

# HOUSE . . . . . No. 4348

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## The Commonwealth of Massachusetts

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HOUSE OF REPRESENTATIVES, January 24, 2022.

The committee on Telecommunications, Utilities and Energy to whom was referred the message from His Excellency the Governor recommending legislation relative to power Massachusetts's clean energy economy (accompanied by bill, House, No. 4204), the petition (accompanied by bill, Senate, No. 2227) of Marc R. Pacheco and Michael D. Brady for legislation to expand offshore wind development in the Commonwealth, the petition (accompanied by bill, House, No. 3294) of Carolyn C. Dykema and others relative to the innovation and local investment in the green economy, the petition (accompanied by bill, House, No. 3302) of Dylan A. Fernandes and others relative to the offshore wind industry, workforce development, fisheries and environmental protection, the petition (accompanied by bill, House, No. 3310) of Thomas A. Golden, Jr., and Patricia A. Haddad relative to making appropriations for the investment in and expansion of the offshore wind industry, the petition (accompanied by bill, House, No. 3313) of Thomas A. Golden, Jr., and Joanne M. Comerford relative to customer access to a modern electric grid, the petition (accompanied by bill, House, No. 3328) of Bradley H. Jones, Jr., Mathew J. Muratore and Steven S. Howitt relative to energy storage, reports recommending that the accompanying bill (House, No. 4348) ought to pass [Senator Tarr dissents].

For the committee,

JEFFREY N. ROY.

**HOUSE . . . . . No. 4348**

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The Commonwealth of Massachusetts

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**In the One Hundred and Ninety-Second General Court  
(2021-2022)**  
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An Act advancing offshore wind and clean energy.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. Chapter 23 of the General Laws is hereby amended by adding the following  
2 section:-

3           Section 26. For the purpose of promoting access to academic and technical skills that  
4 prepare the workforce for high-skilled, high-wage and high-demand occupations in the  
5 Commonwealth, the executive office of labor and workforce development shall provide the  
6 department of elementary and secondary education, annually, not later than February 1, with a  
7 list of occupations in high-skilled, high-demand and high-wage industries in Massachusetts,  
8 including the related workforce needs and shortages in each region, that require an industry-  
9 recognized certification or and industry for which such certification would materially enhance a  
10 job applicant’s chances for employment or enhanced compensation. The list shall be based on  
11 employment value, with the top 20 percent of occupations deemed occupations of high  
12 employment value, provided, however, that no occupation shall be included on the list which has  
13 an annual salary or wage less than 70 percent of the average annual salary or wage in the  
14 Commonwealth, unless the certification for such an occupation is stackable to another industry

15 certification and required for the next level of occupation. The executive office of labor and  
16 workforce development shall work in consultation with the department of elementary and  
17 secondary education for the purposes of making the list available to all school districts in the  
18 Commonwealth and the public. Information provided to the department of elementary and  
19 secondary education shall include, but shall not be limited to, recommendations on potential  
20 courses and programming in public schools that can effectively contribute to providing  
21 credentials in the top 20 percent of occupations in high-skilled, high-demand and high-wage  
22 industries in the Commonwealth.

23 SECTION 2. Section 1 of chapter 23J of the General Laws, as appearing in the 2018  
24 Official Edition, is hereby amended by adding after the definition of “fund” the following  
25 definition:-

26 “Offshore wind company”, a business corporation, partnership, firm, unincorporated  
27 association or other entity engaged in offshore wind development, manufacturing or  
28 commercialization in the commonwealth and any affiliate thereof, which is, or the members of  
29 which are, subject to taxation under chapter 62, 63, 64H or 64I.

30 “Offshore wind organization,” a non-profit institution, adult and community learning  
31 service provider, labor organization, regional employment board, public higher education  
32 institution, vocational-technical education institution or other entity engaged in offshore wind  
33 development that does not satisfy the definition of offshore wind company.

34 SECTION 3. Section 2 of said chapter 23J, as so appearing, is hereby amended by  
35 striking out subsection (b) and inserting in place thereof the following subsection:

36 (b) The center shall be governed and its corporate powers exercised by a board of  
37 directors consisting of 14 directors: 1 of whom shall be the secretary of energy and  
38 environmental affairs or their designee, who shall serve as a chair; 1 of whom shall be the  
39 secretary of housing and economic development or their designee; 1 of whom shall be the  
40 secretary of administration and finance or their designee; 1 of whom shall be the secretary of  
41 labor and workforce development or their designee; 1 of whom shall be the president of the  
42 University of Massachusetts or their designee; 1 of whom shall be the executive director of the  
43 Massachusetts Workforce Alliance; 1 of whom shall be the commissioner of the department of  
44 energy resources; 2 of whom shall be appointed by the Speaker of the Massachusetts House of  
45 Representatives, 1 of whom shall be a union representative; 2 of whom shall be appointed by the  
46 President of the Massachusetts Senate, 1 of whom shall have knowledge of electricity  
47 distribution, generation, supply or power marketing; and 3 of whom shall be appointed by the  
48 governor, 1 of whom shall be a venture capitalist or a chief executive officer of a Massachusetts-  
49 based clean energy corporation with expertise in clean energy technologies in the  
50 commonwealth, 1 of whom shall be the president of a Massachusetts community college or their  
51 designee, and 1 of whom shall be the president of a private college or university or their  
52 designee. Each of the 3 directors appointed by the governor, the two directors appointed by the  
53 Speaker of the Massachusetts House of Representatives and, and the two directors appointed by  
54 the President of the Massachusetts Senate shall serve for a term of 5 years. A director shall be  
55 eligible for reappointment. A director may be removed from their appointment by the governor  
56 for cause. A person appointed to fill a vacancy in the office of an appointed director of the board  
57 shall be appointed in a like matter and shall serve for only the unexpired term of the director.

58 SECTION 4. Said section 2 of said chapter 23J is hereby further amended, in line 66, by  
59 striking out the word “Six” and inserting in place thereof the following word:- Seven.

60 SECTION 5. Section 3 of said chapter 23J of the General Laws, as appearing in the 2018  
61 Official Edition, is hereby amended by inserting the following new paragraph:-

62 (32) to serve as a focal point, and provide state-wide coordination, for offshore wind  
63 initiatives; provided, however, that said responsibilities may include, but not be limited to: (i)  
64 working with public and private higher education institutions in the commonwealth to coordinate  
65 and strengthen offshore wind research activities in the commonwealth; (ii) strengthening  
66 collaborative research and development between universities and companies located within the  
67 commonwealth, (iii) addressing critical barriers facing offshore wind companies in the  
68 commonwealth; (iv) assessing and reporting on infrastructure requirements that support the  
69 growing offshore wind industry in the commonwealth; (v) supporting and growing an offshore  
70 wind supply chain in the commonwealth; (vi) supporting and developing offshore wind training  
71 initiatives; and (vii) supporting and growing offshore wind innovation and entrepreneurship in  
72 the commonwealth.

73 SECTION 6. Said chapter 23J of the General Laws, as so appearing in the 2018 Official  
74 Edition, is hereby further amended by adding after section 8 the following new section:-

75 Section 8A. (a) There shall be established and placed within the center a commonwealth  
76 offshore wind industry investment program which shall be administered by the center. The  
77 purpose of the program shall be to develop and expand offshore wind industry-related  
78 employment opportunities in the commonwealth and to promote renewable energy-related  
79 innovations and economic development benefits to the commonwealth by supporting and

80 stimulating siting, development, manufacturing and commercialization in the offshore wind  
81 industry. Offshore wind companies certified pursuant to subsection (b) and offshore wind  
82 organizations certified pursuant to subsection (c) shall be eligible for participation in the  
83 program.

84 (b) The center may, upon a majority vote of the board, certify an offshore wind company  
85 as a certified offshore wind company upon: (i) the timely receipt, as determined by the center, of  
86 a certification proposal supported by independently verifiable information, signed under the  
87 pains and penalties of perjury by a person expressly authorized to contract on behalf of the  
88 offshore wind company and which shall include, but not be limited to: (A) an estimate of the  
89 projected new state revenue the offshore wind company expects to generate during the period for  
90 which the company seeks certification, together with a plan, including precise goals and  
91 objectives, by which the offshore wind company proposes to achieve the projected new state  
92 revenue; and (B) documentation of an agreement, if any, between the offshore wind company  
93 and banking institutions with which the offshore wind company shall have agreed to establish  
94 accounts and by which the banking institutions shall have agreed to commit a specified  
95 percentage of the funds deposited in the accounts for loans made thereby to companies under the  
96 small business capital access program established pursuant to section 57 of chapter 23A; and (ii)  
97 findings made by the center, based on the certification proposal, documents submitted therewith  
98 and any additional investigation by the center, and incorporated in its approval, that: (A) the  
99 offshore wind company shall meet all statutory requirements and any other criteria that the center  
100 may prescribe including, but not limited to criteria in the following areas: the offshore wind  
101 company's potential for leveraging additional funding or attracting additional resources to the  
102 commonwealth; the offshore wind company's potential to promote offshore wind manufacturing

103 in the commonwealth; and the offshore wind company's potential to create employment in the  
104 commonwealth; and (B) a certified offshore wind company shall meet the new state revenue and  
105 employment growth projections, as specified in the certification proposal, over the period for  
106 which it receives benefits.

107 (c) The center may additionally certify an offshore wind organization and shall establish  
108 similar requirements for the certification of an offshore wind organization as required by  
109 subsection (b) of section 8A, providing that the requirements may take into account differences  
110 between offshore wind companies and organizations, and differences between different types of  
111 offshore wind organizations.

112 (d) A certified offshore wind company or certified offshore wind organization may, upon  
113 a majority vote of the board or governing body, be eligible for the following benefits which shall  
114 be awarded by the board on a competitive basis: (1) benefits from the offshore wind tax incentive  
115 program established by subsection (e); (2) grants, loans or other investments over \$5,000,000  
116 from the Massachusetts Offshore Wind Industry Investment Fund established by section 9A; (3)  
117 assistance from the center in accessing economic incentive programs within the Massachusetts  
118 office of business development, including access to the technical, human, financial, training,  
119 educational and site-finding resources necessary to expand or locate in the commonwealth; (4)  
120 assistance from the center in obtaining federal grants; (5) preference for pre-permitted industrial  
121 land as identified by the Massachusetts Development Finance Agency.

122 (e) There shall be established an offshore wind industry tax incentive program. The  
123 center, in consultation with the department, may annually authorize incentives, including those  
124 established in subsection (w) of section 6 of chapter 62 and section 38II of chapter 63, that shall

125 not exceed \$30,000,000 annually. The center may, in consultation with the department, limit any  
126 incentive to a specific dollar amount or time duration or in any other manner deemed appropriate  
127 by the department; provided, however, that the department shall only allocate any such  
128 incentives among commonwealth certified offshore wind companies pursuant to subsection (b)  
129 and shall award such tax incentives pursuant to subsection (d). The center shall establish similar  
130 requirements as required by this section to provide said tax incentive program to offshore wind  
131 organizations, providing that the requirements may take into account differences between  
132 offshore wind companies and organizations, and differences between different types of offshore  
133 wind organizations.

134 The center shall provide an estimate to the secretary of administration and finance of the  
135 tax cost of extending benefits to a proposed project before certification, as approved by the  
136 commissioner of revenue, based on reasonable projections of project activities and costs. Tax  
137 incentives shall not be available to a certified offshore wind company or offshore wind  
138 organization unless expressly granted by the secretary of administration and finance in writing.

139 (f)(1) Certification granted pursuant to subsection (b) and (c) shall be valid for 5 years  
140 starting with the tax year in which certification is granted. Each certified offshore wind company  
141 shall file an annual report with the center detailing whether it has met the specific targets  
142 established in the proposal pursuant to subclause (A) of clause (i) of subsection (b). Each  
143 certified offshore wind organization shall be governed by any reporting requirements required by  
144 the center pursuant to subsection (c).

145 (2) The certification of an offshore wind company may be revoked by the center after an  
146 independent investigation and determination that representations made by the certified offshore



147 wind company in its certification proposal are materially at variance with the conduct of the  
148 offshore wind company after receiving certification; provided, however, that the center shall  
149 review the certified offshore wind company at least annually; provided, further, that a project  
150 with an actual return on investment that is less than 70 per cent of the return on investment  
151 projected in the certification proposal shall be deemed to contain a material variance for a  
152 revocation determination. If the center determines not to revoke certification upon a finding that  
153 the actual return on investment for the project is less than 70 per cent, the center shall provide its  
154 reasons for the decision in writing to the secretary of administration and finance, the  
155 commissioner of revenue and the clerks of the house of representatives and the senate, who shall  
156 forward the same to the house and senate committees on ways and means, the joint committee on  
157 revenue, the joint committee on telecommunications, utilities and energy, and the joint  
158 committee on economic development and emerging technologies. The center shall post these  
159 reasons on the internet for public access. The center shall establish similar requirements for the  
160 revocation of the certification of an offshore wind organization as required by this section,  
161 providing that the requirements may take into account differences between offshore wind  
162 companies and organizations, and differences between different types of offshore wind  
163 organizations.

164 (3) Under this subsection, revocation shall take effect on the first day of the tax year in  
165 which the center determines that a material variance commenced. The commissioner of revenue  
166 shall, as of the effective date of the revocation, disallow any credits, exemptions or other tax  
167 benefits allowed by the original certification of tax benefits under this section. The department  
168 shall issue regulations to recapture the value of any credits, exemptions or other tax benefits  
169 allowed by the certification under this section. If the original certification allowed sales and use

170 tax exemptions the purchaser shall accrue use tax as of the date of revocation on a portion of the  
171 sales price on which exemption was claimed that is proportionate to the remaining useful life of  
172 the property.

173 (4) Nothing in this subsection shall limit any legal remedies available to the  
174 commonwealth against any certified offshore wind company or certified offshore wind  
175 organization.

176 (g) Capital funding provided to a certified offshore wind company may be revoked only  
177 by the center after an independent investigation and determination that representations made by  
178 the offshore wind company in its certification proposal are materially at variance with the  
179 conduct of the offshore wind company after certification; provided, further, that an offshore wind  
180 company generating less than 70 per cent of the projected new state revenue in the certification  
181 proposal shall be deemed to contain a material variance for the purposes of a revocation  
182 determination. If the center does not revoke certification despite said material variance, the  
183 center shall provide its reasons for the decision in writing to the secretary of administration and  
184 finance, the commissioner of revenue and the clerks of the house of representatives and the  
185 senate, who shall forward the same to the house and senate committees on ways and means, the  
186 joint committee on bonding, capital expenditures and state assets, the joint committee on  
187 telecommunications, utilities and energy, and the joint committee on economic development and  
188 emerging technologies. A notice of revocation under this subsection shall specify the date on  
189 which the revocation is effective, which shall be the date of the notice or the date on which the  
190 center determined that the material variance commenced. The secretary of administration and  
191 finance shall, as of the effective date of the revocation, disallow any loans, grants or other  
192 benefits allowed by the original certification under this section. The center shall establish similar

193 requirements as required by this section for the revocation of capital funding provided to a  
194 certified offshore wind organization provided that the requirements may take into account  
195 differences between offshore wind companies and organizations, and differences between  
196 different types of offshore wind organizations. The department may issue regulations to  
197 recapture any grants or loans allowed by the certification under this section.

