NEW ENGLAND STATES' REGIONAL TRANSMISSION INITIATIVE
Request for Information issued September 1, 2022

Comments of Advanced Energy Economy and the Northeast Clean Energy Council
October 28, 2022

Advanced Energy Economy ("AEE")[1] and the Northeast Clean Energy Council ("NECEC")[2] appreciate the opportunity to provide the following comments in response to the 5 New England states' (the "States") September 1, 2022 Request for Information (the "RFI"). At the outset, we commend the states for taking this proactive step toward a much-needed acceleration of the process for building the grid infrastructure necessary to usher in a rapid and just clean energy transition. Time is of the essence, and this RFI can act as a catalyst to the coordinated buildout of transmission infrastructure to address the region's clean energy needs, increase system reliability, reduce consumer costs over time, and open the door to a more dynamic electric grid that accommodates new generation and increased electrification of transportation and thermal applications. This RFI and continued coordination among the New England states will also prepare the region to submit successful applications for funding and support from the U.S. Department of Energy ("DOE").

[1] AEE is a national association of businesses that are making the energy we use secure, clean, and affordable. AEE is the only industry association in the United States that represents the full range of advanced energy technologies and services, both grid-scale and distributed. Advanced energy includes energy efficiency, demand response, energy storage, wind, solar, hydro, nuclear, electric vehicles, and more. AEE's membership also includes large buyers of advanced energy technologies pursuing sustainability and clean energy goals.

[2] NECEC leads the just, equitable, and rapid transition to a clean energy future and a diverse climate economy. NECEC is the only organization in the Northeast that covers all of the clean energy market segments, representing the business perspectives of investors and clean energy companies across every stage of development. NECEC members span the broad spectrum of the clean energy industry, including clean transportation, energy efficiency, wind, solar, energy storage, microgrids, fuel cells, and advanced and "smart" technologies.

AEE and NECEC encourage the States to keep the following principles in mind as they consider a coordinated, regional transmission strategy:

1. **Work with Urgency.** The combination of state targets for greenhouse gas reduction and clean energy, the climate crisis, and the lengthy timelines associated with transmission development, require that the States act swiftly and collectively to explore low-cost, efficient, and effective solutions. The infrastructure investment needs identified by Massachusetts in its Decarbonization Roadmap underscore this urgency:

   In order to support decarbonization across the economy in the timeframe required to achieve Net Zero by 2050, new renewable generation and necessary supporting infrastructure must be sited and placed in operation at a pace that is much faster than historic or current levels. Under all scenarios examined, several new, large transmission lines (to the North and to the West) – each of which will take almost a decade to plan, site, and construct – are required in order for Massachusetts to have access to sufficient clean electricity and to maintain system reliability.[3]

   Massachusetts is not unique; each state in the region faces similar challenges to achieving their decarbonization strategies which is why a swift, bold, and collective effort is critical.

2. **Consider a Broad Scope and Allow for Flexibility.** Because an affordable, reliable, and clean energy system requires a diversity of technology solutions (solar, onshore and offshore wind, battery storage, hydro, energy efficiency, demand response, etc.), the States must deploy a transmission strategy that is broad in scope. This means focusing on both onshore and offshore resources, accommodating both large and distributed scale solutions, and considering solutions across the entire New England region. Numerous state and regional studies of New England's decarbonized future identify a diverse resource mix as the most reliable and cost-effective.[4] The States should be mindful of the

[3] Massachusetts Executive Office of Energy and Environmental Affairs, *Massachusetts 2050 Decarbonization Roadmap* (Dec. 2020), available at https://www.mass.gov/doc/ma-decarbonization-roadmap-lower-resolution/download, at 65 ("Massachusetts Decarbonization Roadmap")

