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Arjun J. Krishnaswami
Senior Policy Advisor for Clean Energy Infrastructure
White House Office
Executive Office of the President of the United States
1600 Pennsylvania Avenue NW, Washington, DC 20500
Arjun.J.Krishnaswami@who.eop.gov

Dear Mr. Krishnaswami,

Massachusetts writes to express its strong support for comments shared with the Biden Administration last week by the American Clean Power Association (ACP) requesting updated guidance from Treasury by the end of this year that enables offshore wind projects to receive the Inflation Reduction Act's (IRA) Energy Community Bonus Credit if such projects locate their operations and maintenance (O&M) or marshaling ports in an Energy Community.

Ports are critical to offshore wind projects, and providing this additional eligibility pathway for the Energy Community Bonus Credit will drive enormous investments in ports and communities historically dependent on fossil-fuel energy jobs and tax revenues. Further, this guidance is essential to addressing the economic challenges currently facing the offshore wind industry and threatening to disrupt state and federal offshore wind targets, including President Biden's goal to deploy 30 gigawatts (GW) of offshore wind by 2030.

Massachusetts, Connecticut, and Rhode Island have issued competitive solicitations for up to 7 GW of offshore wind, with bids due by the end of January 2024. Updated guidance on the Energy Community Bonus Credit by the end of this year will give developers enough time to incorporate this guidance into their project pricing and help ensure more affordable offshore wind bids in January. Without federal support, these near-term projects are at risk of failing due to cost increases that cannot be absorbed by our ratepayers alone.

Massachusetts is relying on offshore wind to meet its decarbonization requirements and as a major economic driver, with plans to –

- revitalize two former coal plant sites (Salem Harbor and Brayton Point);
- build out at least two major ports in environmental justice communities to support offshore wind construction, operations, and maintenance (New Bedford and Salem);
- support the development of a U.S. offshore wind supply chain by hosting manufacturing facilities, such as Prysmian Group’s cable manufacturing facility;
- develop offshore wind workforce training programs, such as Massachusetts Maritime Academy’s offshore wind safety training programs; and
- lead the U.S. on offshore wind research and innovation.

Treasury’s recent Notice of Proposed Rulemaking (NOPR) on the *Definition of Energy Property and Rules Applicable to the Energy Credit* clears a path for Treasury to issue an immediate supplement to its Energy Community Notice expanding eligibility for the Energy Community Bonus Credit to projects with integral “energy property” at ports located in an Energy Community. Massachusetts requests this immediate supplement to ensure the updated guidance is incorporated into developers’ bids in January. If states are not in a position to purchase offshore wind next year, we fear significant momentum in the offshore wind industry will be lost.

We thank you for your leadership and partnership on critical energy and climate-related issues, including and especially offshore wind.

Thank you,

Rebecca Tepper
Secretary
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