198 (h) The center shall revoke the certification of an offshore wind company when  
199 independent investigations conducted in 2 consecutive years determine that representations made  
200 by the offshore wind company in its project proposal are deemed materially at variance, pursuant  
201 to paragraph (2) of subsection (f) or subsection (g). The center shall establish similar  
202 requirements as required by this section for the revocation of the certification of an offshore  
203 wind organization provided that the requirements may take into account differences between  
204 offshore wind companies and organizations, and differences between different types of offshore  
205 wind organizations.

206 SECTION 7. Said chapter 23J of the General Laws, as amended by section 13 of chapter  
207 102 of the acts of 2021, is hereby amended by striking section 9A and inserting in place thereof  
208 the following section:-

209 Section 9A. (a) There shall be established and placed within the center a fund to be  
210 known as the Massachusetts Offshore Wind Industry Investment Fund, hereinafter in this section  
211 referred to as the fund, to be held by the center separate and apart from its other funds. The fund  
212 shall be credited any appropriations, bond proceeds or other monies authorized by the general  
213 court and specifically designated to be credited thereto. The fund may also be credited such  
214 additional funds as are subject to the direction and control of the center, any pension funds,

215 federal grants or loans, royalties or private investment capital which may properly be applied in  
216 furtherance of the objectives of the fund, any proceeds from the sale of qualified investments  
217 secured or held by the fund, any fees and charges imposed relative to the making of qualified  
218 investments as defined by the center, secured or held by the fund and any other monies which  
219 may be available to the center for the purposes of the fund from any other source or sources. Any  
220 revenues, deposits, receipts, or funds received through the receipt of royalties, interest,  
221 dividends, or the sale of equity instruments shall be deposited in the fund, and shall be available  
222 to the center for the purposes described in this section, without further appropriation. All  
223 available monies in the fund that are unexpended at the end of each fiscal year shall not revert to  
224 the General Fund and shall be available for expenditure in the subsequent fiscal year.

225 (b) The center shall invest and reinvest the fund and the income thereof only as follows:  
226 (1) making qualified equity investments pursuant to subsection (c); (2) investing funds not  
227 required for immediate disbursement in the purchase of such securities as may be lawful  
228 investments for fiduciaries in the commonwealth; (3) paying binding obligations associated with  
229 such qualified investments which shall be secured by the fund as the same become payable; and  
230 (4) paying principal or interest on qualified investments secured by the fund or paying any  
231 redemption premium required to be paid when such qualified investments shall be redeemed  
232 prior to maturity; provided, however, that monies in the fund shall not be withdrawn at any time  
233 in such an amount as would reduce the amount of the fund to less than the minimum requirement  
234 thereof established by the board, except for the purpose of paying binding obligations associated  
235 with qualified investments which shall be secured by the fund as the same become payable.

236 (c) The fund shall be held and applied by the center, subject to the approval of the board,  
237 to make investments, grants, research and other funding and loans designed to advance the

238 following public purposes for the offshore wind industry in the commonwealth: (1) to stimulate  
239 increased financing for the siting and expansion of permanent offshore wind manufacturing  
240 facilities in the commonwealth by providing financing for the construction or expansion of such  
241 new facilities; (2) to provide funds for up to 50 percent of costs incurred by a certified offshore  
242 wind company interconnecting an offshore wind project or projects to the power grid, subject to  
243 a matching requirement by a certified offshore wind company, provided further, that said  
244 matching requirement may be increased in relation to the overall costs incurred; (3) to promote  
245 offshore wind innovation; (4) to promote manufacturing activities for new or existing advanced  
246 technologies and offshore wind research (5) to provide funds for the revitalization and  
247 infrastructure for ports in the commonwealth to support the offshore wind industry in the  
248 commonwealth; (6) to provide workforce training to prepare individuals for offshore wind  
249 careers as follows: (i) to public higher education institutions and vocational-technical education  
250 institutions for the adoption of basic safety training and basic technical training programs;  
251 provided, however, that the center shall prioritize awards to institutions seeking accreditation in  
252 internationally recognized training standards, including, but not limited to, standards developed  
253 by the Global Wind Organisation; (ii) to public higher education institutions and vocational-  
254 technical education institutions for the development, expansion and promotion of offshore wind  
255 professional certificate programs and courses tailored to careers in the offshore wind energy  
256 industry for students in associate and baccalaureate degree programs; (iii) to adult and  
257 community learning service providers, labor organizations, public higher education institutions  
258 including Quincy College and vocational-technical education institutions for the sponsorship of  
259 award, scholarship and paid internship programs to support the education and training of  
260 individuals seeking careers in the offshore wind energy industry; provided, however, that the

261 center shall prioritize the promotion of careers in the skilled trades, water transportation,  
262 operations and maintenance and other occupations that the center identifies as high priority; and  
263 (iv) to regional employment boards to develop a regional strategy to support the development of  
264 the offshore wind energy industry and to publish their findings as an addendum to their  
265 workforce development blueprints; (7) leveraging funds to secure future federal funding to  
266 support the offshore wind energy industry in the commonwealth; (8) to provide funding for  
267 development, coordination and marketing of higher education programs; (9) to provide funding  
268 for site remediation, preparation and ancillary infrastructure improvement projects to support the  
269 offshore wind industry in the commonwealth; (10) the administration of the Massachusetts  
270 offshore wind industry investment program established in section 8A; and (11) to otherwise  
271 further the public purposes set forth herein.

272 (d) The center shall make no such qualified investment pursuant to clause (1) of  
273 subsection (b) unless: (1) said investment has been approved by a majority vote of the board; (2)  
274 for qualified investments over \$5 million, the recipient is a certified offshore wind industry  
275 company or a certified offshore wind organization pursuant to section 8A; (3) the center finds, to  
276 the extent possible, that a definite benefit to the commonwealth's economy may reasonably be  
277 expected from said qualified investment; provided, further, that in evaluating a request or  
278 application for funding, the center shall consider the following: (i) the appropriateness of the  
279 project; (ii) whether the project has significant potential to expand employment; (iii) the project's  
280 potential to enhance technological advancements; (iv) the project's potential for leveraging  
281 additional funding or attracting resources to the commonwealth; and (v) the project's potential to  
282 promote manufacturing in the commonwealth; (4) to the extent said investment is a capital  
283 investment over \$5 million in a project or program owned or operated by a private institution, the

284 investment has been approved by the secretary of the executive office of administration and  
285 finance upon request of the center; provided, however, that said request shall be submitted to the  
286 secretary in writing and shall, include but not be limited to: (i) a description of the project or  
287 program to be funded; (ii) the economic benefits to the commonwealth which can reasonably be  
288 expected from said project or program; (iii) a copy of the proposed contract or other document  
289 executing the transaction between the center and the recipient of the funds; (iv) a description of  
290 the contractual or other legal remedies available to the center upon non-performance of the  
291 contract or other document executing the transaction by the recipient including, but not limited  
292 to, any provisions for restitution or reimbursement of the funds granted, loaned or otherwise  
293 invested in or with the recipient; and (v) any other information as the secretary may determine;  
294 and (5) said qualified investment conforms with the rules approved by the board.

295 Said rules shall set the terms and conditions for investments which shall constitute  
296 qualified investments including, but not limited to, loans, guarantees, loan insurance or  
297 reinsurance, equity investments, grants awarded pursuant to clause (3) of subsection (c), other  
298 financing or credit enhancing devices, as established by the center directly or on its own behalf  
299 or in conjunction with other public instrumentalities, or private institutions or the federal  
300 government. Said rules shall provide that qualified investments made pursuant to clauses (1) and  
301 (2) of said subsection (c) shall involve a transaction with the participation of at least 1 at-risk  
302 private party.

