



NEW ENGLAND FOR OFFSHORE WIND

Partners:

350 Mass
350 New Hampshire
Acadia Center
The Alliance for Business Leadership
Association to Preserve Cape Cod
BlueGreen Alliance
Bristol Community College
Ceres
Clean Energy NH
Clean Water Action
Climate XChange
CT League of Conservation Voters
Elders Climate Action, MA Chapter
Environment America
Environmental League of MA
Green Energy Consumers Alliance
Health Care Without Harm
League of Conservation Voters
Maine Conservation Voters
Mass Audubon
National Wildlife Federation
Natural Resources Council of Maine
New England Aquarium
NASRCC (Carpenters Union)
PowerOptions
Revision Energy
Salem Alliance for the Environment
Save the Sound
Second Nature
Sierra Club
UMass Boston
UMass Lowell / Windstar
VT Natural Resources Council

Members:

Amalgamated Bank
Atrevida Science
Ben Hillman & Company
Berkshire Bank
Black Economic Council of MA
Boston Energy Wind Power Services
Cape Cod 5
Cape Cod Chamber of Commerce
Cape Cod Climate Change Collab.
Climate Action Now, Western MA
Climate Reality Project – MA
Southcoast
E.Hampton Clean Energy Task Force
Eastern Bank

April 19, 2022

Kimberly D. Bose
Office of the Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

RE: ER22-1528-000, Revisions to ISO-New England Buyer-Side Market Power and Mitigation Reforms

Dear Secretary Bose,

New England for Offshore Wind appreciates the opportunity to submit comments on ISO-New England's (ISO-NE) proposal to delay the full elimination of the Minimum Offer Price Rule (MOPR) until the Forward Capacity Auction (FCA) 19 to be run in February 2025 for the capacity commitment period beginning June 2028. If approved, this delay would have a disproportionate impact on offshore wind and increase costs for ratepayers in the region. We urge the Commission to reject the proposal to delay the elimination of the MOPR and to direct ISO-NE to eliminate it immediately.

New England for Offshore Wind is a broad-based coalition of associations, businesses, environmental and justice organizations, academic and research institutions, and labor unions that aims to drive regional collaboration and commitments to responsibly developed offshore wind in New England.

Offshore wind is our best opportunity for new sources of clean, renewable energy in New England, which boasts the best offshore wind resources in the country.¹ It is a local energy solution that will reduce emissions and climate impacts while securing lower, stable energy costs. By expanding and diversifying the region's energy resources, we will also increase energy security and provide reliability benefits, in particular during the winter when offshore wind blows strongest. Offshore wind's ability to increase our energy security and the importance of expanding local, renewable energy is especially apparent in these times of conflict in Ukraine and the resulting instability and volatility of fossil fuel markets and supply.

All of the New England states except New Hampshire have mandated greenhouse gas emissions limits, while New Hampshire has non-mandatory goals, and offshore wind is critical for meeting those mandates and targets.

¹ 2016 Offshore Wind Energy Resource Assessment for the United States; NREL; Technical Report NREL/TP-5000-6659

Members (cont'd):

Eastern CT Green Action
 Energy Efficiency Associates, LLC
 Environmental Council of RI
 eWind Consultants
 Faith Communities Enviro. Network
 Flashover LLC
 Greater Boston Physicians for Social Responsibility
 Green Newton
 Greenwater Marine Sciences Offshore
 Hollis Line Machine
 Iron Workers Local 7
 IUPAT DCII
 Keuka Energy
 Lautec US Inc.
 League of Women Voters, MA
 MA AFL-CIO
 MassMEP
 MCAN
 Mills Public Relations
 MOCA Westport
 Mothers Out Front
 Muggventures
 Nashoba Conservation Trust
 New Hampshire Audubon
 NH Businesses for Social Responsibility
 NH Citizens for Progress
 NH EEC Network
 People's Action for Clean Energy
 Philip Conkling & Associates
 POWER-US | MA
 Rangel Renewables
 Rhode Island Building Trades
 Robert E Derecktor Inc.
 Seacoast Anti-Pollution League
 Self-Reliance
 Skunk Works Fund
 Stantec
 Turnstone
 University of Maine
 Vineyard Power Cooperative Inc.

