substation outside of the particular area on the system where the substation is needed would necessitate extensive new T&D infrastructure that would otherwise be unnecessary for a substation located where it is needed. For these reasons, it is generally less expensive, impactful, and more reliable to build needed infrastructure in close proximity to where reliability issues exist.

(including abutters) is appropriate for purposes of understanding potential impacts and possible mitigation for the purpose of comparing and contrasting technically feasible routes and sites. It is and will remain a reality that, to provide reliable electric service to their customers, the Companies must build infrastructure in *all* communities throughout the Commonwealth.

2. What additional suggestions do you have to involve stakeholders, especially during Phase 1 outreach, to inform the selection of site/route options?

As noted above, the Companies disagree with a prescriptive Phase 1 outreach approach and believe that the most effective approach should be iterative and continuous. The Companies agree that active engagement, particularly with agency and municipal stakeholders having technical expertise and knowledge of potential project areas, is a fundamental part of the project development process. The Companies must base their project design proposals (including proposed locations) in the first instance on technical and electric system requirements. For example, new transmission lines frequently need to be located between a specific Point A and Point B (which are often existing system substations). In addition, in dense urban environments, the Companies must also consider which roads have the underground or overhead space for new infrastructure based on existing utility density. As described above, the Companies engage agency and municipal stakeholders (e.g., engineers in municipal Departments of Public Works, as well as planners, environmental resource professionals) very early in the project development process to help identify the routes and locations that are technically feasible, consistent with the particular electric system need that the project is being designed to address. Then, input to inform the selection of site/route options is most useful from localized stakeholders who can provide detailed information regarding the potential project locations and the areas of greatest concern for mitigation.

3. [To agencies] Should meetings with MEPA and other state agencies happen during Phase 1 outreach (when there are several potential site/route options) or during Phase 2 when there are fewer options or in both phases? Please specify the agencies that should be consulted during each phase.

The Companies strongly recommend eliminating the "Phase 1" and "Phase 2" outreach approaches and combining them into a single, more flexible set of requirements. As part of their existing methods and approaches, the Companies support active consultation with relevant state and local agencies, depending on the project type, location, and size, while being mindful of the availability and interests of the particular agency, to discuss potential project impacts and related mitigation. As a practical matter, the timing of a meeting with an agency should be dictated by the purpose of that meeting. For example, if a utility is considering locating a transmission line within DCR or Massachusetts Bay Transportation properties or Massachusetts Department of Transportation roadways, initial consultations with those agencies should take place as early as possible in the project development process. In contrast, consultation on wetlands mitigation

The Companies also recognize that state and local permitting authorities are extremely busy with a variety of competing demands on the limited resources and time of the staff in those agencies. Given the volume of clean energy projects and the number of meetings with these agencies that are called for under the 2024 Climate Act, the Companies suggest that permitting agencies designate dedicated points of contacts for clean energy projects as well as consider establishing "office hours" (perhaps also held in conjunction with other permitting agencies) that could be held on a regular basis so that project proponents can have a regular opportunity to meet with agencies as part of the prefiling consultation process. 4. At what point should pre-filing engagement change from Phase 1 (targeted outreach to key stakeholders) to Phase 2 (broader information sharing with wider community)? Should it be based on the number of routes/sites under consideration or other parameters?

As stated above, the Companies do not believe that a two-phased approach is warranted or necessary given the extensive engagement practices that they already employ, which focus upon continuous and iterative communications. Rather, the Companies view project engagement as a continuous process that cannot readily be divided into discrete phases. Nonetheless, if a two-phased approach is to be retained, the Companies recommend that the evolution from Phase 1 to Phase 2 should occur once the Companies have sufficient information concerning the specifics of a proposed project that would be the subject of an application for approval from the Siting Board.

5. This straw proposal suggests that Phase 2 outreach requirements for large clean energy infrastructure facilities should commence at least 9 months before the proponent submits the pre-filing notice to EFSB. For small clean energy infrastructure facilities, this should commence at least 6 months before. Does this timing need to be modified?

The Companies believe that prefiling engagement should not be governed by strict timeframes. As such, if any timeframes are adopted, they should be guidelines rather than requirements to be strictly enforced. Flexibility must be allowed to reflect the iterative and twoway nature of meaningful engagement and the distinctions that exist among different types of projects in different types of settings.

6. Are there additional pre-filing requirements that should be considered to improve transparency and ensure that potentially impacted stakeholders have an opportunity to provide input, especially around route/site selection?