[4] *See, e.g.,* Massachusetts Decarbonization Roadmap at 23. ("…even a massive buildout of offshore wind power will not provide enough carbon-free electricity generation to reach Net Zero. To affordably and reliably operate an electricity grid based on variable renewable generation, a balanced portfolio of clean generation technologies shared across a broad geographical region is needed. Together with offshore wind power, the Commonwealth needs a similarly large volume of solar generation deployed on rooftops and on land, additional energy storage, and several new high-voltage transmissions lines to Canada and New York that will allow sharing of low-cost clean energy, including hydropower, with the Commonwealth's neighbors in the Northeast"); The Brattle Group, "Achieving 80% GHG Reduction in New England by 2050" (Sept. 2019), available at https://www.brattle.com/wp-content/uploads/2021/05/17233_achieving_80_percent_ghg_reduction_in_new_england_by_20150_september_201

importance of balancing offshore wind and onshore renewables, and prioritize the most cost-effective and reliable system overall. As the States well know, siting and permitting of any energy infrastructure is incredibly complex, and transmission and distribution system upgrades have faced major barriers in our region. As the States consider strategies to build transmission, they should recognize the need for flexibility and creativity in development approaches and emphasize the need for early community engagement. The States should also manage this RFI with tomorrow's changing grid in mind: beneficial electrification, increasing EV penetration, and the high commodity prices and reliability risks associated with an overdependency on natural gas.

3. **Center Equity.** As discussed below in the response to Question 7, the New England strategy must include the voices of communities that will be impacted by grid infrastructure decisions. To be clear, AEE and NECEC believe that there is an urgent need to build out significant transmission, distribution, and other grid infrastructure to move our economy forward. Success on this front will require engagement with and recognition of the needs of environmental justice communities and we urge the States to incorporate EJ principles in any forthcoming RFP. We also urge the States to focus not only on minimizing the equity and environmental justice impacts of new infrastructure development, but maximizing the economic development benefits and emission reductions that the energy transition will bring, and ensuring that these benefits flow to low and moderate income and environmental justice communities. In addition, it is important to acknowledge that Environmental Justice communities have borne and continue to bear the heaviest burden of our burning of fossil fuels for electricity. The potential impacts on communities adjacent to new transmission should be weighed in relation to the current impacts on communities adjacent to fossil generation, which will continue if the transmission is not built. Furthermore, the fact that every MWh of fossil fuel generation that is displaced represents a benefit for EJ communities should lend additional urgency to our efforts to advance the energy transition.

4. **Provide Clarity and Regional Cohesion.** Individual states have moved forward with important strategies to bring offshore wind, distributed solar, storage, and other resources on-line in ways that have been both exciting and challenging for the clean energy industry. Having the States collectively develop a transmission strategy presents a massive opportunity to establish a consistent and coordinated vision for the region's energy future that will result in lower costs and greater reliability for all New England ratepayers. A clear and coordinated process will enable more robust industry response and a cost-efficient buildout of new renewables and storage and better use of the region's

9.pdf, at 16 (showing that a balanced mix of resources dominated by storage, solar, offshore wind, and gas will be needed to meet New England's 2050 electricity needs).

existing generating fleet while also improving the States' chance to receive funding and support from DOE. AEE and NECEC encourage the States to develop future RFPs in ways that articulate how to tie individual state efforts to a regionally coordinated strategy. Greater clarity from the States will likely yield a more robust and competitive response from industry.

With these principles in mind, AEE and NECEC offer the following responses to select questions from the RFI.

1. Comment on how individual states, Participating States, or the region can best position themselves to access U.S. DOE funding or other DOE project participation options relating to transmission, including but not limited to funding, financing, technical support, and other opportunities available through the federal Infrastructure and Investment Jobs Act; and

AEE and NECEC appreciate the New England states' proactive and coordinated effort to maximize their access to funding and support from the U.S. Department of Energy (DOE) through programs and grants made available by the Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA), which provide significant federal support to help states upgrade, expand, modernize, and increase the resilience of their transmission systems and grid infrastructure. This support includes both formula funding and competitive grants, with opportunities for states, local governments, public utility commissions, microgrid owners, utilities, transmission owners and operators, and more to apply.