State and independent analyses show that New England will need 30²-45³ gigawatts (GW) of offshore wind to reach net zero emissions by 2050. To achieve those climate goals, several New England states – Connecticut, Massachusetts, and Rhode Island – have set targets for over 8,000 megawatts (MW) of offshore wind by 2030. Over 4,700 MW of that total is already under contract – including a pilot project in Maine state waters – with more expected in 2023 and 2024.⁴

The table below summarizes the procurements and power purchase agreements the New England States have entered into since January 2018 for offshore wind power:

State	Project Name	Nameplate Capacity	Contract Date	Permitting Status, Estimated Approval Date⁵	Commercial Operation Date (COD)⁶
MA	Vineyard Wind I	800 MW	July 2018	Approved	2023
RI	Revolution Wind	400 MW	May 2018	In Process, Estimated July 2023	2025
CT	Revolution Wind	304 MW	June 2018	In Process, Estimated July 2023	2025
MA	Mayflower Wind	804 MW	October 2019	In Process, Estimated January 2024	2025
ME	New England Aqua Ventus I	11 MW	November 2019	Permitting expected to begin summer 2022*	2023
CT	Park City Wind	804 MW	December 2019	In Process, Estimated October 2023	2025
MA	Commonwealth Wind	1,232 MW	April 2022 (Pending DPU review)	In Process, Estimated October 2023	2027**
MA	Mayflower Wind (Residual)	400 MW	April 2022 (Pending DPU review)	In Process, Estimated January 2024	2027**

*Not included on Fast-41 Dashboard, info from New England Aqua Ventus

**This is our best estimate for Commercial Operation Dates for these projects.

² "Massachusetts 2050 Decarbonization Roadmap," Massachusetts Executive Office of Energy and Environmental Affairs and The Cadmus Group, <https://www.mass.gov/doc/ma-2050-decarbonization-roadmap/download>.

³ Weiss, Jürgen & Hagerty, John Michael, "Achieving 80% GHG Reduction in New England by 2050," The Brattle Group, slide 16, brattle.com/wp-content/uploads/2021/05/17233_achieving_80_percent_ghg_reduction_in_new_england_by_20150_september_2019.pdf

⁴ RI is likely to issue an offshore wind solicitation in August, 2022 – a bill was filed in the General Assembly (S.2583 / H.7971) and is supported by the Governor; MA's next solicitation will conclude in 2024 – statute requires them every 24 months.

⁵ Fast-41 Dashboard, <https://www.permits.performance.gov/projects/fast-41-covered>

⁶ ISO-NE MOPR Filing, https://www.iso-ne.com/static-assets/documents/2022/03/mopr_removal_filing.pdf



One of the arguments that ISO-NE has made for delaying the elimination of the MOPR is that there is uncertainty about whether offshore wind is moving forward. We are confident that these projects are moving forward, and believe the facts speak for themselves:

- Vineyard Wind has started construction on its first project and will be using DEME Offshore and Foss Maritime for the offshore installation process (including installation vessels).⁷
- South Fork Wind (a 132 MW project under contract for the state of New York) received approval from the Bureau of Ocean Energy Management (BOEM) in November 2021 and has broken ground.⁸
- Revolution Wind, New England Wind,⁹ and Mayflower Wind are moving through the permitting process. BOEM is working on their Draft Environmental Impact Statements (DEIS) and anticipates issuing permits/approval in July 2023, October 2023, and January 2024, respectively.

All of these projects are under contract with electric distribution companies and obligated to come online around their commercial operation dates. In comparison to offshore wind, there is arguably less certainty around the timely development and completion of new fossil fuel projects. Recently, for example, a gas-fired power plant proposed to be sited in Killingly, CT lost its capacity supply obligation due to failure to meet requisite milestones. Without taking a position on that project or other fossil fuel projects, it is clear that state and public opposition to the development of fossil fuel projects is demonstrably increasing. In contrast, despite isolated opposition to offshore wind, there is robust public support and increasing momentum behind these projects. The following signals also point to strong forward momentum for the development of offshore wind in the region:

- The Biden Administration announced a whole-of-government approach to offshore wind, with a goal of developing 30 GW of offshore wind by 2030, with actions by federal agencies including the Bureau of Ocean Energy Management (BOEM) advancing up to 7 new lease sales and environmental reviews for 16 offshore wind projects by 2025; the Department of Transportation (DOT) investing in port infrastructure; and the Department of Energy (DOE) supporting research and development and facilitating access to loans.¹⁰
- BOEM continues to work through its permitting queue for offshore wind projects. The agency approved two offshore wind projects in 2021 and expects to finish the permitting process for 8 projects in 2023; and
- Following a record-setting lease auction off of New York and New Jersey generating a total of \$4.37 billion in winning bids, BOEM plans to hold up to 6 additional offshore wind lease auctions by 2025, including one in the Gulf of Maine anticipated for 2024.

