



# Department of Environmental Protection

One Winter Street Boston, MA 02108 • 617-292-5500

Charles D. Baker  
Governor

Karyn E. Polito  
Lieutenant Governor

Kathleen A. Theoharides  
Secretary

Martin Suuberg  
Commissioner

## **Response to Comments on Draft Emissions Offsets from Brayton Point Station for Outer Continental Shelf Wind Energy Projects**

**December 23, 2019**

On July 12, 2019, MassDEP proposed to credit emissions offsets from the closure of the Brayton Point Station in Somerset and to make those offsets available for offshore wind energy projects. MassDEP posted a document entitled *Draft Emissions Offsets from Brayton Point Station for Outer Continental Shelf Wind Energy Projects* at: <https://www.mass.gov/service-details/brayton-point-power-station-emissions-offsets>, along with a notice of public hearing, and also published a notice of public hearing in the Boston Globe and the Cape Cod Times. On August 13, 2019, MassDEP held a public hearing at MassDEP's Boston Office and accepted written comments until 5:00 PM that day. No oral testimony was provided at the public hearing. MassDEP received one comment letter from Foley Hoag LLP and Epsilon Associates, on behalf of Vineyard Wind, LLC, which is summarized below with MassDEP's response.

**Comment:** Vineyard Wind strongly supports the overall program of crediting emissions offsets resulting from the 2017 Brayton Point Station shutdown to offshore wind energy (OSW) projects, and generally supports the methodology set forth in MassDEP's July 12, 2019, document entitled "Draft Emissions Offsets from Brayton Point Station for Outer Continental Shelf Wind Energy Projects" and the accompanying worksheets ("July 12 Proposal"). Unfortunately, MassDEP's proposed methodology unnecessarily "devalues" NOx emission offsets from the BPS shutdown on the basis of the NOx Reasonably Available Control Technology (RACT) regulations at 310 CMR 7.19, which were promulgated in 2018 and go into effect in March 2020. These rules were promulgated after the 2017 BPS shutdown and do not specifically apply to the proposed generation and use of offsets for Outer Continental Shelf (OCS) Sources. In short:

- Devaluation of offsets is not required by 310 CMR 7.00, nor is it consistent with prior MassDEP practice for treatment of offsets or emission reduction credits (ERCs). Moreover, devaluation of offsets used to permit construction of OCS Sources is not needed to assist the Commonwealth's efforts to achieve other Clean Air Act (CAA) goals.

- Devaluing the BPS shutdown offsets would significantly reduce the supply available to OSW projects. Offsets are needed to meet anticipated demand for OSW projects for which Massachusetts is the Corresponding Onshore Area (COA), the construction of which is necessary for the Commonwealth to achieve Global Warming Solutions Act and renewable energy goals.

Without devaluation, based on Attachment 1 of the July 12 Proposal, the NO<sub>x</sub> Rate ERCs would total 1,890 tons per year (TPY) instead of the 1,360 TPY described in the July 12 Proposal. Similarly, the total tons of NO<sub>x</sub> Mass ERCs over the 20-year Remaining Useful Life (taking into account the ISO Marginal emission rate of 0.23 lbs/MWh) would be 30,473 tons instead of the currently proposed 19,877 tons of NO<sub>x</sub> credits.

These additional tons would enable several additional OSW projects to proceed, for which Massachusetts is the COA. Ensuring an adequate supply of offsets is essential to allow full buildout of the seven lease areas off the coast of Massachusetts and Rhode Island, for which Massachusetts may be the COA.

**Response:** MassDEP agrees that the crediting of offsets should be based on the requirements in place at the time the emissions reductions occurred, and therefore has revised its calculations of offsets to exclude discounting based on the NO<sub>x</sub> RACT requirements that take effect on March 9, 2020. As a result, MassDEP has credited NO<sub>x</sub> offsets totaling 1,890 tons per year rate offsets, equivalent to 30,473 tons of mass offsets. MassDEP has revised Attachments 1 and 2 to reflect the methodology and calculation changes.

However, it should be noted that it is EPA's policy that offsets should be discounted at the time of their use based on applicable requirements in effect at that time in order for the offsets to meet the Clean Air Act (CAA) requirement that offsets must be "surplus" and not otherwise required by the CAA. Therefore, offshore wind energy project proponents that plan to rely on the BPS emission offsets that MassDEP has credited should anticipate that EPA, as the OCS permitting authority, will require the offsets to be discounted at the time of their use based on all requirements in effect at that time that would have applied to BPS had it continued to operate.