No, the Companies believe that their existing engagement practices, which have been enhanced based on ever-evolving experience, and as reviewed and refined in myriad Siting Board proceedings, provide ample transparency and ensure that potentially impacted stakeholders have an opportunity to provide meaningful input, including on transmission line routes and substation site selection. Particular input from the public may not always be adopted into the project design; however, the Companies are committed to explaining why their chosen routes and sites best meet statutory and regulatory requirements. Having said that, public input is always taken seriously, considered, and weighed along with the full spectrum of factors that the Companies must evaluate in developing their projects, consistent with notions of reliability, safety, cost, and impact minimization.

7. Should the type or amount of applicant's outreach to the community vary depending on project type, scale, or location?

By necessity, outreach to communities for different types of projects warrants different approaches. No two projects or communities are the same, and each community's unique characteristics should be considered as context for any proposed project. As indicated previously, a zoning exemption for a modest substation upgrade or a new line in an existing ROW in one community warrants a different process than a project with complex and extensive new transmission line routes across multiple communities. The Companies recommend that a working group be established to discuss various considerations that should be reflected in the Siting Board's regulations.

8. Is there a key stage in the project development cycle when project design is substantive enough for meaningful input, but the route/site option can still be relatively easily modified based on input?

Once the technically feasible routes (for transmission lines), or property parcels (for substations) are identified, reasonable and meaningful input can still influence route and site selection and lead to modifications to project design. It bears noting that project designs are rarely "easily" modified. This is because substantial time and money is expended in developing initial engineering designs for technically feasible candidate routes and substation parcels. For example, in Eversource's GCEP proceeding referenced above, it took over one year and a substantial

expenditure of time and money to perform the additional survey work (<u>e.g.</u>, subsurface infrastructure), engineering and analysis, as well as to conduct further community and agency engagement, to determine the feasibility of the modified route. Adjustments that require additional engineering may be warranted in certain instances; however, such changes are not easy, inexpensive or quickly developed to ensure solutions are designed to meet all design standards that ensure infrastructure is reliable and safe.

9. Is the proposed timeframe for the project proponent to submit the pre-filing notice to EFSB for large and small clean energy infrastructure facilities adequate?

The Companies emphasize their view that any timeframes set forth in the eventual regulations be considered flexible guidelines instead of strict requirements, subject to further discussion in the requested working groups. In the Companies' experience with existing timeframes in the current MEPA process, such timing windows are difficult to achieve as a practical matter and create situations where project proponents must refile, sometimes multiple times. Further, the proposal for the pre-filing notice to be submitted between 90 to 120 days prior to formal filing is a significant period of time and the Companies suggest that any prefiling notice guideline be in line with the current 45-day time period for MEPA.

With respect to the substance of what must be included in the pre-filing notice to the Siting Board, the Companies suggest that the Siting Board strike the requirement that affected municipalities must self-certify that "all parties have made their best efforts to negotiate regarding core aspects of a proposed facility" (<u>Prefiling Straw Proposal</u> at 10). It would be very easy for a municipality that may be opposed to a particular project to effectively veto a project by refusing to provide its certification. Even where a project is not opposed, practical and political considerations may make certification by a municipal representative impossible to obtain. The detailed, thorough, and extensive documentation that the project proponents must provide as part of the pre-filing notice and as part of the overall application should speak for itself that best efforts on this proposed requirement have been made. The Siting Board should likewise strike any reference or suggestion that a completed CBP be developed or a CBA be executed at any time in the review process, let alone at the pre-filing notice stage of the proceeding.

10. Which outreach channels and engagement practices are most effective and could be used by project proponents to inform the communities impacted by a project?

The Companies use a variety of outreach practices, depending on the nature of the project. Meetings with state and local permitting agencies, community and focus group meetings, incommunity pop-up events, public open houses, door-to-door outreach, newspaper advertisements, mailings, project websites, toll-free project hotlines, project e-mail addresses, and a comprehensive construction community outreach plan are all channels and practices that the Companies have used effectively and intend to continue to employ. The Companies also offer translation services in requested languages, where relevant. The Companies are always open to suggestions about effective channels and venues for communication that meet stakeholders where they are.

11. Should EFSB require that every project proponent discuss community benefit agreements with municipal representatives?