States will need to prioritize planning and stakeholder engagement to maximize the potential of these programs for decarbonization, equity, and economic opportunity. AEE and NECEC commend the regional coordination and stakeholder outreach that New England states have already conducted, including the New England Vision process and stakeholder meetings in 2020-2021, engagement with ISO-NE on long-term transmission planning, and collaborative efforts leading up to the issuance of this RFI. These efforts and the plans and information they

have produced form a strong foundation for the states to be successful in securing access to DOE funding and support.

AEE and NECEC urge the New England states to leverage existing individual state plans and regional plans and studies such as those conducted in coordination with ISO-NE; to continue working together through ongoing ISO-NE transmission planning efforts and through this RFI process; and to engage local communities, environmental justice groups, unions, industry, and other stakeholders at every step of the process. In particular, AEE and NECEC encourage the New England states to ensure that individual state goals, roadmaps, and Requests for Proposals (RFPs) be coordinated and harmonized as the states develop regional proposals and applications to DOE. AEE and NECEC further encourage the New England states to consider not only intraregional needs, but regional connectivity to New York and Quebec. We also ask that the states quickly identify and clearly communicate next steps coming out of this RFI so that stakeholders can meaningfully engage and provide continued input. Finally, while AEE and NECEC urge the states to move expeditiously toward submission of joint proposals, we emphasize the importance of presenting DOE with clear and coordinated proposal(s) building off existing regional plans and identified needs over speed of submission. New England has the benefit of already having started the process of coordinated regional long-term planning; seeing existing efforts through and leveraging them in applications for funding and support will be to the region's advantage.

2. Comment on ways to minimize adverse impacts to ratepayers including, but not limited to, risk sharing, ownership and/or contracting structures including cost caps, modular designs, cost sharing, etc.

AEE and NECEC appreciate the multiple challenges associated with paying for the development and construction of transmission assets. We also recognize that a reliable transition

to a decarbonized grid will require considerable investment in transmission and distribution infrastructure to effectively deliver clean energy to load. Transmission costs cannot be viewed in a vacuum or assessed over a short time horizon; rather, the States must recognize that there is a cost of failing to make the necessary grid investments to unlock clean energy and a cost to making these upgrades in an unplanned and piecemeal manner.

Thus, AEE and NECEC recommend a two-part approach to assessing and reducing costs. First, the States should quantify the costs of inaction and the cost savings, decarbonization benefits, reliability improvements, and other ratepayer benefits that will accrue as the result of prudent transmission investments.[5] Second, we encourage the states to work together in a coordinated fashion to (a) contain overall costs; (b) leverage federal funding; and (c) reduce ratepayer exposure.

Overall costs can be contained through holistic planning that anticipates a longer-term future state under which both offshore and onshore clean energy resources are considered. We encourage the States to consider a procurement strategy that leverages competitive bidding in order to stimulate competition on price as well as local economic and community benefits. As discussed above, given the federal government's interest in clean energy and climate mitigation under the IIJA and IRA, the States should work together to seek federal resources to offset and reduce costs that would otherwise be borne by ratepayers.

In keeping with a holistic view, AEE and NECEC encourage the States to look at areas where non-transmission alternatives and grid enhancing technologies may reduce costs while delivering the same benefits to the grid, as discussed in more detail in response to question 9.

[5] The Massachusetts Decarbonization Roadmap finds, under the regional coordination scenario, that "[a]dditional transmission increases access to, and the ability to share, additional low-cost clean energy resources across the Northeast, lowering costs overall." Massachusetts Decarbonization Roadmap at 15.

3. Identify the advantages and disadvantages of utilizing different types of transmission lines, like alternating current (AC) and direct current (DC) options for transmission lines and transmission solutions. Should 1200MW/525kV HVDC lines be a preferred standard in any potential procurement involving offshore transmission lines?

This question raises an opportunity for the state to address a structural problem in transmission planning that limits the efficiency of a coordinated approach. As discussed below, we encourage the states to work with ISO New England to quickly expand the 1,200 MW cap on transmission lines as a prerequisite to any regional procurement strategy outside of this RFI process.

