

REVIEW OF 83D SELECTION: NORTHERN PASS TRANSMISSION, HYDRO

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To: Clients and Colleagues

From: John Dalton, President & Carson Robers, Consultant, Power Advisory LLC

Today, the Massachusetts investor-owned electric distribution companies in coordination with the Department of Energy Resources (DOER) announced the completion of the evaluation of responses to the Massachusetts Clean Energy Generation RFP (83D RFP). Northern Pass Transmission, Hydro was selected as the sole winning bid; representing a purchase of 9.45 TWh per year. Eversource Energy and Hydro-Québec Production (HQ) are the proponents of Northern Pass Transmission (NPT), which will deliver 1,090 MW of hydropower to the region.

Overview of Northern Pass Transmission

The NPT project is a 320 kV 192-mile transmission line from the Quebec border to Deerfield, New Hampshire where it will connect to the rest of the New England grid. With a capacity rating of 1,090 MW, the project will have a capacity factor of +98%. The line will be developed in two segments – a 158 mile HVDC partially overhead and partially buried section from Stewartstown, NH to Franklin, NH and a 34 mile HVAC overhead line from a new substation in Franklin, NH to the southern terminus. Up to 80% of this construction will take place within existing right of way. Having made considerable progress on the development of the transmission and with the HQ hydroelectric facilities already constructed or under construction, the project has been touted by the developers as “shovel-ready”, with a 2020 in-service date.

One challenge that remains for NPT is receiving final permitting and regulatory approvals from:

- the New Hampshire Siting Evaluation Committee (NH SEC);
- Army Corps of Engineers (Section 404 permit);
- and the Federal Energy Regulatory Commission (rate authority and firm transmission capacity agreement approval).

This is especially the case for the NH SEC, given the delays in receiving a permit from the Committee and the substantial public opposition NPT has faced in Northern New Hampshire. A twelve-day period of public deliberations will begin on January 30th for the NH SEC, leading to an oral decision by February 23, 2018. The project has already received a Presidential Permit from the U.S. Department of Energy and key Canadian permits.

Hydro Québec’s Position in New England

Overall HQ participated in six of the forty-six submissions to the 83D RFP, including three of the proposed transmission projects with offers of hydro with and without 300 MW of Quebec wind. Already HQ supplies about 10% of New England’s annual energy requirements and with the addition of this project will be providing upwards of 17%.

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