No, as discussed above, there should be no such requirement, nor is there any provision in the 2024 Climate Act that imposes such a requirement.¹³ Rather, the Siting Board should maintain its practice of refraining from inserting itself into any private negotiations that may develop between the parties in recognition of the fact that where the Siting Board identifies project-related impacts to a community, the Siting Board has the discretion to impose a condition to address any such impacts. At most, in situations where the Siting Board deems appropriate, the Siting Board

13

As further discussed in Section V, below, the Companies are committed to incorporating sensible mitigation measures into their projects to avoid, minimize, or mitigate impacts.

may direct a project proponent to enter into good-faith negotiations for a CBA (with no directive that an agreement must be consummated), provided that any such CBA should be limited to measures to mitigate project-related impacts and further enhance project-related energy and environmental benefits to the affected community. <u>See NSTAR Electric Company d/b/a</u> Eversource Energy, EFSB 14-04A/D.P.U. 14-153A/14-154A at 99 (Condition AA) (2021).¹⁴

The Companies also believe that not all projects should be expected to be the subject of CBPs or CBAs, especially in light of the Companies' responsibility to prudently and responsibly minimize costs for ratepayers. Smaller projects or replacement projects may not warrant such initiatives. For example, a project that requires a relatively minor zoning exemption from a dimensional provision in the local zoning bylaw for an existing substation is not significant enough to prompt a CBP or CBA. The same conclusion would apply to the replacement or addition of an existing transmission line in a longstanding utility ROW. The Companies recommend that the Siting Board be mindful of these distinctions.

12. Should the pre-filing process timelines be differentiated by technology type? If so, please explain how.

Yes. The Companies request that working groups be established to discuss the appropriate engagement requirements for different project and technology types.

¹⁴ Condition AA in that Siting Board final decision read in part as follows: "In recognition of the environmental justice populations residing in the East Boston community, and the unique legacy of significant environmental impacts associated with existing major infrastructure in this community, the Siting Board directs the Company to enter into good-faith negotiations for a [CBA] prior to the physical construction at the site of the East Eagle Substation, not including site preparation, contracting, and delivery of equipment and materials to the site. The Agreement shall aim to include measures to further mitigate impacts and further increase environmental and energy benefits, as defined in the Commonwealth's Environmental Justice Policy. As part of the Agreement, the Company shall ameliorate negative impacts that are reasonably likely to occur as a result of the construction of the substation. Any expenditures or actions taken under an Agreement negotiated pursuant to this condition must directly benefit the community of East Boston" (emphasis added).

13. Should pre-filing process timelines for small clean energy infrastructure facilities that elect to seek a consolidated permit from the EFSB be the same as the pre-filing timelines for small clean energy infrastructure facilities?

The Companies request that working groups be established to discuss the appropriate

engagement requirements for different project and technology types.

IV. INTERVENOR SUPPORT FUND STRAW PROPOSAL

A. General Comments on Intervenor Support Fund Grant Program Straw Proposal

The Companies generally support, with certain refinements described below, the Siting Board's straw proposal to implement the Fund, consistent with the 2024 Climate Act, ensuring that all communities and stakeholders are provided the opportunity to access, participate, and benefit from the clean energy transition. The inclusiveness of the Siting Board's and DPP's review process for clean energy infrastructure projects will be enhanced from providing "[c]ommunity groups, unincorporated local groups and smaller municipalities" with the "resources and procedural knowledge to meaningfully engage in the [Siting Board's] proceeding" (Fund Straw Proposal at 1). The Companies note that additional consideration is warranted on the framework, eligibility, funding sources, and costs to be incurred prior to drafting regulations to ensure that the process is implemented properly and reasonably, and that ratepayer funds are used effectively and wisely. Specifically, the Companies note their concerns with regard to the following areas: (1) use of funds for qualifying entities; (2) allocation of funding between entities; and (3) ensuring ongoing oversight. Since these issues were not discussed at any length during the Siting Commission process, input from subject matter experts would be appropriate; therefore, the establishment of a working group would facilitate further discussion and understanding on these issues.

• Use of Funds

As a governing principle, the 2024 Climate Act provides an opportunity for funding for prospective grantees who qualify as an intervenor. Section 82 of the 2024 Climate Act creates G.L. c. 164, § 149, allowing the issuance of grants from the Fund to "parties that have been granted intervenor status of the department or the board" in accordance with G.L. c. 30A, § 10(4). In

-20-

practice, this requires a finding by the Presiding Officer in a proceeding that first, under the specific facts of the case and based on the stated interests of the prospective intervenor, a persuasive showing has been made that the potential party is "substantially and specifically" affected by the outcome in the proceeding. G.L. c. 30A, § 10(4) (allowing an agency to "allow any person showing that he may be substantially and specifically affected by the proceeding to intervene as a party in the whole or any portion of the proceeding"); see 980 C.M.R. § 1.05 (Siting Board Intervention Rules); 220 C.M.R. § 1.03 (DPU Intervention Rules).

