

VINEYARD WIND

January 14, 2019

Commissioner Judith Judson
Massachusetts Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

RE: Section 83C Request for Stakeholder Comment

Dear Commissioner Judson,

Please accept the following comments on behalf of Vineyard Wind LLC (“Vineyard Wind”) in response to the Request for Stakeholder Comment recently issued by the Department of Energy Resources (“DOER”). The numbered responses below correspond directly to the Stakeholder Questions posed by DOER in the Request for Stakeholder Comment.

1. a. Vineyard Wind LLC
2. a. The primary issue with respect to timing relates to the ability of offshore wind developers to take advantage of the expiring Investment Tax Credit (“ITC”) by meeting the “safe-harbor” requirements before the year is over. To meet these requirements, an offshore wind developer must purchase equipment constituting at least 5% of the qualifying cost of a project by December 31, 2019 and take delivery of the equipment shortly thereafter.

To permit this, solicitation awards should be made no later than October 1, 2019. Working backwards from an October 1, 2019 award date, and assuming a three-month review for the evaluation team, submissions would need to be due no later than the end of June, and so the Subsequent Solicitation would need to be issued sometime prior to the end of June. We propose three months as an appropriate amount of time between issuing the Subsequent Solicitation and the bid submission due date, which means the Subsequent Solicitation should open on or around April 1, 2019.

b. Vineyard Wind does not believe the BOEM lease sale, and any subsequent data collection at the newly leased sites, affects the potential timing of when proposals should be due under the Subsequent Solicitation.

c. A shorter time-frame would facilitate a solicitation schedule that provides offshore wind developers the opportunity to take advantage of the expiring ITC. Depending

on the complexity of the solicitation, two months could provide developers with the time needed to develop responsive bids while accommodating an October 1, 2019 award date. As a comparison, recent zero carbon and renewable energy solicitations in Connecticut and Rhode Island, respectively, included 6-8 week bid development windows. These solicitations were similar in scope and complexity to the first Massachusetts Section 83C offshore wind solicitation. The on-going New York offshore wind solicitation, which is broad in scope and complexity, has afforded developers three months to develop responsive bids.

Given this, Vineyard Wind suggests issuing the Subsequent Solicitation in April, requiring bid submission by the end of June, and issuing awards no later than October 1, 2019, for the reasons described above. To facilitate this timeline, DOER should seek to simplify the solicitation. Doing so would allow responsive bids to be prepared in less time and accommodate a shortened bid review period thereby increasing the likelihood of achieving an October 1, 2019 award date.

d. See response to Question 2.a.

e. See response to Question 2.a.

f. Aside from the expiring ITC, Vineyard Wind is not aware of and does not foresee any market conditions that might necessitate a shorter or longer time period for proposal development. If anything, having a shorter time period for proposal development is now more feasible given the recent increased attention to the Massachusetts market from the global offshore wind industry.

g. DOER should develop the Subsequent Solicitation with the timing of other states' procurements in mind. First, if DOER decides to move forward with issuing the Subsequent Solicitation this Spring, it is more likely than not that the winning bidders of last year's Rhode Island renewable energy procurement and the on-going New York offshore wind procurement will not have been announced. DOER can account for this by setting a bid submission deadline that occurs after the bid awards are likely to be made. An end-of-June submission deadline would be sufficient in this regard.


Second, Vineyard Wind would also encourage DOER to coordinate procurement schedules with neighboring states so that only one procurement is active at a time. This will reduce complexity and ensure more competitive solicitation process.

Finally, Vineyard Wind would also like to add that beyond the Subsequent Solicitation, a regular procurement schedule, along with standard evaluation criteria, available well in advance of any actual procurements would enable offshore wind developers to develop the best-targeted proposals for Massachusetts, increasing the level of competition among bidders for the benefit of the Commonwealth.

Thank you for your consideration. We stand ready to provide further information or answer any additional questions you may have.

Respectfully submitted,

Vineyard Wind LLC

A handwritten signature in black ink, appearing to read "Erich Stephens", is written over a horizontal line.

By: Erich Stephens
Title: Chief Development Officer