

Massachusetts Offshore Wind Transmission

Technical Conference

Tuesday, March 3, 2020

Conference Handout

Introduction

Massachusetts and the region can expect to see the deployment of multiple offshore wind projects in the coming years. Four companies have leases for development of offshore wind projects in the federally designated Massachusetts and Rhode Island Wind Energy Areas (WEAs) south of Martha's Vineyard and Nantucket islands. As of February 2020, six offshore wind projects with an aggregate capacity of over 4,000 MW have executed contracts to serve customers in Massachusetts, Rhode Island, Connecticut and New York. These projects are relatively close to major load centers and existing electrical interconnection locations. However, the projects will all require new subsea high-voltage transmission lines from offshore collector stations to existing interconnection points on land.

The purpose of the Massachusetts Department of Energy Resources (DOER)/Massachusetts Clean Energy Center (MassCEC) technical conference on Offshore Wind Transmission is to:

- Engage with industry experts to discuss the opportunities, benefits, and costs of a coordinated independent transmission network for offshore wind generation in Massachusetts
- Discuss the structure of a hypothetical procurement with parties likely to be involved in a possible future independent transmission solicitation

Along with a request for written comment issued on January 15, 2020, this technical conference begins DOER's investigation into a possible separate transmission solicitation as part of the successful Section 83C offshore wind generation procurements. DOER will continue to seek stakeholder comment on this topic, including comments developed through today's conversation. All written comments that were received are available on the DOER website at: <https://www.mass.gov/service-details/offshore-wind-study>.

Statutory Background: Offshore Wind Procurements in Massachusetts

In 2018, Massachusetts passed *An Act to Advance Clean Energy* (the "Act"), which included several provisions related to offshore wind. The Act allows DOER to require the three Massachusetts energy distribution companies (EDCs) to solicit and procure up to an additional 1,600 MW of offshore wind. The Act also includes a provision related to independent offshore wind energy transmission¹:

¹ For the purposes of this conference, "independent transmission" refers to an electrical connection for delivery of offshore wind energy to the onshore grid that is developed, owned and operated by an independent third-party and not the offshore wind developer.

SECTION 21. (a)...the department of energy resources may also require distribution companies to jointly and competitively solicit and procure proposals for offshore wind energy transmission sufficient to deliver energy generation procured pursuant to this section from designated wind energy areas for which a federal lease was issued on or after January 1, 2012 that may be developed independent of such offshore wind energy generation; provided further, that such transmission service shall be made available for use by more than 1 wind energy generation project and shall not exceed the generation capacity authorized by this section; provided further, that any selection of offshore wind energy transmission shall be the most cost-effective mechanism for procuring reliable, low-cost offshore wind energy transmission service for ratepayers in the commonwealth.

The current legislative authority for a potential independent offshore wind transmission procurement requires that:

- Any independent offshore wind transmission proposals solicited must have sufficient capacity to deliver energy generation procured from the future 83C solicitations, or approximately 1,600 megawatts of aggregate nameplate capacity, and also cannot exceed that capacity
- Any selected transmission proposal(s) must be the most cost-effective mechanism for procuring reliable, low-cost offshore wind energy transmission service
- Any potential future independent offshore wind transmission solicitation must follow the current requirements of Section 83C, including but not limited to:
 - Department of Public Utilities (DPU) review and approval of the timetable and method of solicitation contained in a request for transmission proposals or “RFP”, developed jointly by the EDCs and DOER and in consultation with the Attorney General’s Office
 - DPU review and approval of any resulting contracts under the requirements of Section 83C

Transmission in Prior Massachusetts Offshore Wind Procurements

83C Round 1 solicitation: the Request for Proposals (RFP) required offshore wind energy bidders to submit a Generator Lead Line (GLL) bid and an Expandable Transmission Network (ETN) bid.

- ETNs were intended to create an open-access offshore transmission network to which multiple offshore wind developers would be able to interconnect. As envisioned, an ETN would have transmitted power from multiple OSW projects to the ISO New England onshore transmission system.
- The selected Vineyard Wind project included GLL transmission, not an ETN.

83C Round 2 solicitation: the RFP required that offshore wind developers submit a GLL bid and a GLL bid with a Commitment Agreement.

- The Commitment Agreement was a commitment by the bidder that, if a future third-party offshore wind developer requested interconnection with or expansion of the bidder’s interconnection facilities, the bidder would negotiate in good faith and use commercially reasonable best efforts to enter into a voluntary agreement with the third-party developer.
- The selected Mayflower Wind project in 83C Round 2 included a Commitment Agreement.