As caselaw has established, the "substantially and specifically" affected standard is based on a demonstration that the prospective intervenor has a direct, material, and unique interest in the proceeding and not just generalized concerns that may be shared by other similarly situated customer(s) or community member(s). <u>See, e.g., Tofias v. Energy Facilities Siting Bd.</u>, 435 Mass. 340, 346 (2001); <u>Cablevision Sys. Corp. v. Dep't of Telecommunications & Energy</u>, 428 Mass. 436, 438 (1998). These prerequisites are especially important now that certain parties will have the opportunity to receive ratepayer-funded financial grants to spend in Siting Board and myriad DPU proceedings. Accordingly, the determination to grant party status as an intervenor must be rigorously considered, prioritized to those in close proximity to projects (in Siting Board proceedings), and as noted above, not improperly granted by the Siting Board and DPU based on superficial assertions by a proposed intervenor.

Moreover, to qualify to receive a grant from the Fund, the 2024 Climate Act sets forth specific requirements regarding who may apply and what their application must show. Pursuant to Section 82 (creating G.L. c. 164, § 149(b)), applicants are limited to organizations advocating on behalf of certain populations or governmental bodies. Individual intervenors do not qualify for grants from the Fund. The application must include a description of the "anticipated participation"

in the proceeding as well as "a detailed estimate of costs and fees of anticipated attorneys, consultants and experts, including community experts, and all other costs related to the preparation for, and intervention and participation in, the department or board proceeding." G.L. c. 164, § 149(d). This must include the identification of and background information on the attorneys, consultants, and experts planned to be used. <u>Id</u>. Applicants must also show, among other things, a lack of financial resources to participate without reasonable funding. <u>Id</u>. Thus, pursuant to the 2024 Climate Act, prospective grantees have a prescribed set of requirements that must be met in order to qualify for funding.

For those participants who qualify as intervenors and are awarded a grant from the Fund, the 2024 Climate Act contains very specific instructions with regard to appropriate expenditures (legal counsel, consultants, community experts, and administrative costs). Several questions were raised at the stakeholder session, such as how travel expenses or existing staff salaries should be considered.¹⁵ The Siting Board's regulations on these points should ensure clarity to all participants and strive for consistent application across all of the potential entities. Although the DPU's Director of the Public Participation Division (the "Director") has broad authority to issue grants, the Companies caution that, because the Fund can be used for both DPU proceedings (such as complex rate cases) as well as Siting Board matters, and each proceeding can draw upon up to \$500,000 from the Fund (and potentially more, at the Director's discretion), the issuance of grants

¹⁵ Although the Companies note that specific, case-by-case facts must be considered in each instance, on these two generic issues the Companies believe as follows. First, travel expenses should not be considered administrative. If an entity selects an expert that is located at a significant distance and requires that expert to travel in order to participate, the costs associated with that expert should be considered expert consultant costs. This is particularly so given the fact that currently all Siting Board and DPU proceedings are virtual and/or hybrid, thus, experts should not be required to travel to participate. Second, existing staff salaries should not be considered an eligible cost for the use of moneys from the Fund. Similarly, fees for experts for which the entity already has a funding path should not be considered an eligible cost for the use of moneys from the Fund. Prospective grantees must show the need for funds (G.L. c. 164, § 149(c)) and if such prospective grantee already has paid employees that can perform the necessary functions or the financial means to pay for expert costs, there is no financial need for additional funds.

should be made carefully and only to those entities that have clearly made the requisite showing. Moreover, it must be acknowledged that the moneys for the Fund are based, in large part, on assessments paid by electric and gas companies and it should be explicitly noted that, consistent with the terms of the 2024 Climate Act, the Companies are authorized to treat the assessments as normal operating costs that are recoverable from customers. As such, the Director should endeavor to ensure that the Fund is used in a beneficial manner to advance and not delay proceedings, encourage involvement, and facilitate voices that would not otherwise be heard.^{16,17}

• <u>Allocation of Funding Between Entities</u>

The 2024 Climate Act also provides certain specifics with regard to the kinds of entities eligible to receive funding and the way funds for a particular proceeding are allocated between participating intervenors. Again, the Siting Board's and DPP's regulations on these points should ensure clarity and consistency for all participants. Based upon the Companies' experience, environmental and stakeholder groups can be financially disparate. In fact, some are small, local organizations without previous experience or outside support. Similarly, certain municipal entities are broad based (such as Select Boards) and others are narrowly-focused (such as school committees). These fundamental distinctions must be taken into consideration by the Director.

