

Question 1:

The ISO-NE grid connection process, as prescribed by the ISO-NE tariff, directs that projects be evaluated and connected to the grid in queue order. This applies whether projects are studied serially or in a cluster and does not differentiate between projects with and without contracted offtake.

However, the Deliverability Constraints Analysis (Appendix I) in the RFP requires bidders to consider all contracted offshore wind projects when determining if they can deliver their power to the grid. The Deliverability Constraints Analysis requires that all offshore wind projects in the ISO-NE queue with Power Purchase Agreements must be considered as online and generating at their ISO-NE connected name plate capacity. New projects are not permitted to dispatch against contracted projects in order to meet their deliverability requirements, irrespective of a projects queue position. The deliverability analysis does not consider the ISO-NE interconnection process and, in effect, creates a conflict between the two systems.

Respectfully, we ask the MA 83C III Evaluation Committee to clarify the standard bidders should use the Deliverability Constraints Analysis as set forth in the RFP, regardless of the ISO-NE process, making it plain that advancing contracted projects is a priority for the Commonwealth.

Response 1:

Bidders must perform the Deliverability Constraint Analysis as it is described in Appendix I. This analysis is required in addition to studies that are equivalent to the Network Capacity Interconnection Standard and the Capacity Capability Interconnection Standard, per Section 2.2.1.8 of the RFP.

The Evaluation Team has addressed this issue in their response to DPU-1-13 in D.P.U. 21-40, wherein the Department approved the EDC/DOER proposed timetable and method for the solicitation and execution of long-term contracts for offshore wind energy generation consistent with the provisions of Section 83C. As stated in that response, the Deliverability Constraint Analysis outlined in Appendix I is designed to identify potential constraints that arise during conditions that are not covered in the ISO-NE interconnection standards, and the results of this analysis will be used to identify potential inputs to the Evaluation Team’s quantitative modeling software.

We note that the purpose of the quantitative evaluation to be conducted in this RFP process is to assess the expected economic net benefits of proposals made by bidders, which is different from that of the ISO-NE interconnection process. Part (c) of the response to DPU-1-13 contains additional details regarding the difference between the Deliverability Constraint Analysis and the RFP requirements for interconnection studies. Also, as the response to DPU-1-13 stated: “Unlike the other [interconnection] study requirements, the Deliverability Constraint Analysis does not require bidders to develop or construct solutions to constraints. Furthermore, the Deliverability Constraint Analysis will not be used to evaluate the maturity of a bid’s progress in the ISO-NE interconnection process.”

The Deliverability Constraint Analysis outlined in Appendix I does not require bidders to dispatch any offshore wind generators at 100% of their nameplate capacity. Table 1 of Appendix I identifies four offshore wind generator queue positions that must be dispatched at 90% of their nameplate capacity. Furthermore, Appendix I requires the project under study to be dispatched “at the maximum value in its proposed generation profile, regardless of the nameplate capacity of the ISO-NE interconnection request(s) associated with the bid.”

The addition of the Deliverability Constraint Analysis requirement to the RFP is not intended to either expand or reduce the requirements of Sections 2.2.1.3, 2.2.1.8, or any other provisions of the RFP. Bidders are of course free to use information developed under the Deliverability Constraint Analysis to improve their bids. Finally, we note that if a bidder desires to provide a deliverability analysis with different assumptions than those required under Appendix I, it may provide such a voluntary analysis, as long as (a) the assumptions are clearly identified and (b) the bidder also provides a deliverability constraint analysis compliant with the requirements of Appendix I.

Question 2:

Footnote 9 of the RFP contemplates the coordination with other state OSW solicitations if such coordination “provides a reasonable means to achieve its Offshore Wind Energy Generation goals cost effectively through multi-state coordination and contract execution.” Will the Distribution Companies and the DOER permit bids that include capacity that is apportioned between two states? If so, are the conditional bid procedures described in the second paragraph of 2.2.1.2 the appropriate mechanism for doing so? If not, could the Distribution Companies and the DOER please provide the appropriate mechanism for doing so?

Response 2:

A bidder may propose that energy and RECs be sold to the EDCs from wind turbines that are a subset of those of a larger contemplated project (where energy and RECs from other wind turbines from the larger contemplated project are expected to be sold pursuant to another state’s procurement) as long as the proposed sale to the EDCs is not contingent on the sale stemming from another state’s procurement (and any associated regulatory approvals of another state regarding such sales). A proposal for a project that apportions nameplate capacity of a single project between two states, and is therefore contingent upon selection in another state, does not meet the requirements set forth in the RFP of providing a firm bid. There is no other mechanism for a submitting a bid proposal with defined MWs submitted into multiple states for a single project as contemplated by the question.

Footnote 9 of the RFP is intended to allow for the possibility that another state may be interested in a portion of a proposal submitted in response to this RFP. The Commonwealth, in consultation with the EDCs will consider the possible participation of other states, if such participation has positive or neutral impact on Massachusetts ratepayers, but this process is not intended to affect the nature or type of proposals to be submitted by bidders as permitted by the RFP.

The second paragraph of 2.2.1.2 describes a mechanism for proposing two or more bids where only one can be selected. For example, two proposals for a project encompassing the same lease area, one for 800 MW and one for 400 MW, where both proposals, totaling 1200 MW, cannot be selected. This represents a negative contingency, as described in the second paragraph of 2.2.1.2, which is permitted under the RFP.

Additional Clarification

The Evaluation Team would like to offer an additional clarification to Bidders regarding RFP Appendix A (Bidder Response Package), Section 13.2, which asks Bidders to: "Describe consultation with the Massachusetts Supplier Diversity Office, as applicable." The Evaluation Team would like to clarify that any description of Bidders' consultation with the Massachusetts Supplier Diversity Office, as applicable, should be limited to whether a consultation occurred and should not include a detailed description of the outreach and consultation process.