With respect to the states' suggestion that 1200MW/525kV HVDC lines be identified as a preferred standard in any potential procurement involving offshore wind transmission lines, AEE and NECEC recommend that states work with ISO-NE to enable lines with 2,000 MW or more of capacity to move forward. Allowing for higher capacity cables will reduce the number of cables and interconnection points needed to connect the states' planned and future offshore wind procurements and optimize use of available cable routes.

The current 1,200 MW cap on transmission lines to connect offshore wind stems from current ISO-NE operating parameters that could be adjusted without undermining reliability or violating Northeast Power Coordinating Council ("NPCC") reliability requirements. NPCC requires that contingencies must not cause "significant adverse impact" on other reliability coordinator areas.[6] The joint agreement between ISO-NE, NYISO, and PJM for the maximum

[6] NPCC Directory 1, at Table 3. https://www.npcc.org/content/docs/public/program-areas/standards-and-criteria/regional-criteria/directories/directory-01-design-and-operation-of-the-bulk-power-system.pdf

loss of source for a normal design contingency is between 1,200 MW and 2,200 MW.[7] ISO-NE has adopted the lower end of that range as its cap for a single contingency, with its Planning Procedure No. 5-6 (PP5-6: Interconnection Planning Procedure for Generation and ETUs) specifying that new interconnections must be designed such that "no normal design contingency or common mode transmission system, station, or internal plant failure… could result in a net loss of more than 1,200 MW of resources" for facilities in place on or after June 2016.[8]

Given the cost and siting efficiencies of higher capacity lines and the capabilities of networked HVDC transmission with advanced HVDC controls, this limitation should be re-examined. Indeed, offshore wind farms in Europe are being developed with higher interconnection limits, and some facilities in operation in New England prior to June 2016—namely the 2,000 MW Phase II line delivering Canadian hydroelectricity and the 1,244 MW Seabrook Nuclear Power Plant—are allowed to operate over the subsequently adopted 1,200 MW limit.

AEE and NECEC also note that allowing HVDC lines with capacity greater than 1,200 MW as part of an interconnected offshore network will not necessarily result in a contingency greater than 1,200 MW in the event of an outage of one of these lines. Specifically, current HVDC technology allows instantaneous rerouting of power in the event of a fault, such that loss of a single 2,000 MW HVDC line would not result in the loss of 2,000 MW of generating capacity (which already assumes that the associated wind facilities are operating at 100% capacity), but rather a rerouting of whatever power would otherwise have flowed through that

[7] Planning Technical Guide, Jan. 15, 2016, available at https://www.iso-ne.com/static-assets/documents/2016/01/planning_technical_guide_1_15_16.pdf, at 37.

[8] ISO-NE PP5-6, effective date May 6, 2022, available at https://www.iso-ne.com/static-assets/documents/rules_proceds/isone_plan/pp05_6/pp5_6.pdf, at 20.

line to other available networked HVDC lines. The dynamic capability of modern HVDC lines with advanced controls warrants reconsideration of the current 1,200 MW limit, particularly given the benefits of allowing HVDC lines with higher capacity.

8. Comment on any just-transition, environmental justice, equity, and workforce development considerations or opportunities presented by the transmission system buildout and how these policy priorities are centered in decisions to develop future infrastructure;

Centering equity and protecting over-burdened communities in the region's transition to clean energy is non-negotiable. For the clean energy future to work, it must work for everyone. AEE and NECEC commend the states for recognizing this and for providing an opportunity for respondents to comment on this important element of the RFI. Clean energy has the potential to provide many benefits to environmental justice communities including improved air quality, the reduction of the burdens of fossil fuel infrastructure, and access to local, clean energy benefits and associated economic development opportunities, but only if explicit goals are developed and executed through active engagement by all stakeholders. We also recognize that any infrastructure buildout has community impacts that must be considered and planned for to minimize adverse impacts and maximize economic development, health, and other local benefits and to take the needs and concerns of affected communities into account.