ISO-NE's proposal to delay the elimination of the MOPR is contrary to state policy and the urgency of addressing climate change. Unfortunately, the delay proposal reflects a persistent resistance at ISO-NE to supporting state-mandated decarbonization efforts by preventing and delaying the fair participation of clean energy in regional markets, including state-sponsored clean energy resources. The urgency of addressing climate change now, not later, was captured most recently in the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), which found that the window for reducing

⁷ <https://www.workboat.com/wind/vineyard-wind-to-use-deme-offshore-foss-maritime-for-installation>

⁸ <https://www.maritime-executive.com/article/u-s-approves-south-fork-as-second-major-offshore-wind-farm>

⁹ New England Wind includes the Park City Wind and Commonwealth Wind Projects: <https://www.boem.gov/renewable-energy/state-activities/new-england-wind-formerly-vineyard-wind-south>

¹⁰ The White House Briefing Room, "FACT SHEET: Biden Administration Jumpstarts Offshore Wind Energy Projects to Create Jobs", <https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/29/fact-sheet-biden-administration-jumpstarts-offshore-wind-energy-projects-to-create-jobs/>



greenhouse gas emissions is closing rapidly. In order to avoid many of the worst impacts of climate change, the IPCC finds that we must halve our global emissions by 2030 – just eight years from now.¹¹

The continuation of the MOPR, even with the provisions of the proposed transition including the Renewable Technology Resource exemptions, will have a disproportionate impact on offshore wind. All of the offshore wind projects currently under contract with New England states, which comprise over 4,700 MW in nameplate capacity or approximately 1,310 MW in qualified capacity, are expected to come online before 2028 and will thus be unable to fully participate in ISO-NE's next two capacity auctions if the delay is approved.

The failure to enable offshore wind to readily participate in the capacity market during the next two forward capacity auctions would result in additional costs for ratepayers who are already bearing the burdens of a pandemic and inflation. Not only would procurements of capacity likely be redundant, less efficient and more costly resources could remain in the market for longer than necessary as a result. The continued application of this exclusionary market rule for an additional two years is a detriment to our region's climate goals, our energy security, and to ratepayer bills.

Per ISO-NE's analyses, from one-sixth to one-third of New England's old fossil fuel plants will likely retire over the next several years.¹² In order to prevent the worst impacts of climate change, it is imperative that we allow this transition to take place and to fill any gap with clean energy and storage resources. Closing these fossil fuel-fired generating plants and replacing them with offshore wind will provide job transition opportunities and will moreover reduce overall pollution and lead to improved air quality and health outcomes, especially in the region's most vulnerable communities who have been overburdened by the health and economic impacts of pollution.

With the integration of offshore wind, the region has a bright future. For example, the former Brayton Point coal plant that was recently demolished in Massachusetts will serve as a site for offshore wind cable manufacturing. The transition of that site will also facilitate the interconnection of offshore wind at the same location. The expansion of responsibly developed offshore wind could also address historical environmental and economic justice issues through project labor or community benefits agreements by driving the creation of high-quality, family-sustaining jobs and the closure of dirty fossil fuel power plants often located in low-income communities and communities of color.

In conclusion, the timely reform of New England's electricity markets is critical to the states' ability to meet their climate goals, which are mandated by law in five of the six states, while ensuring energy security, reliability, and affordability. The MOPR is a discriminatory market rule that has disproportionate impacts on offshore wind. Offshore wind is moving forward and some projects have already commenced construction. Any further delay in eliminating the MOPR will negatively impact New England's communities and its economy. We strongly urge the Commission to reject ISO-NE's proposal to delay the elimination of the MOPR, and to direct ISO-NE to eliminate this harmful market rule immediately.

Sincerely,

Susannah Hatch, Regional Lead
New England for Offshore Wind

¹¹ <https://www.ipcc.ch/assessment-report/ar6/>

¹² "ISO New England Status of Non-Price Retirement Requests and Retirement De-List Bids," ISO New England, Aug 17, 2018.