The Companies are concerned about the potential for "stacking" of funds between groups or across proceedings. Section 82 of the 2024 Climate Act (inserting G.L. c. 164, § 149(e)) states

¹⁶ Also, the Companies note that one of the 2024 Climate Act assessments is to both electric and gas companies (the assessment for the general funding of the Siting Board, which can also be directed to the Fund) while the other assessment is to electric distribution companies only (the assessment creating the Fund itself). Thus, electric companies will be providing the majority of the funding through these assessments, yet the Fund can be used for gas-related DPU proceedings (such as a gas rate case) without statutory limitation. Thus, consideration should be given to these issues to ensure that one set of customers on the electric side is not improperly or unfairly funding involvement in the proceedings involving the interests of gas companies.

¹⁷ Although not a subject for the Siting Board's review at this time, future consideration should be given to the method of cost recovery for the assessment imposed on utility companies, such as whether a separate rate tracker mechanism is appropriate for these purposes.

that grantees: "shall be expected to reduce duplicative costs to the extent possible in instances where the position or positions of multiple intervenors align." Based on this language, the Companies believe that the Siting Board's regulations (and the Director's decisions) must contain specific information regarding what constitutes "duplicative costs" and "aligned positions." Parties with common interests (for example, eliminating or minimizing impacts to wetlands) should be required to coordinate (by selecting a single wetlands expert and paying jointly for that expert).¹⁸

Relatedly, there is the potential for the same party to receive funds in multiple proceedings to target the same infrastructure. For example, an entity intervening in a DPU proceeding to argue against particular Electric Sector Modernization Plan ("ESMP") recommendations for new substations may also intervene in a subsequent Siting Board proceeding to oppose a particular substation. An intervenor should not be able to stack funds across related dockets and the Companies suggest the 2024 Climate Act's language requiring the Director to consider whether such entity "previously intervened in department or board proceedings" should clarify this issue. Such an organization engaged in several proceedings must keep careful accounting to ensure that funds in one proceeding are not misdirected to another. The fund should not be viewed as a capacity building measure by any organization. Rather, these measures should be used to ensure a fair and efficient use of the Fund and not exacerbate affordability issues for ratepayers. Pursuant to Sections 10 and 11 of the 2024 Climate Act, unexpended money from the Fund shall remain in the Fund and be credited against the following year's assessments. Careful monitoring of the

¹⁸ Such a requirement would be consistent with the practice and requirements set forth by the Connecticut Public Utilities Regulatory Authority ("PURA"). <u>PURA Implementation of the Stakeholder Group</u> <u>Compensation Provisions of Section 15 of Public Act 23-102</u>, Docket No. 23-09-34, at 11 (2024).

Fund, the amount used, and any rollover amounts will be important to ensuring the most efficient use of the Fund to govern involvement in Siting Board and DPU proceedings.

• <u>Continuing Oversight</u>

Because the 2024 Climate Act and the Fund it creates are new developments in Commonwealth law, there will be lessons to be learned as the Fund is used and its effectiveness is evaluated. As such, the Fund's post-proceeding reporting should be strictly enforced and substantive and responsive information from grantees must be required. The 2024 Climate Act's addition of G.L. c. 164, § 149(h) requires grant recipients to submit a report within 30 days of the proceeding that: "(i) identifies the use of the funds during the proceeding; (ii) the substantial contribution provided by its participation; and (iii) a demonstration that its participation and the use of the funding did not cause a delay in the proceeding." This post-proceeding requirement should not be considered a mere formality where a minimalist filing will suffice to meet the obligation. Such submissions will be critical in identifying the areas where the use of grant funding provides the most benefit to the Siting Board's (or DPU's) review process and the kind of expenditures that yield the most effective means of participation for previously unrepresented entities. Over time, the information gleaned from these reports will help inform the process and inform refinements that can be implemented through guidance or additional regulations. Care must be taken to ensure that the Fund does not result in a waste of ratepayer funds or delays in the regulatory review process (e.g., unnecessary or unduly burdensome discovery, multiple hearing days to address redundant inquiries by fund recipients). Thus, an ongoing stakeholder group or state agency task force should be created to review and consider the use of money from the Fund and its effectiveness at achieving the legislative goals articulated in the 2024 Climate Act.

