NEW ENGLAND FOR OFFSHORE WIND

August 21, 2025

To: Abraham Silverman**,** Facilitator, Northeast States Collaborative

CC: Katie Dykes, Commissioner, CT Department of Energy and Environmental Protection

Kim Cole, Director, DE Department of Natural Resources and Environmental Control

Dan Burgess, Director, ME Governor's Energy Office

Director Paul Pinsky, MD Energy Administration

Rebecca Tepper, Secretary, MA Executive Office of Energy and Environmental Affairs

Christine Guhl-Sadovy, President, NJ Board of Public Utilities

President Doreen Harris, President and CEO, NY State Energy Research and Development Authority

Jessica Waldorf, Chief of Staff and Director of Policy Implementation, NY State Department of Public Service

Chris Kearns, Acting Commissioner, RI Office of Energy Resources

Kerrick Johnson, Commissioner, VT Department of Public Service

RE: Request for Information ("RFI") on State-Led Interregional Transmission Projects

Dear Northeast States Collaborative State Representatives,

New England for Offshore Wind is thrilled to see the publication of the Northeast States Collaborative (hereafter referred to as "the Collaborative") Request for Information (RFI) for interregional transmission candidate project proposals. We are a diverse coalition of environmental and justice organizations, labor unions, academic and research institutions, and businesses that aim to drive regional collaboration and commitments to responsibly develop offshore wind in New England.

Offshore wind is our best opportunity for new sources of clean, renewable energy in the Northeast, which features some of the best offshore wind resources in the country. Thanks to its technical potential, offshore wind is the single biggest lever we can pull to reduce emissions, address the climate crisis, and grow the economy at the same time. Expanding and diversifying the region's energy resources through the development of offshore wind will also

PowerOptions
Renewable Energy Vermont
Rhode Island AFL-CIO
Roots 2Empower
Salem Alliance for the Environment
Save the Sound
Seacoast Anti-Pollution League
Seaside Sustainability
Self-Reliance Corp
Sierra Club
Slingshot
Tufts University
UMass Amherst
UMass Boston
UMass Lowell / Windstar
Union of Concerned Scientists
Vermont Conservation Voters
Vermont Public Interest Research Group
VHB
Vineyard Power Cooperative Inc.
VT Natural Resources Council

increase energy security and provide reliability benefits, particularly as ISO-NE shifts to a winter-peak, as this resource is strongest during winter. We want to see this industry developed responsibly with clear policies, frameworks, and strategies, and are pleased to see the Collaborative's RFI to enable interregional planning practices that can facilitate an offshore grid backbone. Offshore wind projects in the Northeast span three grid planning regions, and this RFI marks a critical first step in the development of interregional transmission solutions that can maximize grid reliability and cost savings.

Interregional Frameworks

We commend the Collaborative for moving swiftly to publish an RFI - one of the key near-term strategies identified in its April 2025 Strategic Action Plan. As outlined in the Action Plan, the lack of Independent System Operator (ISO)- or Regional Transmission Organization (RTO)-led (hereafter referred to as "grid operators") processes for identifying interregional transmission solutions creates barriers for deployment of grid solutions most capable of improving reliability, reducing electric costs for ratepayers, and achieving New England's ambitious clean energy goals. We applaud the Collaborative for soliciting concept papers for potential projects that can overcome these barriers. In reviewing candidate projects, state decisionmakers and technical advisers from ISO-NE, NYISO, and PJM will be able to unpack projects' tangible costs and benefits and the feasibility of implementing them under a durable interregional planning paradigm. This exercise has potential to create a repeatable framework for the Northeast, and for other regions across the US, to identify and evaluate interregional transmission solutions to meet current and future system needs.

We appreciate the Collaborative's commitment to prioritizing projects that use existing rights of way to minimize disturbance of new areas. During bid evaluation, we encourage state representatives and grid operator advisers to consider how the suite of candidate projects would impact the amount of new transmission needed, and their corresponding impact on surrounding communities and ecosystems. We encourage evaluators to give more weight to projects that avoid or minimize new impacts on historically disadvantaged communities and sensitive natural resources, as a truly optimized system should enhance the capacity of the existing grid to the maximum extent possible. We further recommend prioritizing approaches that avoid, minimize, and mitigate disturbance to important habitats and migratory corridors, particularly those used by endangered and threatened species. We applaud the Collaborative's encouragement of innovative approaches to environmental siting and ask that the Collaborative seek to ensure that any innovation is still scientifically rigorous. Additionally, we encourage the Collaborative to promote nature inclusive design elements where feasible.

Where new transmission builds are necessary, we encourage evaluators to consider how project developers will avoid, minimize, and mitigate the cumulative impact on surrounding communities and the environment, and their proposed approach for inclusive stakeholder engagement. Early stakeholder engagement can avoid costly siting and permitting delays by uncovering issues that developers can address early, and it ensures that any new infrastructure builds are sited responsibly. Furthermore, we

strongly recommend the Collaborative require the most efficient usage of brownfield sites, existing transmission right of way, co-location with rail or highway right of way, and use of Grid Enhancing Technologies (GETs). We further ask that projects rely on robust siting analyses and adherence to science-based mitigation frameworks to ensure grid infrastructure is compatible with biodiversity protection. We recommend that candidate projects include adaptive management frameworks and long-term ecological monitoring to ensure infrastructure performance aligns with environmental protection goals, particularly for migratory species, endangered, threatened, and protected species, and benthic ecosystems, and further encourage data transparency and coordination with regional ocean planning bodies as well as existing regional wildlife conservation plans.