303 Said rules shall establish the terms, procedures, standards and conditions which the center  
304 shall employ to identify qualified applications, process applications, make investment  
305 determinations, safeguard the fund, advance the objective of increasing employment  
306 opportunities, oversee the progress of qualified investments and secure the participation of other

307 public instrumentalities, private institutions or the federal government in such qualified  
308 investments. Said rules shall provide for negotiated intellectual property agreements between the  
309 center and a qualified investment recipient which shall include the terms and conditions by  
310 which the fund's support may be reduced or withdrawn.

311 (e) The center may solicit investments by private institutions or investors in the activities  
312 of the fund and may reach agreements with such private institutions or investors regarding the  
313 terms of any such investments including, but not limited to, the rights of such investors to  
314 participate in the income or appropriation of the fund. To further the objective of securing  
315 investments by private institutions or investors in the activities of the fund pursuant to the  
316 preceding sentence, the center may develop a proposal creating a separate investment entity  
317 which shall permit the commingling of the fund's resources with the maximum participation by  
318 such private institutions or investors in a manner consistent with the public purpose of the fund  
319 and under the terms and conditions established to protect and preserve the assets of the fund.

320 (f) Copies of the approved rules, and any modifications, shall be submitted to the clerks  
321 of the house of representatives and the senate, who shall forward the same to the house and  
322 senate committees on ways and means and the joint committee on economic development and  
323 emerging technologies.

324 (g) Qualified investment transactions made by the center pursuant to this section shall  
325 not, except as specified in this chapter, be subject to chapter 175, or any successor thereto, and  
326 shall be payable solely from the Massachusetts Offshore Wind Industry Investment Fund  
327 established by this section and shall not constitute a debt or pledge of the full faith and credit of  
328 the commonwealth, the center or any subdivision of the commonwealth.



329 (h) The center shall not make expenditure from or commitment of the assets of the fund  
330 including, but not limited to, the making of qualified investments secured by the fund, if  
331 following the making of said qualified investment, the amount of the fund shall be less than the  
332 minimum requirement established by the board.

333 SECTION 8. Chapter 23J, as amended by chapter 24 of the acts of 2021, is hereby  
334 amended by striking out section 14.

335 SECTION 9. Section 20 of chapter 25 of the General Laws, as appearing in the 2018  
336 Official Edition, is hereby amended by striking out subsection (a) and inserting in place thereof  
337 the following subsection:

338 (a) The department shall require a mandatory charge of 14.65 mill per therm for all  
339 natural gas customers and a mandatory charge of 1.5 mill per kilowatt-hour for all electricity  
340 consumers, except those served by a municipal lighting plant which does not supply generation  
341 service outside its own service territory or does not open its service territory to competition at the  
342 retail level, to support the development and promotion of renewable energy projects. The  
343 revenues generated by the mandatory charges shall be deposited into the Massachusetts  
344 Renewable Energy Trust Fund, established under section 9 of chapter 23J, and the Massachusetts  
345 Offshore Wind Industry Investment Fund, established under section 9A of chapter 23J, in the  
346 following manner: (i) the revenues generated by a portion of the mandatory charge for electricity  
347 customers equaling 0.5 mill per kilowatt-hour shall be deposited to the Massachusetts Renewable  
348 Energy Trust Fund; and (ii) the revenues generated by a portion of the mandatory charge for  
349 electricity customers equaling 1.0 mill per kilowatt-hour, and all revenues generated by the

350 mandatory charge for natural gas customers, shall be deposited to the Massachusetts Offshore  
351 Wind Industry Investment Fund.

352 SECTION 10. Section 6 of chapter 62 of the General Laws, as so appearing, is hereby  
353 amended by inserting the following new subsection:-

354 (w)(1) A taxpayer, to the extent authorized by the offshore wind tax incentive program  
355 established in section 8A of chapter 23J, may be allowed a refundable jobs credit against the tax  
356 liability imposed under this chapter in an amount determined by the Massachusetts Clean Energy  
357 Center in consultation with the department.

358 (2) A taxpayer taking a credit under this subsection shall commit to the creation  
359 of a minimum of 50 net new permanent full-time positions in the commonwealth.

360 (3) A credit allowed under this subsection shall reduce the liability of the  
361 taxpayer under this chapter for the taxable year. If a credit claimed under this subsection by a  
362 taxpayer exceeds the taxpayer's liability as otherwise determined under this chapter for the  
363 taxable year, 90 per cent of such excess credit, to the extent authorized by the offshore wind tax  
364 incentive program shall be refundable to the taxpayer. Excess credit amounts shall not be carried  
365 forward to other taxable years.

366 (4) The department shall issue the refundable portion of the jobs credit without further  
367 appropriation and in accordance with the cumulative amount, including the current year costs of  
368 incentives allowed in previous years, which shall not exceed \$30,000,000 annually as set forth in  
369 subsection (e) of said section 8A of said chapter 23J.

370 SECTION 11. Chapter 63 of the General Laws, as so appearing, is hereby amended by  
371 inserting after section 38HH the following new section:-

372 Section 38II. (a)(1) A taxpayer, to the extent authorized by the offshore wind tax  
373 incentive program established in section 8A of chapter 23J, may be allowed a refundable jobs  
374 credit against the tax liability imposed under this chapter in an amount determined by the  
375 Massachusetts Clean Energy Center in consultation with the department.

376 (2) A taxpayer taking a credit under this subsection shall commit to the creation  
377 of a minimum of 50 net new permanent full-time positions in the commonwealth.

378 (3) A credit allowed under this subsection shall reduce the liability of the taxpayer under  
379 this chapter for the taxable year. If a credit claimed under this subsection by a taxpayer exceeds  
380 the taxpayer's liability as otherwise determined under this chapter for the taxable year, 90 per  
381 cent of such excess credit, to the extent authorized by the offshore wind tax incentive program  
382 shall be refundable to the taxpayer. Excess credit amounts shall not be carried forward to other  
383 taxable years.

384 (4) The department shall issue the refundable portion of the jobs credit without  
385 further appropriation and in accordance with the cumulative amount, including the current year  
386 costs of incentives allowed in previous years, which shall not exceed \$30,000,000 annually as set  
387 forth in subsection (e) of said section 8A of said chapter 23J.

388 SECTION 12. Chapter 164 of the General Laws is hereby amended by inserting after  
389 section 92A the following section:-

390 Section 92B. (a) The department of public utilities shall direct distribution companies, as  
391 that term is defined in section 1 of chapter 164 of the General Laws, to develop plans to  
392 proactively upgrade the transmission and distribution grid to improve grid reliability and  
393 resiliency; increase customer access to renewable and distributed energy resources, as those  
394 terms are defined in said section 1 of said chapter 164; and accelerate the commonwealth's  
395 progress toward transportation electrification, building electrification, and decarbonization, as  
396 required in chapter 21N.

397 (b) Plans developed by the distribution companies under this section shall describe in  
398 detail how such plans address each of the following elements: (i) improvements to the electric  
399 transmission or distribution system to improve system resiliency and address potential weather-  
400 and disaster-related risks; (ii) the availability and suitability of new technologies such as smart  
401 inverters, controllable load, advanced metering and telemetry, and energy storage for meeting  
402 forecasted reliability and resiliency needs; (iii) patterns and forecasts of distributed energy  
403 resource adoption in the company's territory, and upgrades that would facilitate increased  
404 adoption of such technologies; (iv) improvements to the transmission or distribution system that  
405 will align with customer preferences for access to renewable energy resources; (v) improvements  
406 to the transmission or distribution system that will facilitate transportation or building  
407 electrification; (vi) improvements to the distribution system to facilitate achievement of the  
408 commonwealth's emissions limits as defined in chapter 21N. For all proposed investments, the  
409 distribution utilities shall identify customer benefits associated with the investments including,  
410 but not limited to, facilitation of the electrification of buildings and transportation and integration  
411 of distributed energy resources.