In March of 2021, AEE and NECEC submitted comments in support of five key principles for centering equity.[9] We take this opportunity to affirm that these principles should be applied to the States' approach under this RFI. Every EJ strategy must begin with meaningful

[9] These principles were: (1) prioritize equity and justice to avoid further harm to vulnerable populations; (2) put people first in policy, program design, and implementation, starting with broad stakeholder participation, input, and oversight; (3) support partnerships and collaboration; (4) ensure consistent and supportive approaches to promote transparency and predictability and avoid conflicts; (5) prioritize burden reduction of existing infrastructure and ensure that clean energy infrastructure investments do not increase energy burdens in LMI and EJ communities. Comments available at https://newenglandenergyvision.files.wordpress.com/2021/05/northeast-clean-energy-council-advanced-energy-economy-sunrun-and-enel-x-comments.pdf.

stakeholder engagement with local communities. Thus, AEE and NECEC recommend that the States consider requiring any RFP respondent to demonstrate a commitment to authentic local engagement, particularly when it comes to environmental justice and over-burdened communities. Such a commitment should include early engagement with stakeholders that allows for flexibility in any project design, an openness to community feedback, and an identification of local benefits.

The States should strive to minimize the impact of new or expanded infrastructure on EJ and LMI communities and must consider cumulative impacts, both positive and negative, when considering transmission siting and process. States should account for the potential local pollution benefits associated with the displacement of fossil fuel generation with renewable energy, particularly when those benefits are quantifiable and direct.

It is also important to recognize that the States should advance coordinated transmission strategies that unlock onshore clean energy solutions, including utility-scale wind, solar, and hydro as well as distributed energy, energy efficiency, storage, and demand response, all of which can deliver local economic and pollution reduction benefits with proper programs and project design.

9. Comment on how to develop transmission solutions that maximize the reliability and economic benefits of regional clean energy resources.

The most impactful action the states can take to maximize the reliability and economic benefits of regional clean energy resources is to remain committed to a coordinated, regional approach to transmission planning and investment. This RFI, the 2050 transmission study, and other coordinated state actions set a solid foundation in this regard. Continuing this regional

coordination through the process of identifying specific projects and agreeing on an approach to cost allocation will be critical.

Within a successful regional process, the States can take additional steps to maximize the reliability and economic benefits of regional clean energy resources.

First, the States should think comprehensively about both offshore and onshore resources, including demand-side solutions such as energy efficiency, demand response, and distributed energy resources (DERs). A coordinated approach that integrates offshore wind while addressing onshore transmission bottlenecks to unlock cost-effective battery storage and renewable energy, and that facilitates increased demand flexibility, will result in a balanced and reliable portfolio of clean energy resources. While we appreciate the states' specific interest in and focus on transmission for offshore wind given the significant resource potential of offshore wind and the unique and novel challenges presented by the need to interconnect it to the grid, maximizing the reliability and economic benefits of regional clean energy resources will also require onshore distribution and transmission system upgrades as well as continued focus on state programs and ISO-NE market rules to allow full participation by all advanced energy resources.[10]

We particularly emphasize the importance of prioritizing demand-side initiatives such as demand response (DR), demand-side management (DSM), and DERs. DR describes programs designed to encourage end-users to make short-term reductions in energy demand in response to a price signal from the electricity hourly market; responses can be behavioral (self-initiated) or triggered by the utility or grid operator. DSM programs encourage the end user to be more energy efficient. DERs can be clean or traditional onsite customer generation or emergency

[10] For example, continued focus on removing barriers to participation of DERs in ISO-NE markets will be critical. *See* AEE comments in FERC Docket No. ER22-983 (implementation of FERC Order No. 2222).

backup power that can be used to displace load drawn from the electric power grid. DR is generally focused on reducing the demand on the power system in the short term, whereas DSM and DERs are more focused on providing long-term energy supplies, as well as long-term demand reductions and islanding capabilities when the grid is non-operational. Well-designed demand-side initiatives drive meaningful peak reductions and load shifting, which improve grid reliability, reduce or defer the need for transmission and distribution system upgrades, save customers money on their electric bills, and encourage innovation. When paired with real-time data visibility and grid-edge intelligence, programs can achieve new levels of reliability and cost-effectiveness. Further, specific demand-side initiatives can be designed to provide targeted benefits to underserved communities.