B. Companies' Responses to Intervenor Support Fund Grant Program Straw Proposal Questions

The Siting Board straw proposal on the intervenor support fund asked several specific

questions. The Companies' responses are set forth below.

1. What additional eligibility criteria should be considered, if any, to determine allocation of funding to prospective grantees? How should an applicant's prior history of intervening in proceedings influence eligibility for funding through the Program?

Consistent with the comments above, the Companies support the straw proposal's effort to provide additional eligibility criteria for consideration by the Director in dispensing grants from the Fund. If grant history of a particular intervenor demonstrates wasteful uses of prior funding, an inadequate accounting of prior funding, or a record of causing undue delays in other proceedings, whether supported by the Fund or other funding sources, such intervenor's eligibility for funding through the Program should be eliminated.

2. What criteria should be applied to determine if intervenors can share costs through collaboration with other parties in a proceeding to encourage cost efficiency and minimize redundancy?

Section 82 of the 2024 Climate Act (inserting G.L. c. 164, § 149(e)) states that grantees: "shall be expected to reduce duplicative costs to the extent possible in instances where the position or positions of multiple intervenors align." As discussed above, the Companies believe there must be clarity regarding what constitutes "duplicative costs" and "aligned positions" so that prospective grantees plan and coordinate effectively. Once the proposed regulations on these points are identified, the Companies believe that, given their extensive experience in past proceedings, the rulemaking process will be able to refine the regulations to align with the statutory requirements.

3. When should a fund-supported intervenor be able to obtain funding that exceeds the maximum funding threshold of \$150,000 for a proceeding? What circumstances could qualify as "new, novel or complex issues" that may warrant additional funding?

As discussed previously, given the broad scope of the Fund, the Director must be judicious in awarding grants to ensure sufficient availability of funds for qualifying proceedings. The standard of "new, novel or complex" issues is susceptible to misuse because every prospective grantee is likely to assert that presumptive claim. The key is that the claim must be bona fide, accompanied by credible, tangible information to support the request. For example, the Siting Board has extensive experience assessing evidence and understanding issues relating to need, alternatives, and environmental impacts. Such issues do not become "new, novel or complex" simply because they may be new, novel or complex to a particular intervenor group. As such, funding exceeding the statutory standards should be granted by the Director only in extraordinary circumstances that are fully documented and supported by relevant information. The typical situation should also require that a prospective grantee must provide a budget with a not-to-exceed amount that is preapproved by the Director and should have to return to the Fund any amounts not expended.

4. Are there other ineligible uses of funding that should be considered?

The 2024 Climate Act was explicit in its articulation of ineligible uses (<u>e.g.</u>, judicial appeals) and the Companies believe the Siting Board and DPU can appropriately define expert and administrative costs requirements in a manner that allows grantees to make necessary budgetary decisions regarding the use of grants received from the Fund.

5. What documentation should DPP require applicants to submit to demonstrate financial hardship?

The Companies support the use of already-existing sources to demonstrate financial hardship (financial statements, tax documentation, disclosure of recent grant applications, etc.).

Broad, undocumented assertions of financial hardship or inadequate resources should be insufficient to support an award by the Director.

6. What is the best way to publicize that intervenor funding will be available?

The Companies support the use of plain language, appropriately translated, about the Fund in all legal notices and public outreach documents with regard to CEIF projects, as well as the prominent placement of relevant information on the Siting Board and DPU websites.

7. What informational resources should be available on the Division website for those applying for intervenor funding?

The Companies defer to the comments of prospective grantees with regard to the best means of communication with their organizations. However, the Companies are amenable to providing any information or links that would be helpful on their own general outreach or projectspecific materials.

8. Should there be a maximum amount of the grant award (e.g., 75%) that can be provided upfront for those with financial hardship, or should this be determined on a case-by-case basis?

The Companies believe the maximum amount of the grant award should be made on a caseby-case basis, at the discretion of the Director and informed by experience as the Fund is implemented and developed over time. However, in no circumstance should a grant award of more than 50% of the designated amount be provided upfront, with the balance made available upon a proper demonstration of the depletion of that amount along with a to-go, not-to-exceed budget for the remainder of the proceeding.