412 (c) In developing such plans, the distribution companies shall consider and include a  
413 summary of related investments that have been reviewed or approved by the department  
414 previously.

415 (d) In developing such plans, the distribution companies shall solicit inputs, such as  
416 planning scenarios and modeling, from the Grid Modernization and Planning Council established  
417 in subsection (f), and conduct technical conferences and a minimum of two stakeholder meetings  
418 to inform the public, appropriate state agencies, and companies engaged in the development and  
419 installation of distributed generation, energy storage, vehicle electrification systems, and  
420 building electrification systems.

421 (e) The distribution companies shall submit their respective plans for approval and  
422 comment to the Grid Modernization and Planning Council established in subsection (g) by  
423 December 31, 2022 and every three years thereafter. The distribution companies shall submit  
424 their respective plans, together with the council's approval or comments and a statement of any  
425 unresolved issues, to the department every 3 years on or before June 30. The department shall  
426 promptly consider the plans and shall provide an opportunity for interested parties to be heard in  
427 a public hearing. The department shall approve within 6 months of submittal all prudent  
428 investments proposed in such plans and shall issue a final order directing the companies to  
429 implement all approved investments of such plans. The companies shall be permitted to recover  
430 all prudently incurred costs for implementing such plans as approved by the department through  
431 electric distribution rates.

432 (f) Plans developed by the distribution companies under this section shall propose  
433 discrete, specific, enumerated investments to the transmission and distribution system that will

434 facilitate grid modernization, greater reliability and resiliency, increased customer access to  
435 distributed energy resources, increased transportation electrification, and increased building  
436 electrification, in order to meet the commonwealth's decarbonization targets and subsector  
437 emissions limits pursuant to chapter 21N. The distribution companies shall submit biannual  
438 reports to the department to report on the deployment of approved investments and any other  
439 performance metrics included in the approved plans.

440 (g) There shall be a Grid Modernization and Planning Council to consist of the  
441 commissioner of the department of energy resources, or a designee, who shall serve as chair; the  
442 attorney general, or a designee; the commissioner of the department of environmental protection,  
443 or a designee; 10 additional members appointed by the Governor: 1 of whom shall be a  
444 representative of residential consumers, 1 of whom shall be a representative of the low-income  
445 weatherization and fuel assistance program network, 1 of whom shall be a representative of the  
446 environmental community, 1 of whom shall be a representative of transmission scale (>20 MW)  
447 renewable energy industry, 1 of whom shall be a representative of distributed generation (<5  
448 MW) renewable energy industry, 1 of whom shall be a representative of the energy storage  
449 industry, 1 of whom shall be a representative of the electric vehicle industry, 1 of whom shall be  
450 a representative of the building electrification industry, 1 of whom shall be a representative of  
451 municipal interests or a regional public entity, and 1 of whom shall be a representative of  
452 businesses, including large commercial and industrial end users; and 1 non-voting ex-officio  
453 member from each of the electric distribution companies operating in the commonwealth.  
454 Members shall serve for terms of 3 years and may be reappointed.

455 (h) The council shall seek to encourage investments in the electric transmission and  
456 distribution systems that will facilitate the achievement of the greenhouse gas emission limits

457 mandated in chapter 21N and increase transparency and stakeholder engagement in the grid  
458 planning process. The council shall review and approve Grid Modernization and Planning  
459 proposals and budgets that will enable cost-effective interconnection of distributed and  
460 transmission-scale renewable energy resources, facilitate electrification of buildings and  
461 transportation, improve grid reliability and resiliency, and reduce impacts on and provide  
462 benefits for environmental justice populations and communities. Approval of Grid  
463 Modernization and Planning Plans and budgets shall require a two-thirds majority vote.

464 (i) The council may retain expert consultants, provided, however, that such consultants  
465 shall not have any contractual relationship with an electric distribution company operating in the  
466 commonwealth or any affiliate of such company. The board shall annually submit to the  
467 department a proposal regarding the level of funding required for the retention of expert  
468 consultants and reasonable administrative costs. The proposal shall be approved by the  
469 department either as submitted or as modified by the department. The department shall allocate  
470 funds sufficient for these purposes from the Grid Modernization Plan budgets or from additional  
471 distribution company assessments as necessary.

472 SECTION 13. Section 83C of chapter 169 of the acts of 2008, as most recently amended  
473 by sections 91 and 93 of chapter 8 of the acts of 2021 and section 69 of chapter 24 of the acts of  
474 2021, is hereby amended by striking out subsections (a) through (m) and inserting in place  
475 thereof the following subsections:-

476 (a) In order to facilitate the financing of offshore wind energy generation resources in the  
477 commonwealth every distribution company shall jointly and competitively solicit proposals for  
478 offshore wind energy generation; provided, however, that the solicitation process shall not be

479 deemed uncompetitive based solely on the department receiving a bid or multiple bids from a  
480 single company or its affiliates if the levelized price per megawatt hour, plus associated  
481 transmission costs, of the proposed project is equal to or less than the levelized price per  
482 megawatt hour, plus associated transmission costs of the previous procurement; and, provided,  
483 that reasonable proposals have been received, shall enter into long-term contracts that are cost-  
484 effective and maximize economic development. Long-term contracts executed pursuant to this  
485 section shall be subject to the approval of the department of public utilities and shall be  
486 apportioned among the distribution companies.

487 (b) The timetable and method for solicitations of long-term contracts shall be  
488 proposed jointly by the distribution companies and the department of energy resources using a  
489 competitive bidding process, and shall be subject to review and approval by the department of  
490 public utilities. The distribution companies, in coordination with the department of energy  
491 resources, shall consult with the attorney general regarding the choice of solicitation methods. A  
492 solicitation may be coordinated and issued jointly with other New England states or entities  
493 designated by those states. The distribution companies may conduct 1 or more competitive  
494 solicitations through a staggered procurement schedule developed by the distribution companies  
495 and the department of energy resources; provided, that the schedule shall ensure that the  
496 distribution companies enter into cost-effective long-term contracts for offshore wind energy  
497 generation equal to approximately 5,600 megawatts of aggregate nameplate capacity not later  
498 than June 30, 2027, including capacity authorized pursuant to section 21 of chapter 227 of the  
499 acts of 2018; and provided further, that individual solicitations shall seek proposals for no less  
500 than 400 megawatts of aggregate nameplate capacity of offshore wind energy generation  
501 resources. A staggered procurement schedule developed by the department of energy resources,



502 if applicable, shall specify that a subsequent solicitation shall occur within 24 months of a  
503 previous solicitation. Proposals received pursuant to a solicitation under this section shall be  
504 subject to review by the department of energy resources and the executive office of housing and  
505 economic development. If the department of energy resources, in consultation with the  
506 distribution companies and the independent evaluator, determines that reasonable proposals were  
507 not received pursuant to a solicitation, the department may terminate the solicitation, and may  
508 require additional solicitations to fulfill the requirements of this section.

