BOSTON CONNECTICUT FLORIDA NEW JERSEY NEW YORK PROVIDENCE WASHINGTON, DC

ERIC K. RUNGE Attorney at Law

One Federal Street, 29th Floor Boston, MA 02110 T: (617) 345-4735 F: (617) 206-9350 ekrunge@daypitney.com

November 18, 2022

## Via Electronic Filing

Robert Shea, Esq. Presiding Officer Energy Facilities Siting Board One South Station, 5<sup>th</sup> Floor Boston, MA 02110

RE: Mayflower Wind Energy LLC, EFSB 22-04/D.P.U. 22-67/22-68; EFSB

21-03/D.P.U. 21-142/21-143

## Dear Presiding Officer Shea:

In recent weeks, there have been developments and media speculations regarding the status of the offshore wind energy projects off the coast of Massachusetts. As the proponent of one such project, Mayflower Wind Energy LLC (Mayflower Wind) is providing this letter to the Energy Facilities Siting Board (EFSB) to: (i) correct any misconceptions, (ii) provide assurances as to Mayflower Wind's intent to continue to develop the Mayflower Wind Clean Energy Resource<sup>1</sup> and its necessary transmission connector projects to completion,<sup>2</sup> and (iii) to affirm its commitment to the ongoing siting processes in both Massachusetts and Rhode Island.

By way of background, in Massachusetts Department of Public Utilities (Department) Docket Nos. D.P.U. 22-70/22-71/22-72, the Department is currently determining whether to approve the long-term power purchase agreements (PPAs) between Commonwealth Wind, LLC (Commonwealth Wind) and the Electric Distribution Companies (EDCs) and, separately,

<sup>&</sup>lt;sup>1</sup> The Clean Energy Resource is Mayflower Wind's offshore wind energy generation resource located in federal waters that Mayflower Wind intends to develop to its maximum capacity, currently estimated at 2,400 MW.

<sup>&</sup>lt;sup>2</sup> The Clean Energy Resource will require two transmission connector projects. One is the SouthCoast Project interconnecting at Brayton Point in Somerset, Massachusetts (and with jurisdictional elements in both Massachusetts and Rhode Island), and the other is the project that Mayflower Wind currently is proposing to interconnect in Falmouth, Massachusetts.



November 18, 2022 Page 2

Mayflower Wind and the EDCs.<sup>3</sup> The PPAs in these dockets were entered into pursuant to Section 83C of *An Act Relative to Green Communities*, St. 2008, c. 169, as amended by St. 2016, c. 188 § 12, St. 2021, c. 8 § 91 (Section 83C III).

In these dockets, on October 20, 2022, Commonwealth Wind filed a Motion for a one month suspension in the proceedings (Motion to Stay). In the Motion to Stay, Commonwealth Wind argued that a pause in the proceedings was necessary in order for the parties to the PPAs to "examine the effect of unprecedented commodity price increases, interest rate hikes, and supply shortages on the overall viability of Commonwealth Wind's offshore wind generation project." In the Motion to Stay, Commonwealth Wind specifically stated that its "Project is no longer viable and would not be able to move forward."

On October 27, Mayflower Wind filed an Answer in support of Commonwealth Wind's Motion to Stay. In this Answer, Mayflower Wind supported a suspension of the proceedings in order to assess and potentially address the impact of the current global economic conditions and to ensure that the offshore wind projects (which are among the few first-mover offshore wind projects in the region) are economic and financeable. Mayflower Wind did not state that its Clean Energy Resource or its necessary transmission connector projects were not viable, but raised reasonable concerns about the economics of the projects in light of extraordinary inflation and supply chain issues affecting the offshore wind industry, and expressed a desire for the parties to the PPAs to examine those concerns.

