



# The Commonwealth of Massachusetts

## DEPARTMENT OF PUBLIC UTILITIES

### NOTICE OF FILING, PUBLIC HEARING, PROCEDURAL CONFERENCE, AND REQUEST FOR COMMENTS

D.P.U. 18-77

August 8, 2018

Petition of Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid for approval by the Department of Public Utilities of two long-term contracts for procurement of Offshore Wind Energy Generation, pursuant to Section 83C of An Act Relative to Green Communities, St. 2008, c. 169, as amended by St. 2016, c. 188, § 12.

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On July 31, 2018, Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid (“National Grid” or “Companies”) filed a petition with the Department of Public Utilities (“Department”) seeking approval of two long-term contracts to purchase Offshore Wind Energy Generation, pursuant to Section 83C of An Act Relative to Green Communities, St. 2008, c. 169, (“Section 83C”) and the Department’s regulations at 220 CMR 23.00. Section 83C was added to An Act Relative to Green Communities by An Act To Promote Energy Diversity, St. 2016, c. 188, § 12. Under each of the proposed contracts between National Grid and Vineyard Wind LLC, National Grid would acquire its pro rata share of Offshore Wind Energy Generation and associated environmental attributes produced by a 400 megawatts nameplate capacity offshore wind electric generation facility. In addition to seeking approval of the proposed long-term contracts, National Grid seeks approval to recover annual remuneration of 2.75 percent of the annual payments under the long-term contracts, through its renewable contract adjustment tariff.

Section 83C requires the three electric distribution companies to jointly and competitively solicit proposals for Offshore Wind Energy Generation not later than June 30, 2017, and, if the proposals received are reasonable, to enter into cost-effective long-term contracts. St. 2016, c. 188, § 12; 220 CMR 23.00. Offshore Wind Energy Generation means offshore electric generating resources derived from wind that: (1) are Class I renewable energy generating sources, as defined in section 11F of chapter 25A of the General Laws; (2) have a commercial operations date on or after January 1, 2018, that has been verified by the Department of Energy Resources; and (3) operate in a designated wind energy area for which an initial federal lease was issued on a competitive basis after January 1, 2012. St. 2016, c. 188, § 12; 220 CMR 23.00. All proposed long-term contracts are subject to the review and approval of the Department prior to becoming effective, and as

part of its review and approval process for any proposed long-term contracts, the Department must take into consideration recommendations from the Attorney General, which must be submitted to the Department within 45 days following the filing of contracts with the Department. St. 2016, c. 188, § 12; 220 CMR 23.00. Section 83C provides that the Department shall consider both the potential costs and benefits of such contracts and shall approve a contract only upon a finding that it is a cost-effective mechanism for procuring reliable renewable energy on a long-term basis. St. 2016, c. 188, § 12; 220 CMR 23.00.

In accordance with Section 83C, the electric distribution companies and the Department of Energy Resources (“DOER”) jointly developed a request for proposals (“RFP”) for the procurement of Offshore Wind Energy Generation. On June 21, 2017, the Department approved the method of soliciting and executing long-term contracts, as well as the timetable, contained in the RFP. Offshore Wind RFP, D.P.U. 17-103 (2017). On June 29, 2017, the electric distribution companies, together with the DOER, jointly issued the RFP. National Grid states that that the long-term contract is a cost-effective mechanism for procuring reliable renewable energy on a long-term basis.

According to the National Grid, if its petition is approved, it estimates that the bill of an average Massachusetts Electric Company residential customer (R-1 rate class) using 500 kilowatt-hours of electricity per month would decrease by \$0.47, which is a 0.4 percent decrease relative to current rates, based on the current market environment.

On August 1, 2018, the Attorney General of the Commonwealth of Massachusetts (“Attorney General”) filed a notice of intervention on behalf of the Company’s ratepayers in this case. Further, pursuant to G.L. c. 12, § 11E(b), the Attorney General filed a notice of retention of experts and consultants to assist in her investigation of the Company’s filing. The Attorney General has requested Department approval to spend up to \$150,000. Pursuant to G.L. c. 12, § 11E(b), the costs incurred by the Attorney General relative to her retention of experts and consultants may be recovered by the Company in its rates.

The Department will conduct a public hearing to receive comments on the Companies’ filing on **Tuesday, August 28, 2018** at 2:00 p.m. at the Department’s offices, One South Station, 5th Floor, Boston, Massachusetts. Persons interested in commenting on the Companies’ filing may do so at the public hearing or may file written comments by the close of business (5:00 p.m.) on **Tuesday, August 28, 2018**. The public hearing will be followed by a procedural conference.