Investment in demand side technology spurs further innovation and can reap highly leveraged benefits across the transmission system. Examples of benefits include: (1) maintaining voltage stability; (2) relieving transmission congestion; (3) increasing the flexibility of preventive maintenance scheduling; (4) postponing the required upgrading of electrical power system facilities; (5) balancing energy resources; (6) mitigating the drawbacks posed by the intermittency of renewable energy sources; (7) increasing the flexibility of electrical power system operation; (8) reinforcing integrated resource planning; (9) increasing the utilization of renewable energy sources; (10) reducing the startup and shutdown of thermal units that require excessive starting costs; (11) maintaining the reliability of electrical power systems and reducing the risk of being out of service; (12) avoiding capital costs; (13) increasing efficiency; (14) reducing running costs; (15) enhancing power quality, security and power factor (16) increasing consumer satisfaction (17) improving the market performance of electricity power systems; and finally (18) mitigating environmental damage.

Second, states should ensure consideration of non-traditional transmission infrastructure and grid-enhancing technologies (GETs) to optimize use of existing transmission and ensure cost-effective buildout of new transmission. The region has already taken the important step of advancing a proposal to allow energy storage to be considered as a transmission asset, something the States through NESCOE were pivotal in pushing forward.[11] States should continue to insist that storage be considered as transmission needs are identified and should look for more ways to optimize use of storage to meet a range of system needs. GETs such as dynamic line ratings (DLR) or advanced power flow control (APFC) devices offer transmission providers the opportunity to do more with existing or proposed infrastructure. These technologies provide customers with more efficient and cost-effective solutions while maximizing the utility of limited rights-of-way and potentially avoiding or minimizing environmental and property impacts that can bog down siting and permitting proceedings. APFC also have diverse applications due to their modularity, redeployment capabilities, substation placement flexibility, their capacitive and inductive capabilities, and their cost effectiveness relative to other solutions. Many DLR systems are also modular and can be utilized for a period of time that DLR is beneficial before being redeployed on another line or network area. A line that meets DLR requirements today can later be re-conductored or additional transmission lines can be added to the system to permanently increase capacity. In this way, DLR can complement transmission enhancements and expansion. Ultimately, GETs like APFC and DLR provide an opportunity for enhanced grid efficiency by helping to minimize curtailments of zero marginal cost resources like wind and solar while minimizing congestion costs borne by consumers. APFC and DLR further provide an

[11] ISO-NE Storage as a Transmission Only Asset proposal, approved by NEPOOL Participants Committee on Oct. 10, 2022, https://nepool.com/wp-content/uploads/2022/09/NPC_NOA_20221006.pdf.

opportunity for enhanced grid efficiency by helping to mitigate curtailment and congestion caused by ambient conditions such as wind, which helps avoid transmission losses at times of high resource demand. States should ensure that these technologies are considered in any transmission plan, project, or solicitation.

10. Identify potential Points of Interconnection (POIs) in the ISO-NE control area for renewable energy resources, including offshore wind. What are the benefits and weaknesses associated with each identified POI? To the extent your comments rely on any published ISO-NE study, please cite accordingly;

As the States consider moving forward with a regional transmission RFP, it is important that there be flexibility to consider different points of interconnection for both offshore and land-based generation. Respondents should be encouraged to propose multiple POIs and strategies to maximize grid efficiency, reduce costs, preserve optionality, and to minimize local community disruption, particularly for EJ neighborhoods. To the extent that an RFP identifies potential POIs, the States should still consider alternative solutions that achieve the overall goals of the RFP.