V. COMMUNITY BENEFITS PLANS/AGREEMENTS

A. Comments on Community Benefits Plans/Agreements Presentation

During the April 24th stakeholder session, the OEJE presented a slide deck outlining OEJE's views on CBPs and CBAs. According to the presentation, a CBP outlines "commitments by project developers to provide meaningful, measurable benefits to communities – especially those who are historically disadvantaged, overburdened, and underserved," and that a CBA "can be an outcome of a CBP." As an initial matter, the Companies acknowledge that when new T&D infrastructure has measurable and discernible impacts to a particular community, a CBP may be an appropriate mechanism to address local community concerns by documenting mitigation measures and memorializing the energy and environmental benefits of a given project with the community. Mitigation measures with a direct nexus to project impacts such as restoration of project-affected streets and green space, or measures that offset significant visual or noise impacts, such as noise/vibration monitoring, fencing, lighting, and visual screening, are the types of mitigation issues that the Companies believe are appropriate for potential CBPs or CBAs.

It is important to note, however, various examples of potential commitments listed in OEJE's presentation are suggestions that individual CBPs or CBAs should include investments in community centers, mental health, substance abuse services, affordable housing, bike paths, and other topics regardless of whether any of the examples have a direct nexus to impacts caused by a specific clean energy infrastructure project. The Companies believe that such an unbounded scope of CBPs and CBAs is problematic for several reasons. Given the implications of OEJE's slides, and the lack of consensus on these topics as part of the work of the Commission on Energy Infrastructure Siting and Permitting, the Companies recommend that a working group of key stakeholders (as called for in Section 5 of the 2024 Climate Act) be assembled to review this critical and complex topic to inform standards and guidelines regarding the use and applicability

of CBPs and CBAs, and the ratepayer dollars that will be applied thereto. In these working groups, stakeholders can more fully discuss the various factors that must be balanced, including notions of mitigating project-related impacts and the need to maintain affordability of the utility services provided to the public by the Companies. As noted above, the Companies support the concept of CBPs that focus on addressing direct impacts from their projects to the residents and community members who are most affected by their projects.¹⁹

It is also important to note that both Eversource and National Grid have various companywide initiatives that independently work to address various issues suggested in OEJE's slides. For example, the Electric Power Utility Technology program at Bunker Hill Community College is a collaboration between Eversource and Local 369, Utility Workers Union of America and gives students an opportunity to earn experience and qualifications needed to launch a career in the electric utility industry (https://www.bhcc.edu/eput/). National Grid similarly is committed to its Strategic Workforce Development Initiative, which aims to upskill work-ready adults and build the clean energy workforce of tomorrow (https://www.nationalgridus.com/News/2024/09/National-Grid-Announces-Plans-to-Expand-its-Strategic-Workforce-Development-Initiative/). These initiatives, among others, should stand alone without requiring the Companies to negotiate project-specific agreements to address the same or similar issues.

B. Companies' Responses to OEJE's Specific Questions on CBPs and CBAs.

OEJE's slides also included several specific questions. These are set forth below with the Companies' responses.

¹⁹ Also, as noted above, while the Companies believe that CBAs can be appropriate tools in certain circumstances, the Siting Board should strike any reference or suggestion that a completed CBP be developed or a CBA be executed at any time in the review process, let alone at the pre-filing notice stage of the proceeding (see Prefiling Straw Proposal at 10).

1. What role should the EFSB play in this process?

As indicated above in Section III.B.11, the Siting Board has a very limited role in the CBP/CBA process. Ample precedent supports the notion that the Siting Board does not have the authority to mandate that private parties enter into legally binding agreements or to act as an enforcement arbiter regarding such agreements. See, e.g., Hopkinton LNG Corporation, D.P.U. 17-114, at 6-7 (2018) (neither the Siting Board nor the DPU will "insert itself into negotiations between the parties, require any particular agreement, nor will it enforce any such agreement ultimately reached by the parties"), aff'd Town of Hopkinton v. Department of Public Utilities, 97 Mass.App.Ct. 1102 (Rule 1:28 Decision)(2020); NRG Canal 3 Development LLC, EFSB 15-06/D.P.U. 15-180, at 6 (2017); Exelon West Medway, EFSB 15-01/D.P.U. 15-25, at 6 (2016). Notably, the 2024 Climate Act does not impose any requirements or specific authority vested in the Siting Board regarding CBPs or CBAs. Instead, the Siting Board's role is to ensure that project-related impacts are mitigated where warranted and to the extent practicable, consistent with considerations of cost. Anything beyond that is outside the Siting Board's authority and it should be up to the applicants and stakeholders to determine what is appropriate based on the facts and circumstances of a particular project. The Companies emphasize once again that they are public utilities and their projects provide safe, reliable energy to homes and businesses throughout the Commonwealth, promote economic development, and facilitate the integration of clean energy into the region's electricity grid.