509 (c) In developing proposed long-term contracts, the distribution companies shall  
510 consider long-term contracts for renewable energy certificates for energy and for a combination  
511 of both renewable energy certificates and energy. A distribution company may decline to pursue  
512 a proposal if the proposal's terms and conditions would require the contract obligation to place  
513 an unreasonable burden on the distribution company's balance sheet; provided, however, that the  
514 distribution company shall take all reasonable actions to structure the contracts, pricing or  
515 administration of the products purchased under this section in order to prevent or mitigate an  
516 impact on the balance sheet or income statement of the distribution company or its parent  
517 company, subject to the approval of the department of public utilities; provided further, that  
518 mitigation shall not increase costs to ratepayers. If a distribution company deems all proposals to  
519 be unreasonable, the distribution company shall, within 20 days of the date of its decision,  
520 submit a filing to the department of public utilities. The filing shall include, in the form and  
521 detail prescribed by the department of public utilities, documentation supporting the distribution  
522 company's decision to decline the proposals. Following a distribution company's filing, and  
523 within 4 months of the date of filing, the department of public utilities shall approve or reject the  
524 distribution company's decision and may order the distribution company to reconsider any

525 proposal. If distribution companies are unable to agree on a winning bid following a solicitation  
526 under this section, the matter shall be submitted to the department of energy resources which  
527 shall, in consultation with the independent evaluator, issue a final, binding determination of the  
528 winning bid; provided, that the final contract executed shall be subject to review by the  
529 department of public utilities. The department of energy resources may require additional  
530 solicitations to fulfill the requirements of this section.

531 (d) The department of public utilities shall promulgate regulations consistent with  
532 this section. The regulations shall: (1) allow offshore wind developers of offshore wind energy  
533 generation to submit proposals for long-term contracts consistent with this section; (2) require  
534 that a proposed long-term contract executed by the distribution companies under a proposal be  
535 filed with, and approved by, the department of public utilities before becoming effective; (3)  
536 provide for an annual remuneration for the contracting distribution company up to 2.5 percent of  
537 the annual payments under the contract to compensate the company for accepting the financial  
538 obligation of the long-term contract, provided that the company demonstrate a quantified level of  
539 incremental risk incurred by the contract which supports the requested remuneration rate, such  
540 provision to be acted upon by the department of public utilities at the time of contract approval;  
541 (4) require associated transmission costs to be incorporated into a proposal; provided that, to the  
542 extent there are transmission costs included in a bid, the department of public utilities may  
543 authorize or require the contracting parties to seek recovery of such transmission costs of the  
544 project through federal transmission rates, consistent with policies and tariffs of the Federal  
545 Energy Regulatory Commission, to the extent the department finds such recovery is in the public  
546 interest; and (5) require that offshore wind energy generating resources to be used by a developer  
547 under the proposal meet the following criteria: (i) provide enhanced electricity reliability; (ii)

548 contribute to reducing winter electricity price spikes; (iii) are cost effective to electric ratepayers  
549 in the commonwealth over the term of the contract, taking into consideration potential economic  
550 and environmental benefits to the ratepayers; (iv) avoid line loss and mitigate transmission costs  
551 to the extent possible and ensure that transmission cost overruns, if any, are not borne by  
552 ratepayers; (v) adequately demonstrate project viability in a commercially reasonable timeframe;  
553 (vii) allow offshore wind energy generation resources to be paired with energy storage systems;  
554 (viii) include an environmental and fisheries mitigation plan for the construction and operation of  
555 such offshore wind facilities; (ix) provide financial and technical assistance to support robust  
556 monitoring of wildlife and habitat through a contribution to regional research on the impacts of  
557 offshore wind on wildlife and habitat to inform strategies to avoid and mitigate any impacts to  
558 the marine environment; and (x) create and foster economic development and quality, high-  
559 paying jobs in the commonwealth. To evaluate each bid's ability to create and foster  
560 employment and economic development in the Commonwealth, the selection committee  
561 established in subsection (p) shall produce a numeric score for each bid's economic development  
562 commitments according to evaluation criteria, which shall be promulgated by the Secretary of  
563 Energy and Environmental Affairs, that emphasizes the Commonwealth's interest in attracting  
564 long-term investment by the offshore wind industry; provided further that financial and technical  
565 assistance to support robust monitoring of wildlife and habitat shall represent not less than five  
566 percent of a bid's overall score in the solicitation.

567           The selection committee shall give preference to proposals that demonstrate benefits  
568 from: (i) the greatest economic development and employment contributions to the  
569 commonwealth, including opportunities for diversity, equity, and inclusion; (ii) the avoidance,  
570 minimization, and mitigation of impacts to wildlife, natural resources, ecosystems, and

571 traditional or existing water-dependent uses; (iii) energy storage, including new and existing  
572 long-duration energy storage systems; (iv) optimal interconnection locations; (v) commitments to  
573 enter into long-term contracts with businesses, nonprofit organizations, a municipality or group  
574 of municipalities with an approved municipal load aggregation plan pursuant to section 134 of  
575 chapter 164 of the general laws, or other government entities directly to purchase offshore wind  
576 energy, provided that said contracts may be in addition to the long-term contracts entered into by  
577 distribution companies under this section; (vi) the use of a project labor agreement with a labor  
578 organization for construction, reconstruction, installation, demolition, maintenance, or repair;  
579 and (vii) benefits to environmental justice communities and low-income ratepayers in the  
580 commonwealth.

581 (e) A proposed long-term contract shall be subject to the review and approval of  
582 the department of public utilities. As part of its approval process, the department of public  
583 utilities shall consider recommendations by the attorney general, which shall be submitted to the  
584 department of public utilities within 45 days following the filing of a proposed long-term  
585 contract with the department of public utilities. The department of public utilities shall consider  
586 the potential costs and benefits of the proposed long-term contract and shall approve a proposed  
587 long-term contract if the department finds that the proposed contract is a cost-effective  
588 mechanism for procuring reliable renewable energy on a long-term basis, taking into account the  
589 factors outlined in this section. A distribution company shall be entitled to cost recovery of  
590 payments made under a long-term contract approved under this section.

591 (f) The department of energy resources and the attorney general shall jointly select, and  
592 the department of energy resources shall contract with, an independent evaluator to (1) monitor  
593 and report on the solicitation and evaluation process and (2) participate as a member of the

594 selection committee pursuant to subsection (e). The independent evaluator shall assist the  
595 department of energy resources in determining whether a proposal received pursuant to  
596 subsection (b) is reasonable and to assist the department of public utilities in its consideration of  
597 long-term contracts filed for approval. As a member of the selection committee pursuant to  
598 subsection (e), the independent evaluator shall hold equal weight in the selection of the winning  
599 bid(s). To ensure an open, fair and transparent solicitation and bid selection process, that is not  
600 unduly influenced by an affiliated company, the independent evaluator shall: (1) issue a report to  
601 the department of public utilities analyzing the timetable and method of solicitation and the  
602 solicitation process implemented by the distribution companies and the department of energy  
603 resources under subsection (b) and include recommendations, if any, for improving the process;  
604 (2) upon the opening of an investigation by the department of public utilities into a proposed  
605 long-term contract for a winning bid proposal, file a report with the department of public utilities  
606 that summarizes and analyzes the solicitation and evaluation process, and provide the  
607 independent evaluator's assessment of whether all bids were evaluated in a fair and objective  
608 manner. The independent evaluator shall have access to the information and data related to the  
609 competitive solicitation and bid selection process that is necessary to fulfill the purposes of this  
610 subsection; provided, however, that the independent evaluator shall ensure that all proprietary  
611 information remains confidential. The department of public utilities shall consider the findings of  
612 the independent evaluator and may adopt recommendations made by the independent evaluator  
613 as a condition for approval. If the independent evaluator concludes in the findings that the  
614 solicitation and bid selection of a long-term contract was not fair and objective and that the  
615 process was substantially prejudiced as a result, the department of public utilities shall reject the  
616 winning bid proposal. The department of energy resources shall be reimbursed for cost of the

617 independent evaluator through non-refundable bid fees required of offshore wind developers as  
618 part of the solicitation process.

619 (g) The distribution companies shall each enter into a contract with the winning  
620 bidders for their apportioned share of the market products being purchased from the project. The  
621 apportioned share shall be calculated and based upon the total energy demand from all  
622 distribution customers in each service territory of the distribution companies.