Persons interested in participating in the evidentiary phase of this proceeding must file a written petition for leave to intervene with the Department no later than the close of business (5:00 p.m.) on **Tuesday, August 21, 2018**. A petition filed late may be disallowed as untimely, unless good cause is shown for waiver under 220 CMR 1.01(4). Receipt by the Department, not mailing, constitutes filing and determines whether a petition has been timely filed. A petition for leave to intervene must satisfy the substantive requirements of 220 CMR

1.03. To be allowed, a petition under 220 CMR 1.03(1) must satisfy the standing requirements of G.L. c. 30A, § 10. Any person who seeks to intervene in this matter and also desires to comment on the Attorney General's notice of retention of experts and consultants must file such comments no later than the close of business (5:00 p.m.) on **Tuesday, August 21, 2018**.

The original of all documents must be filed with Mark D. Marini, Secretary, Department of Public Utilities, One South Station, 5th Floor, Boston, Massachusetts, 02110. One (1) copy of all documents filed with the Department must also be sent to: (1) National Grid's counsel, Laura C. Bickel, Esq., 40 Sylvan Road, Waltham, Massachusetts 02451, and John K. Habib, Esq., Keegan Werlin LLP, 99 High Street, 29<sup>th</sup> Floor, Boston, MA 02110; and (2) Elizabeth Mahoney, Assistant Attorney General, Office of Ratepayer Advocacy, One Ashburton Place, Boston, Massachusetts 02108.

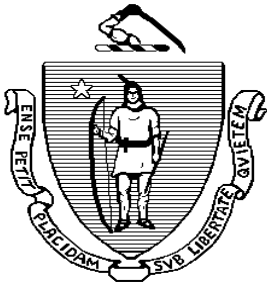
All documents must also be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to [dpu.efiling@mass.gov](mailto:dpu.efiling@mass.gov) and the Hearing Officer, [kate.tohme@mass.gov](mailto:kate.tohme@mass.gov) or (2) on a CD-ROM. The text of the e-mail, or CD-ROM must specify: (1) the docket number of the proceeding (D.P.U. 18-77); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic filing should also include the name, title, and telephone number of a person to contact in the event of questions about the filing. All documents submitted in electronic format will be posted on the Department's website: <http://web1.env.state.ma.us/DPU/FileRoom/dockets/bynumber> ("enter 18-77").

Copies of the Companies' filing and the Attorney General's notice of retention of experts and consultants are available for inspection during regular business hours at the Companies' offices at 40 Sylvan Road, Waltham, Massachusetts 02451, and on the Companies' website: [www.nationalgrid.com](http://www.nationalgrid.com). Copies are also available for inspection during regular business hours at the Department's offices, One South Station – 5th Floor, Boston, Massachusetts 02110, and on the Department's website.

Reasonable accommodations at public or evidentiary hearings for people with disabilities are available upon request. Contact the Department's ADA coordinator at [DPUADACoordinator@mass.gov](mailto:DPUADACoordinator@mass.gov) or (617) 305-3642. Include a description of the accommodation you will need, including as much detail as you can. Also include a way the Department can contact you if we need more information. Please provide as much advance notice as possible. Last minute requests will be accepted, but may not be able to be accommodated. In addition, to request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), contact the Department's ADA coordinator at [DPUADACoordinator@mass.gov](mailto:DPUADACoordinator@mass.gov) or (617) 305-3642.

For further information regarding the Company's filing, please contact the Company's counsel, Laura Bickel at (781) 907-2126 or John K. Habib at (617) 951-1400. For further

information regarding this notice, please contact the Department Hearing Officer assigned to this case, Kate Tohme, at (617) 305-3500.



# The Commonwealth of Massachusetts

## DEPARTMENT OF PUBLIC UTILITIES

### ORDER OF NOTICE

D.P.U. 18-77

August 8, 2018

Petition of Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid for approval by the Department of Public Utilities of two long-term contracts for procurement of Offshore Wind Energy Generation, pursuant to Section 83C of An Act Relative to Green Communities, St. 2008, c. 169, as amended by St. 2016, c. 188, § 12.

Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid ("Company") is required to publish the attached notice in either The Boston Globe or the Boston Herald once at least fourteen (14) days in advance of **August 28, 2018**. In addition, the Company shall serve a copy of the attached notice at least fourteen (14) days prior to **August 28, 2018** on: (1) the service lists in Massachusetts Electric Company and Nantucket Electric Company, D.P.U. 15-155; Long-Term Contracts for Renewable Energy Rulemaking, D.P.U. 16-191; Clean Energy Generation RFP, D.P.U. 17-32; Offshore Wind RFP, D.P.U. 17-103; and Long-Term Contracts for Renewable Energy, D.P.U. 17-117/17-118/17-119/17-120; and (2) any person who has filed a request for notice with the Company.

In addition, the Company shall display the Notice in a prominent location on its website from three business days following receipt of the Notice through the end of the Comment Period. The Company shall provide the Department with return of service, proof of publication and otherwise verify compliance with this Order of Notice at the time of the public hearing.

By Order of the Department,

/s/

Mark D. Marini, Secretary