14. Comment on the benefits and/or weaknesses of different ownership structures, such as a consortia of developers with transmission owners or use of U.S. DOE participation as an anchor tenant through its authorizations in the federal Infrastructure and Investment Jobs Act, for new offshore transmission lines;

AEE and NECEC encourage the New England states to allow flexibility for respondents to future RFPs to propose different ownership structures while ensuring that both incumbent- and non-incumbent transmission developers have a fair opportunity to compete. This should include options for transmission developers (both incumbent and non-incumbent) to work with developers as well as the option for participation by DOE as an anchor tenant on new offshore transmission lines. The latter may help to propel transmission projects forward to approval and construction while states conduct competitive solicitations for new generation, avoiding

uncertainty or delay in the transmission buildout and helping to bridge financing gaps for project developers not yet able to enter into agreements to utilize the transmission capacity.

15. Comment on cost allocation mechanisms that would prevent cost-shifting between the states based on their policy goals and ensure that local and regional benefits remain quantifiably distinct. How should any future potential procurement identify and distinguish local, regional, and state-specific benefits (e.g., reliability) such that ratepayers only pay for services that they benefit from?

A fair allocation of costs should start with ensuring that proposed procurements maximize benefits and minimize costs, as described in response to question 9, as well as a comprehensive identification and quantification of all local and regional benefits. One lesson from MISO's recent success in approving a portfolio of new regional transmission projects is the importance of assessing and summing the multiple benefits of the proposed facilities together and comparing those benefits to the costs. MISO considered a broad range of benefits, including fuel and congestion cost savings, avoided local investment, decarbonization, and avoided risk of blackouts. It compared these benefits to the costs on a portfolio-wide basis to determine net benefits to the region, and to broadly allocate the costs of the transmission to those that benefit.[12] This approach delivered a benefit to cost ratio of at least 2-to-1 across all zones—although some zones achieved a higher benefit-to-cost ratio than others.[13] New England states should similarly evaluate a wide range of benefits, which should include but not be limited to: production and congestion cost savings, reliability and resilience (including in winter), avoided investment in generation and local transmission infrastructure, reduced dependence on imported fuels, greenhouse gas reductions and progress on state policy goals, economic development, and

[12] Advanced Energy Economy, "Lessons from MISO on Transmission Planning for a Changing Grid" (Aug. 24, 2022), available at https://blog.aee.net/lessons-from-miso-on-transmission-planning-for-a-changing-grid.

[13] Aubrey Johnson, "Long Range Transmission Planning" (Sept. 30, 2022), available at http://www.raabassociates.org/Articles/Johnson%20Presentation%209.30.22.pdf, at 8.

retirement of fossil fuel-based resources that adversely impact environmental justice communities. Importantly, most of these benefits are relevant even to states that have not set decarbonization and/or offshore wind procurement targets.

While AEE and NECEC support the states' interest in avoiding cost shifts and adhering to the principle of "beneficiary pays" with respect to cost allocation mechanisms, we also emphasize that regional transmission projects will result in lower costs and greater benefits to ratepayers across all New England states than state-by-state approaches. Furthermore, as noted above in response to question 1, working together will best position the states to benefit from DOE funding that will further bring down the cost of regional transmission procurements, reducing the cost burden for all participating states. While states should certainly endeavor to arrive at the most accurate and fair allocation of costs, they should not allow this effort to undermine progress toward regional solutions.

16. Comment on the benefits and/or weaknesses of using a public-private partnership that might include one or more states or U.S. DOE as part owners with private developers or other sources; and

AEE and NECEC again emphasize the importance of allowing flexibility with respect to ownership structures, including public-private partnerships involving states and/or DOE, as well as ownership by both incumbent- and non-incumbent transmission developers. Flexibility in the context of a transparent and competitive process will allow respondents to a future RFP to identify the best solutions from a technical, policy, and commercial standpoint, which will ultimately maximize benefits to ratepayers.

Conclusion.

AEE and NECEC appreciate the opportunity to provide these comments to the questions raised by New England states in this RFI. We are encouraged by this process and urge the states

to move swiftly to develop and implement a coordinated transmission strategy. As the states move forward, AEE and NECEC recommend continued dialog with stakeholders and a clear articulation of the legal and regulatory mechanisms that will be relied upon to advance a regional procurement strategy. We look forward to staying engaged in the process.

Respectfully Submitted,

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