623 (h) A distribution company may elect to use any energy purchased under such  
624 contracts for sale to its customers and may elect to retain renewable energy certificates to meet  
625 the applicable annual renewable portfolio standard requirements under said section 11F of said  
626 chapter 25A. If the energy and renewable energy certificates are not so used, the distribution  
627 companies shall sell the purchased energy into the wholesale market and, provided that the  
628 department of energy resources has not notified the distribution company that the renewable  
629 energy certificates should be retained to facilitate reaching emission reduction targets pursuant  
630 to chapter 298 of the acts of 2008 or chapter 21N of the General Laws, shall sell the purchased  
631 renewable energy certificates to minimize the costs to ratepayers under the contract; provided,  
632 however, that the department of energy resources shall conduct periodic reviews to determine the  
633 impact on the energy and renewable energy certificate markets of the disposition of energy and  
634 renewable energy certificates under this section. The department of energy resources may issue  
635 reports recommending legislative changes if it determines that said disposition of energy and  
636 renewable energy certificates is adversely affecting the energy and renewable energy certificate  
637 markets.

638 (i) If a distribution company sells the purchased energy into the wholesale market  
639 and sells the renewable energy certificates, the distribution company shall net the cost of  
640 payments made to projects under the long-term contracts against the net proceeds obtained from  
641 the sale of energy and renewable energy certificates, and the difference shall be credited or  
642 charged to all distribution customers through a uniform fully reconciling annual factor in  
643 distribution rates, subject to review and approval of the department of public utilities.

644 (j) A long-term contract procured under this section shall utilize an appropriate  
645 tracking system to ensure a unit specific accounting of the delivery of clean energy, to enable the  
646 department of environmental protection, in consultation with the department of energy resources,  
647 to accurately measure progress in achieving the commonwealth's goals under chapter 298 of the  
648 acts of 2008 or chapter 21N of the General Laws.

649 (k) The department of energy resources and the department of public utilities may  
650 jointly develop requirements for a bond or other security to ensure performance with the  
651 requirements of this section.

652 (l) The department of energy resources may promulgate regulations necessary to  
653 implement this section.

654 (m) The plan required in subclause (viii) of clause 5 of subsection (d) of section  
655 83C shall include, but not be limited to, a detailed description of the best management practices  
656 and any on- or off-site mitigation the applicant will employ, informed by the latest science at the  
657 time the proposal is made, that will avoid, minimize and mitigate impacts to: wildlife, including  
658 but not limited to threatened or endangered species such as North Atlantic right whales; coastal  
659 and marine habitats; natural resources; ecosystems; and traditional or existing water-dependent

660 uses, including, but not limited to, commercial and recreational fishing. The plan shall include  
661 pre- and post-construction monitoring to understand the effects of facilities on marine and avian  
662 species.

663 (n) The department of energy resources shall establish an environmental working group  
664 and a fisheries working group comprised of key experts and stakeholders to provide input on best  
665 practices for avoiding, minimizing and mitigating impacts to: wildlife, including but not limited  
666 to threatened or endangered species such as North Atlantic right whales; coastal and marine  
667 habitats; natural resources; ecosystems; and traditional or existing water-dependent uses,  
668 including, but not limited to, commercial and recreational fishing, during the construction and  
669 operation of facilities eligible pursuant to this section. The environmental and fisheries working  
670 groups shall conduct an ongoing review of implemented monitoring and mitigation programs and  
671 provide feedback and recommendations on an as-needed basis, to be considered by the  
672 department. Pre-construction engagement of these working groups will correspond with project  
673 development, solicitation, and permitting, and the process to determine federal consistency with  
674 approved coastal management programs.

675 (o) The department of energy resources, in consultation with the environmental and  
676 fisheries working groups, shall determine how the funds required in subclause (ix) of clause 5 of  
677 subsection (d) of section 83C will be used to advance the responsible development of the  
678 offshore wind energy industry pursuant to capacity authorized under Section 83C, as most  
679 recently amended by sections 91 and 93 of chapter 8 of the acts of 2021 and section 69 of  
680 chapter 24 of the acts of 2021, including capacity authorized pursuant to section 21 of chapter  
681 227 of the acts of 2018 as amended by section 72 of chapter 24 of the acts of 2021.



682 (p) the winning bid shall be chosen by the selection committee which shall consider all  
683 proposals and criteria in subsection (d) when making a final decision, as well as technical advice  
684 from the electric distribution companies. The committee shall consist of the following members:  
685 the secretary of energy and environmental affairs, or their designee, which shall be the chair; the  
686 independent evaluator required by subsection (f) of this section; the secretary of the executive  
687 office of housing and economic development; one person appointed by the speaker of the house  
688 of representatives, who shall not be a member of the General Court; and one person appointed by  
689 the president of the senate, who shall not be a member of the General Court. No member of the  
690 selection committee shall have a financial interest in any companies or affiliated companies that  
691 have submitted a bid or multiple bids.

692 (q) If this section is subjected to a legal challenge, the department of public utilities may  
693 suspend the applicability of the challenged provision during the pendency of the action until a  
694 final resolution, including any appeals, is obtained and shall issue an order and take other actions  
695 as are necessary to ensure that the provisions not subject to the challenge are implemented  
696 expeditiously to achieve the public purposes of this section.

697 SECTION 14. (a) Notwithstanding any general or special law to the contrary, the  
698 department of energy resources shall, by June 1, 2022 competitively solicit and procure  
699 proposals for offshore wind energy transmission sufficient to deliver energy generation procured  
700 pursuant to subsection (b) of section 83C of chapter 169 of the acts of 2008, as most recently  
701 amended by sections 91 and 93 of chapter 8 of the acts of 2021 and section 69 of chapter 24 of  
702 the acts of 2021, from designated wind energy areas for which a federal lease was issued on or  
703 after January 1, 2012, that shall be developed independent of such offshore wind energy  
704 generation; provided further, that such transmission service shall be made available for use by

705 more than 1 wind energy generation project; and provided further, that the department may  
706 coordinate with the department of public utilities, electric distribution companies, other New  
707 England states or entities designated by those states, and the ISO New England or successor  
708 organization, in the solicitation and procurement of proposals for offshore wind energy  
709 transmission. The department shall be permitted to select one proposal, multiple proposals, or no  
710 proposals.

711 (b) In conducting the procurement for offshore wind energy transmission, the department  
712 shall take into consideration the total amount of transmission needed to achieve Massachusetts'  
713 and other states' offshore wind and decarbonization goals as well as other demonstrable  
714 consumer benefits, electric system reliability benefits, avoided upgrade costs to the existing  
715 transmission grid, or environmental benefits. The department shall consider proposals, including  
716 but not limited to, upgrading the existing grid, extending the grid closer to offshore wind  
717 locations, determining optimal landfall approaches, or interconnecting between offshore  
718 substations.

719 (c) Not later than December 31, 2022, the department shall submit a report to the House  
720 and Senate clerks and the House and Senate chairs of the Joint Committee on  
721 Telecommunications, Utilities, and Energy that outlines the design and conduct of the  
722 solicitation and procurement process, identifies and recommends any improvements to the  
723 solicitation and procurement process, and, in the event that the department does not choose a  
724 proposal, provides a comprehensive explanation of their decision, including the extent to which  
725 the department's consideration of factors in subsection (b) played a role in said decision.

726 SECTION 15. Notwithstanding any general or special law to the contrary, each  
727 distribution company, as defined in section 1 of chapter 164 of the General Laws, shall not later  
728 than December 31, 2022 file with the department of public utilities at least 1 electric rate tariff to  
729 apply to standalone energy storage systems interconnected to their distribution network. The  
730 distribution companies shall identify the costs to the distribution network not recouped via  
731 project sponsor-funded interconnection upgrades or otherwise paid directly by the project  
732 sponsor, and to design rates to recoup the distribution company's net costs in a similar manner to  
733 how they are incurred by the distribution company, without unduly impeding the participation of  
734 energy storage systems in power markets and other uses of such systems that provide benefits to  
735 the electric grid.