2. What are other categories or specific examples of community benefits that clean energy developers and utilities can offer?

As stated above, the Companies maintain that the threshold standard for any category or specific example of community benefits that regulated utilities should be expected to offer is that the community benefits have a direct nexus to project-related impacts, meaning that there is a reasonable relationship between the mitigation offered and the project impact. Such mitigation strategies can range from specific community-minded construction work hours to reconstruction of disturbed sidewalks or other municipal infrastructure affected by construction, to planting of vegetation to provide visual screening, or the funding of environmental monitors to ensure that project construction is done in compliance with the terms and conditions of project permits. Unlike private developers, as regulated entities with a responsibility for promoting affordability to their customers, the Companies simply are not in a position to offer unbounded benefits to communities beyond those directly related to the project itself.

3. Projects are required to avoid, minimize, and mitigate impacts. CBPs are one tool to illustrate and memorialize those commitments. What are other tools?

The primary tool to ensure that impacts are avoided, minimized, and mitigated to the extent practicable is in the Companies' project design efforts through their robust site selection and routing analyses, supplemented by stakeholder feedback. In addition, the Siting Board's authority and responsibility to make findings and to impose and enforce conditions to mitigate project impacts, based on the evidentiary record in a given project proceeding likewise ensures that impacts are avoided, minimized, or mitigated to the extent practicable. Host Community Agreements and Memoranda of Understanding are other tools that the Companies have used in appropriate circumstances where warranted. However, the Siting Board should maintain its practice of not placing itself in an enforcement capacity regarding such agreements.

4. What are some barriers for clean energy developers to actualizing CBPs/CBAs?

The Companies look forward to reviewing the comments of clean energy developers on this topic.

5. In most cases, CBAs will add to the overall cost of the project, which is then passed on to ratepayers. Given this factor, is there concern about the impact CBAs could have on communities?

Yes, affordability is a significant concern for the Companies. The basic regulatory compact between public utilities such as the Companies and the communities that they serve is that the utilities provide a vital public service (e.g., keeping the lights and heat on) in exchange for the right to recover prudently incurred costs required to provide those services (as determined by the Companies' rate regulators such as the DPU and the Federal Energy Regulatory Commission). That is the essential reason that any mitigation offered by the Companies must be reasonable in amount and have a direct nexus to specific project-related impacts. Going beyond this core responsibility, to include some of the categories described in OEJE's slide deck (e.g., affordable housing, mental health, and workforce development) is simply not appropriate for regulated utility companies with obligations to keep costs as low and reasonable as possible for their ratepayers. As noted above, at most, in situations where the Siting Board deems appropriate, the Siting Board may encourage a project proponent to enter into good-faith negotiations for a CBA (with no mandate that an agreement must be consummated), provided that any such CBA should be limited to measures to mitigate project-related impacts and enhance project-related energy and environmental benefits.

VI. CONCLUSION

The Companies appreciate the opportunity to participate in this important proceeding and submit these comments and once again commend the Siting Board staff for its thoughtful and comprehensive set of initial straw proposals. The Companies look forward to reviewing the comments of other interested stakeholders and continued participation in the remaining phases of the Siting Board's process, including any working group or technical sessions, to better formulate a fair and reasonable set of rules and standards to implement the requirements of the 2024 Climate Act.

Respectfully Submitted,

NSTAR ELECTRIC COMPANY d/b/a EVERSOURCE ENERGY AND NEW ENGLAND POWER COMPANY, MASSACHUSETTS ELECTRIC COMPANY AND NANTUCKET ELECTRIC COMPANY EACH d/b/a NATIONAL GRID

By their attorneys,

openguerg

David S. Rosenzweig, Esq. Erika J. Hafner, Esq. Michael J. Koehler, Esq. Keegan Werlin LLP One Cranberry Hill, Suite 304 Lexington, MA 02421 (617) 951-1400

Dated: May 8, 2025