On November 4, the Department issued an order denying both the Motion to Stay and the Motion to Reopen. Subsequently, on November 7, Mayflower Wind filed an amended Answer to withdraw its support for pausing the proceedings. In this amended Answer, Mayflower Wind stated unequivocally that it "intends to move forward with the PPAs" and intends to provide the EDCs and the Department "with detailed third-party analysis demonstrating challenges to financeability, with the goal of finding solutions that provide value to the rate payers."

<sup>&</sup>lt;sup>3</sup> The initial petitions for approval of the PPAs were filed by NSTAR Electric Company d/b/a Eversource Energy, Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid, and Fitchburg Gas and Electric Light Company d/b/a Unitil on May 25, 2022. As of the weeks leading up to the Motion to Stay discussed herein, the DPU had cancelled the evidentiary hearings that had been scheduled for the week of October 3 and set the deadline for initial briefs of October 18, 2022. *See* Hearing Officer Memorandum under D.P.U. 22-7-/22-71/22-72 (Sept. 28, 2022).

<sup>&</sup>lt;sup>4</sup> Commonwealth Wind, LLC's Motion for a One-Month Suspension of Proceedings under D.P.U. 22-70/22-71/22-72 at 2 (Oct. 20, 2022).

<sup>&</sup>lt;sup>5</sup> *Id.* at 3.

<sup>&</sup>lt;sup>6</sup> Amended Answer of Mayflower Wind Energy LLC Regarding Motion For A One-Month Suspension & Response to Interlocutory Order under D.P.U. 22-70/22-71/22-72 at 2 (Nov. 7, 2022).



November 18, 2022 Page 3

On October 27, 2022, in the 83C II amendment proceedings in Docket Nos. D.P.U. 20-16/20-17/20-18, Mayflower Wind filed a Motion for a one-month suspension of those proceedings for the same reasons as for the 83C III proceedings. On November 7, Mayflower Wind withdrew this motion, providing the same statements affirming that it intends to move forward with the approval process and will provide a third-party analysis demonstrating the economic challenges to project financeability in order to find a solution that provides value to rate payers. Again, in these pleadings Mayflower Wind *did not* assert that its projects were not viable, but instead raised reasonable concerns about their economics in light of current conditions.

The pleadings filed in these proceedings have garnered attention from the media and have caused regulators to raise some concerns about the viability of the Mayflower Wind Clean Energy Resource and its related transmission connector projects. In response to these concerns, Mayflower Wind would like to formally correct any misconceptions about the viability of these projects and Mayflower Wind's intent to develop them by stating clearly that:

- (1) The Clean Energy Resource is viable and progressing in its development despite challenges caused by extraordinary global macroeconomic conditions;<sup>8</sup>
- (2) Mayflower Wind is fully committed to the development and permitting of its Clean Energy Resource and its necessary transmission connector projects; and
- (3) Mayflower Wind is moving forward with approval of its PPAs in both the 83C II and 83C III proceedings.

Mayflower Wind understands the importance of its Clean Energy Resource and the necessary transmission connector projects to meeting the need established by the public policy requirements and the clean energy and energy security needs of Massachusetts and the region. Mayflower Wind remains fully committed to helping to meet those needs with its projects.

<sup>&</sup>lt;sup>7</sup> Currently, the Department is examining whether to approve amended versions of the PPAs entered into between Mayflower Wind and the EDCs pursuant to Section 83C II.

<sup>&</sup>lt;sup>8</sup> At the request of the Rhode Island Energy Facility Siting Board in Docket No. SB-2022-02, Mayflower Wind intends to provide testimony in that proceeding that its Clean Energy Resource is viable and its development is progressing.



November 18, 2022 Page 4

Please do not hesitate to contact the undersigned should you have any questions about the contents of this letter. Please include this letter in the EFSB and Department dockets listed above.

Sincerely,

Eric K. Runge

In I. Pury

cc: Service Lists
Andrew Green, EFSB
Joan Evans, EFSB
Wayne Wang, EFSB
Geneen Bartley, EFSB
Mark Marini, DPU