We also encourage evaluators to consider what efforts and binding commitments (e.g., project labor and labor peace agreements) project developers are making to ensure the project will create high-quality, union jobs; support registered apprenticeship and pre-apprenticeship training programs in impacted communities; and utilize domestically manufactured materials and components. These efforts will not only provide positive economic benefits to our communities, but they will also reduce the potential for cost and/or schedule overruns.

Cost Allocation and State Policy Levers

We support the Collaborative's continued exploration of cost allocation methods, including by consideration of how the costs of proposed candidate projects under the RFI would be disbursed. A variety of approaches exist, including cost allocation methods used in other regions, voluntary state funding, or other voluntary cost allocation agreements, such as ISO-NE's public policy transmission upgrade (PPTU) process. We encourage state representatives and grid operator advisors to ensure that any transmission investment serves as many needs as possible across the Northeast and Mid-Atlantic states to increase consensus and reduce overall impact and costs.

While we are overall supportive of leveraging candidate projects to explore cost allocation approaches in specific contexts, we also encourage the Collaborative to follow through on the proposal in its Action Plan to develop a more broadly applicable straw cost allocation framework. Such a framework could have cascading benefits by reducing the time and administrative burden associated with cost allocation negotiations in the future, particularly if states and grid operators have a starting point to build from.

In reviewing bids, we also encourage state representatives to consider legislative or regulatory vehicles to advance candidate projects. This could include voluntary funding or public financing for interregional transmission projects (or part thereof) to address energy affordability concerns, similar to the ability of states to provide voluntary funding for long-term regional transmission projects under FERC Order 1920. Rising transmission costs are one of the underlying drivers of rising consumer electric bills in the Northeast, even though New England wholesale energy and capacity prices have trended down since 2003. Analyses illustrate that transmission costs have increased nearly eight-fold in ISO-NE from 2016 to 2023[1], and that transmission costs in ISO-NE are nearly double those in most other RTOs[2]. One reason

[1] Rocky Mountain Institute (RMI). ***Mind the Regulatory Gap: How to Enhance Local Transmission Oversight.*** Nov 2024. https://rmi.org/wp-content/uploads/dlm_uploads/2024/11/rmi_mind_the_regulatory_gap.pdf

[2] Potomac Economics. ***2024 Assessment of the ISO New England Electricity Markets.*** June 2025. https://www.potomaceconomics.com/wp-content/uploads/2025/06/ISO-NE-2024-EMM-Annual-Report_Final.pdf

for these costs is that New England made substantial investments in transmission upgrades over the past 20 years, largely to address local transmission concerns. The result is that ISO-NE now experiences much lower congestion costs than other RTOs.[3] While reduced congestion has been a good thing, the focus on local projects may not have been the most cost-effective. This is because an uncoordinated set of many small transmission projects tends to cost more than a coordinated set of fewer large transmission projects that can leverage economies of scale.[4] Adding to the challenge, recent analysis suggests transmission buildout is not keeping pace with the deployment of low-cost clean energy projects in the Northeast.[5]

Interregional transmission projects can address reliability, affordability, and congestion concerns, but they can easily be sidelined by negotiations of cost allocation among participating states. Voluntary funding and public financing are powerful tools states can leverage to reduce the overall amount of transmission costs allocated among participating states, while also advancing beneficial interregional transmission projects that can provide long-term cost savings to consumers. We encourage the state reviewers to consider legislative or regulatory vehicles to provide voluntary funding and public financing to facilitate beneficial interregional transmission solutions for the benefit of ratepayers.

Meshed Networks/Standards

We encourage evaluators to favor projects that enable a meshed offshore grid network. Meshed networks are expected to generate greater economies of scale than radial transmission lines to each individual offshore wind project. Ensuring that future projects are developed so that they can be mesh-ready will ensure that the grid of the future is as efficient and cost effective as possible. This approach will also significantly reduce impacts to land and water resources.[6]

We celebrate the Collaborative's continued leadership in advancing interregional transmission planning solutions across the Mid-Atlantic and Northeast states, including a robust offshore grid network capable of unlocking the nation's abundant offshore wind resources. We look forward to continued collaboration on advancing grid solutions that enable the Northeast states to achieve their ambitious clean energy mandates while ensuring energy affordability and reliability for consumers. We look forward to working together to advance candidate projects that meet interregional transmission needs in a way that ensures a clean, durable electric grid.

Sincerely,
New England for Offshore Wind

[3] Ibid.
[4] Rocky Mountain Institute (RMI). ***Mind the Regulatory Gap: How to Enhance Local Transmission Oversight.*** Nov 2024. https://rmi.org/wp-content/uploads/dlm_uploads/2024/11/rmi_mind_the_regulatory_gap.pdf
[5] Grid Strategies LLC. ***Transmission Congestion Costs in the U.S. RTOs.*** March 2023. https://gridstrategiesllc.com/wp-content/uploads/transmission-congestion-costs-in-the-us-rtos-4.14.pdf
[6] Brattle Group. ***The Benefit and Urgency of Planned Offshore Transmission: Reducing the Costs of and Barriers to Achieving U.S. Clean Energy Goals.*** Jan 2023. https://www.brattle.com/wp-content/uploads/2023/01/Brattle-OSW-Transmission-Report_Jan-24-2023.pdf