736 SECTION 16. Notwithstanding any general or special law to the contrary, the carbon  
737 reduction research center, in consultation with the Massachusetts clean energy center and the  
738 department of energy resources, shall study how to optimize the deployment and utilization of  
739 both new and existing long-duration energy storage systems in the commonwealth capable of  
740 absorbing energy, storing it for a period of time and thereafter dispatching the energy for a  
741 minimum period of five hours or greater. The goal of said systems would be to (i) contribute to  
742 compliance with the 2025, 2030, 2035, 2040, 2045, and 2050 statewide greenhouse gas  
743 emissions limits and sublimits, including but not limited to the sublimit of electric power,  
744 established by subsection (b) of section 3 and section 3A of chapter 21N of the General Laws, as  
745 most recently amended by section 8 and 9 of chapter 8 of the acts of 2021; (ii) improve the  
746 reliability and integration of intermittent renewable energy capacity required pursuant to  
747 subsection (b) of section 83C of chapter 169 of the acts of 2008, as most recently amended by  
748 sections 91 and 93 of chapter 8 of the acts of 2021 and section 69 of chapter 24 of the acts of

749 2021; (iii) transport energy from periods of low energy demand to periods of high energy  
750 demand, provided that such transportation is coordinated with the renewable generation  
751 produced in lower demand periods under solicitations performed pursuant to subsection (b) of  
752 section 83C of chapter 169 of the acts of 2008, as most recently amended by sections 91 and 93  
753 of chapter 8 of the acts of 2021 and section 69 of chapter 24 of the acts of 2021; (iv) enhance the  
754 reliable delivery of electricity to Massachusetts consumers; and (v) minimize ratepayer costs.  
755 The study shall determine the performance of said systems under frequent deployment, barriers  
756 to deployment or utilization, and incentives that could facilitate their deployment or utilization.  
757 The carbon reduction research center shall provide recommendations to the secretary of the  
758 executive office of energy and environmental affairs no later than May 1, 2022, including  
759 numerical benchmarks for both new and existing long-duration energy storage systems to  
760 optimize the use of these systems, which the secretary shall incorporate into the setting of  
761 numerical benchmarks for energy storage in the 2025, 2030, 2035, 2040, 2045, and 2050  
762 roadmap plans, pursuant to clause (xi) of section 5 of chapter 21N, as recently amended by  
763 section 10 of chapter 8 of the acts of 2021. The carbon reduction research center shall forward  
764 said recommendations to the clerks of the house of representatives and senate and to the house  
765 and senate chairs of the joint committee on telecommunications, utilities, and energy.

766 SECTION 17. Notwithstanding any general or special law to the contrary, any funds not  
767 expended from the Offshore Wind Energy Career Training Trust Fund prior to the effective date  
768 of this act shall be transferred by the comptroller from said fund to the Massachusetts Offshore  
769 Wind Industry Investment Fund established in section 9A of chapter 23J.

770 SECTION 18. (a) Notwithstanding any general or special law to the contrary, the  
771 department of elementary and secondary education shall work in consultation with the executive

772 office of labor and workforce development on the development of a pilot program for the  
773 purpose of helping students acquire challenging academic and technical skills that prepare them  
774 for high-skilled, high-wage and high-demand jobs in the Commonwealth relative to the offshore  
775 wind industry; provided further, programming may include but shall not be limited to offshore  
776 wind supply chain jobs in manufacturing, construction, assembling, shipping and maintenance of  
777 wind turbine components, and any additional credentialed programming in support of the  
778 offshore wind industry; provided further, that the offshore wind industry pilot credentialing  
779 program shall be based on industry-recognized, high-skilled, high-demand and high-wage  
780 offshore wind industry jobs in Massachusetts, including regionally-based workforce needs and  
781 shortages in the offshore wind industry, that requires an industry-recognized certification which  
782 would materially enhance a job applicant's chances for employment and enhanced  
783 compensation; provided further, that programming shall offer high-quality credentials recognized  
784 by multiple employers in the offshore wind industry across the Commonwealth, provided,  
785 however, that no credential programming shall be provided for an occupation with an annual  
786 salary or wage that is less than 70 percent of the average annual salary or wage in the  
787 Commonwealth, unless the certification for such an occupation is stackable to another industry  
788 certification and required for the next level of occupation; provided further, that districts shall be  
789 reimbursed at \$750 for each student in the district who earns offshore wind industry-recognized  
790 certification credentials that have a high employment value or relevant industry-recognized  
791 certification that is recognized by any public institution of higher learning in the commonwealth  
792 as a basis for academic credit at such institution, and reimbursed \$600 for each student in the  
793 district who earns an industry-recognized certification in the offshore wind industry that does not  
794 meet the criteria of the previous paragraph but addresses regional demands identified by the local

795 MassHire Workforce Board; provided further, any school district receiving a certification award  
796 for the offshore wind industry pilot credentialing program shall allocate at least 80 percent of any  
797 certification award to the school whose students obtained the qualifying certification; provided  
798 further, the allocation may not be used to supplant funds otherwise provided for the basic  
799 operation of the school; provided further, any school receiving a certification award shall use the  
800 award to support or maintain the program, including the payment of stipends for instructors and  
801 the subsidization of fees for low-income students to obtain the certification; provided further, the  
802 department shall develop the criteria necessary to carry out the offshore wind industry pilot  
803 credentialing program and may adopt any necessary regulations or guidance to carry out the  
804 pilot; provided further, not later than February 1, 2023 the department shall submit an annual  
805 report on the progress of the pilot, including, but not limited to: (i) the number of public school  
806 students participating in the pilot seeking certifications for high demand occupations in the  
807 offshore wind industry (ii) identifying the number of such students participating in the pilot who  
808 are low-income, English language learners and students with disabilities; (iii) the specific types  
809 of certifications earned by students, including the number of each such certifications earned; and  
810 (iv) recommendations on how to bring high-skilled, high-demand and high-wage credentialing  
811 programs to scale statewide, including any necessary funding considerations.

812 (b) Notwithstanding any general or special law to the contrary, the Massachusetts Clean  
813 Energy Center shall transfer \$3,000,000 from the Massachusetts Offshore Wind Industry  
814 Investment Fund established under section 9A of chapter 23J of the General Laws to the  
815 department of elementary and secondary education for the purposes for this section; provided,  
816 that said funds shall also be expended by the department to reimburse districts for initial costs

817 incurred as a result of participation in the pilot program including, but not limited to the  
818 acquisition of required materials and equipment, and the hiring of qualified teachers.

819           SECTION 19. Notwithstanding any general or special law to the contrary, the department  
820 of public utilities shall implement the requirements in subsection (a) of section 92B of chapter  
821 164 of the General Laws, as inserted by section 12 of this act, within 30 days of the effective  
822 date of this act.

823           SECTION 20. Notwithstanding any general or special law to the contrary, the Governor  
824 shall make appointments to the Grid Modernization and Planning Council, established in  
825 subsection (g) of section 92B of chapter 164 of the General Laws and inserted by section 12 of  
826 this act, within 30 days of the effective date of this act.

827           SECTION 21. Notwithstanding any general or special law to the contrary, the department  
828 of energy resources shall establish an environmental working group and a fisheries working  
829 group as required by subsection (n) of section 83C of chapter 169 of the acts of 2008, as most  
830 recently amended by sections 91 and 93 of chapter 8 of the acts of 2021, section 69 of chapter 24  
831 of the acts of 2021 and section 13 of this act, by June 1, 2022.