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LIEUTENANT GOVERNOR MATTHEW A. BEATON SECRETARY

KARYN E. POLITO

May 31, 2016

The Commonwealth of Massachusetts

Marilyn M. Petitto Devaney Governor's Council Room 184, State House Boston, MA 02133

Dear Ms. Petitto Devaney,

Governor Baker has asked me to respond to your letter dated April 27, 2016 concerning the proposed "Sudbury to Hudson Transmission Reliability Project."

As Secretary of Energy and Environmental Affairs, I am committed to balancing two important mandates: the preservation of our environmental and natural resources and setting a course towards a clean, reliable, and affordable energy future for Massachusetts ratepayers. As you may know, ISO-New England ("ISO-NE") oversees the operation of New England's bulk electric power and transmission system. It is an independent, not-for-profit corporation authorized by the Federal Energy Regulatory Commission ("FERC"). In a 2008 study, ISO-NE determined that there are inadequate transmission resources to serve the electricity needs in the Greater Boston and Southern New Hampshire area.

In order to address these deficiencies, and the growing customer demands on the electric system, ISO-New England directed utilities to implement a series of transmission projects. These projects are collectively referred to as the Greater Boston Solution. The goal of the Greater Boston Solution is to improve the reliability of the electric system serving the Greater Boston/Metro West area. Eversource Energy's ("Eversource") proposed Sudbury to Hudson Transmission Reliability Project is one of the projects included in ISO-NE's Greater Boston Solution.

As you reference in your letter, Eversource conducted regional open houses with community members and local officials to discuss this project. Many community members requested that Eversource re-evaluate in-street options. As a result, Eversource is evaluating project alternatives and has not yet submitted a filing to the Massachusetts Energy Facilities Siting Board ("EFSB"). It is premature for the state to take any action until a filing is submitted to the EFSB and/or to my office under the provisions of the Massachusetts Environmental Policy Act ("MEPA").

The Sudbury to Hudson Transmission Project is subject to additional review by federal, state and local authorities. At a state level, the MEPA and the EFSB processes contain multiple opportunities for

the public to review and comment on the need for the project and its potential impacts on the local environment.

When a petition is filed seeking approval to construct a regulated facility with the EFSB, a public notice is issued that describes the proposed project and announces the date for one or more public comment hearings. A period of time is prescribed for interested persons to formally request intervenor status (or limited participant status) in the case. Next, the hearing officer for the EFSB issues a ruling concerning the intervenor requests, and a procedural conference is held to establish a procedural schedule for the case going forward. EFSB staff and parties in the case then have an opportunity to submit written questions to the Company (or other parties sponsoring witnesses) seeking further information about the Company's proposal. The Company's written answers, together with the Company's initial filing and testimony its witnesses provide at evidentiary hearings, create the record upon which an EFSB decision is based.

Company witnesses (and any witnesses sponsored by intervenors) may be cross-examined under oath by EFSB staff and intervenors in the proceeding. The parties are given an opportunity following the evidentiary hearings to submit briefs that set forth their position on the case. A written tentative decision is issued by Siting Board staff some time later for review and written comment by parties and limited participants in the case (and others who may also submit comments). After written comments are received, the Siting Board meets to consider the tentative decision and vote on whether to approve, approve with conditions, or deny the proposed project. A final decision is then issued based on the results of the Siting Board meeting.

It is important to note that depending on other potential regulatory and permitting issues involved with Eversource's filing, there will be additional opportunities for public participation and comment in environmental review procedures used by other agencies such as MEPA, the Massachusetts Department of Environmental Protection, local conservation commissions, and others.

Thank you for bringing this important issue to the attention of the Baker-Polito Administration. Please be assured of our commitment to the environment and quality of life for all citizens of the Commonwealth. I look forward to engaging with the public on this matter as the regulatory and permitting processes move forward.

Sincerely,

Matthew A. Beaton

Secretary of Energy and Environmental Affairs

Governor Charles D. Baker Mindy D'Arbeloff, Deputy Chief of Staff

cc: