REDACTED Confidential Advisory Opinion

on the

Socio-economic Impact and State Guide Plan Consistency

of the proposed

SouthCoast Wind Project

Prepared for the

ENERGY PROJECT SITING BOARD

Docket No. SB-2022-02

By the

Statewide Planning Program
RI Division of Planning
Rhode Island Department of Administration
235 Promenade Street, Suite 230
Providence, RI, 02908

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PART ONE: INTRODUCTION

STATEWIDE PLANNING REVIEW PROCESS

In its Preliminary Decision and Order for the SouthCoast Wind Project ("Project" or "Facilities") dated October 8, 2024, the Energy Project Siting Board ("EFSB" or "Board") provided the following directive:

"The Division of Statewide Planning is directed to render an advisory opinion as to (i) the socio-economic impact of the proposed Facilities, including its construction and operation; (ii) the proposed Facilities' consistency and compliance with the State Guide Plan including the State Energy Plan – Energy 2035; and (iii) in coordination with the Rhode Island Office of Energy Resources, a particular examination of the proposed Project's consistency and compliance with the State Energy Plan and whether the Project will conform to the requirements and provisions of the Act on Climate, R.I. Gen. Laws § 42-6.2-1 et seq., or any other applicable and/or relevant statute enacted during this session of the General Assembly that would relate to the project, and state energy policies".

1. Role of Statewide Planning Staff and State Planning Council

Per RI Gen. Law 42-11-10(b)(2), "The statewide planning program shall consist of a state planning council, and the division of planning." In the creation of this Advisory Opinion, the Division of Statewide Planning ("DSP") staff had the primary responsibility for producing a draft of this report and advisory opinion for consideration by the State Planning Council. DSP staff reviewed the full set of application materials, formulated requests for additional information, and reviewed the data request responses provided by the Applicant. Additionally, staff monitored pre-filed testimony and Applicant responses to other agencies' data requests as such information was made available through the EFSB's Service Contact list for this Project. The draft Advisory Opinion was presented to the State Planning Council for final revisions and discussion.

2. Coordination with other Agencies

Role of other EFSB Designated Agencies

The Energy Project Siting Act states that "[t]he jurisdiction of each state agency should be defined, and the role of each agency in energy siting should be delineated, *to eliminate overlap and duplication* and to insure that expeditious decisions are made within a time frame to be determined by law.¹" Therefore, in determining which socio-economic topics to address for this

¹ RIGL 42-98-1(c)

advisory opinion, the DSP recognized that the EFSB has already requested that many factors be evaluated by the state's leading experts within their respective fields. These included:

- Rhode Island Historic Preservation and Heritage Commission;
- Impacts on vegetation, fish, and wildlife, and whether the Facilities will present an unacceptable harm to the environment by the Rhode Island Department of Environmental Management;
- Traffic and road impacts by the Portsmouth Department of Public Works;
- Land use consistency with the Town's Comprehensive Plan by the Portsmouth Planning Board;
- The requirements of its respective zoning ordinances and whether any variance, including a special use or dimensional variance, should be granted by the Portsmouth Zoning Board of Review;
- Whether the work proposed in the municipality as part of the Facilities' construction and operation is subject to the Portsmouth Erosion and Sediment Control Ordinance by the Portsmouth Building Inspector;
- If the Project will meet the Town noise ordinance limits and, if not, whether an exemption from the Portsmouth Noise Ordinance should be granted by the Portsmouth Town Council;
- The need for the Project, whether the Project is expected to transmit energy at the lowest reasonable cost to the consumer, and if operation of the proposed Project will be accomplished in compliance with requirements of the laws, rules, and regulations by the Rhode Island Public Utilities Commission; and
- Biological responses to power frequency, electric, and magnetic fields associated with the operation of the Project and the potential impacts on the quality of drinking water associated with its construction and operation by the Rhode Island Department of Health.

Given the intent of the Energy Project Siting Act not to duplicate efforts, and the extensive list of experts that were otherwise being consulted, the DSP chose to focus on factors that were not otherwise being considered by others.

Collaboration with, and direct assistance from, other Agencies

The DSP staff reviewed the Project's consistency with *Energy 2035*: *Rhode Island State Energy Plan*, in close collaboration with staff of the Office of Energy Resources ("OER"), as required by the EFSB's Preliminary Decision and Order. DSP staff and OER staff met to coordinate the process and discuss each office's findings. OER, as the experts on the topic of energy and the primary authors and implementers of *Energy 2035*, led the analysis on determining whether the

Project is consistent with the State's Energy Plan. The DSP staff reviewed the draft consistency determination produced by OER and coordinated with it in finalizing the content. The final consistency determination found in Part Two of this Advisory Opinion reflects this close collaboration between OER and the DSP.

3. Information Requests and Responses

In executing the review process, DSP staff identified an issue that needed to be supplemented with information not included in the Application. As such, the DSP made an informational request to the Applicant. Specifically, the DSP requested information pertaining to project costs; the Applicant furnished information regarding the export cable route options' construction costs.

4. State Planning Council Review

The final draft advisory opinion, prepared by DSP staff, was submitted to the State Planning Council ("Council") for initial review on May 13, 2025. However, to avoid the potential of *ex parte* communication, the draft opinion was not sent to a member who serves on the EFSB, namely, Meredith E. Brady. Council members were asked if they wanted to discuss the draft opinion at an in-person meeting; had a quorum of members expressed interest, the matter would have been docketed for discussion at a Council meeting.

ORGANIZATION OF THE ADVISORY OPINION

Part Two of this Advisory Opinion presents State Guide Plan consistency assessments, including the State Energy Plan; Part Three presents the results of the socio-economic impact assessment of the construction and operation of the SouthCoast Wind Project; and Part Four concludes the Advisory Opinion with a summary of findings and recommendations.

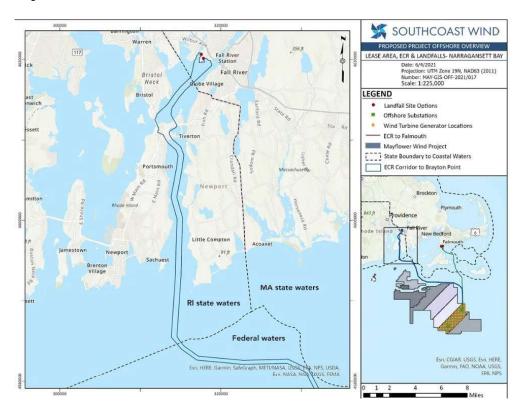
PART TWO: STATE GUIDE PLAN CONSISTENCY

BACKGROUND

The SouthCoast Wind Project (formerly Mayflower Wind) is an offshore wind farm with a capacity of approximately 2,400 MW. SouthCoast Wind Energy LLC ("the Applicant") submitted an updated application to the EFSB on September 11, 2024. The SouthCoast Wind Project ("the Project") aims to deliver 1,200 MW of this energy to the New England region by connecting energy generated by 149 offshore wind turbines to the regional transmission system. The Project consists of transmission facilities that will connect the offshore wind farm to the onshore substation at Brayton Point in Somerset, MA, which is owned by New England Power Company d/b/a "National Grid."

The wind turbines will be constructed in federal waters fifty-one nautical miles southeast of the Rhode Island coast, twenty-six nautical miles south of Martha's Vineyard, Massachusetts, and twenty nautical miles south of Nantucket, Massachusetts. Construction is expected to start in 2026 and be operational by 2030. Two twenty-mile submarine export cables will extend from the wind turbines to Portsmouth, RI ("the Town"), using horizontal directional drilling ("HDD") technology to land transmission/export cables. There will be approximately two, two-mile underground transmission cables located predominantly underneath state and town roadways, making landfall at Boyds Lane/Park Avenue in the Island Park neighborhood of Town. The cables will travel beneath Boyds Lane to the intersection with Anthony Road, travel beneath Anthony Road to the northeast, and will run underneath Town roads, exiting at the Montaup Country Club, with a backup exit point at the Roger Williams University parking lot off Anthony Road. The cables will run underneath the sea floor into Mount Hope Bay and connect to the regional transmission system located at Brayton Point (see Map A & Map B).

Map A- Project Lease Area and Landfalls



Map B- Portsmouth, RI Onshore Project Location



The State Guide Plan

The State Guide Plan ("the SGP") was established by Rhode Island General Law 42-11-10(d):

"State guide plan. The state guide plan shall be comprised of functional elements or plans dealing with land use; physical development and environmental concerns; economic development; energy supply, access, use, and conservation; human services; and other factors necessary to accomplish the objective of this section. The state guide plan shall be a means for centralizing and integrating long-range goals, policies, and plans. State agencies concerned with specific subject areas, local governments, and the public shall participate in the state guide planning process, which shall be closely coordinated with the budgeting process."

The SGP is intended to provide a degree of continuity and permanent policy direction for the state's future development. It is not a single plan, but rather a collection of plans referred to as SGP elements that currently consists of eighteen functional elements. The State Planning Council is the entity authorized with adopting plans as elements of the State Guide Plan.

For purposes of determining "consistency and compliance with the State Guide Plan," the DSP examined the goals, objectives, and policies of the SGP elements since it is these components of the SGP that best present the state's intended future. Given the breadth of the State Guide Plan, it is inevitable that certain goals will compete with, or even come into conflict with, other goals. Furthermore, a determination of consistency is not a finding of fact; rather, it is a subjective judgement that exists on continuum from "not at all" to "completely." As such, a finding of "State Guide Plan consistency" cannot realistically be based on a project being completely consistent with each and every individual goal, objective, or policy found in the SGP. While each relevant State Guide Plan goal, objective, and policy is considered, the final recommendation regarding SGP consistency is based on assessing the Project's consistency with the *overall* intent of the SGP.

Several elements were found not to be applicable to the Project either because they are directed to a portion of the state outside of the Project area or because they do not contain any content relevant to the Project. As such, these elements were not further considered in this review:

- Rhode Island Strategic Housing Plan
- Cultural Heritage and Land Management Plan for the Blackstone River Valley National Heritage Corridor
- State Airport Systems Plan
- Waterborne Transportation Plan

For those elements that were found to be relevant, staff has provided an element-by-element assessment of the Project's consistency with the relevant goals, objectives, and policies of the element. These elements/plans include:

- 1. Energy 2035: Rhode Island State Energy Plan
- 2. Land Use 2025: Rhode Island's State Land Use Policies & Plan
- 3. Ocean State Accelerates
- 4. State Housing Plan
- 5. Ocean State Outdoors: Rhode Island's Comprehensive Outdoor Recreation Plan
- 6. A Greener Path: Greenspace & Greenways for Rhode Island's Future
- 7. Forest Resources Management Plan
- 8. Urban and Community Forestry Plan
- 9. Protecting Our Legacy of Buildings, Places, and Culture: An Historic Preservation Plan for Rhode Island
- 10. Moving Forward Rhode Island 2040: Rhode Island's Long-Range Transportation Plan
- 11. Rhode Island Rail Plan
- 12. Rhode Island Water 2030
- 13. Water Quality 2035
- 14. Solid Waste 2038: Rhode Island's Solid Waste Management Plan

Please note that some the topics may be covered by another agency's advisory opinion. In those cases, the DSP and the State Planning Council decided that it would be premature to make a <u>final</u> determination of consistency if expert opinions of those other agencies were available. Therefore, findings of consistency for these elements should be considered <u>contingent</u>. These elements include:

State Historic Preservation Plan

What follows summarizes the purpose of each of the relevant State Guide Plan elements, identifies the goals, objectives, and/or policies particularly relevant to the Project, discusses how the Project relates to the element's goals, objectives, and policies.

A. Energy 2035: Rhode Island State Energy Plan (adopted October 8, 2015)

While all State Guide Plan elements have equal weight, *Energy 2035: Rhode Island State Energy Plan* (the "Plan") is the most directly relevant to the Project. In its Preliminary Order and

Decision for the SouthCoast Wind Energy LLC project ("Project") dated October 8, 2024, the EFSB provided the following directive:

"The Division of Statewide Planning is directed to render an advisory opinion as to (i) the socio-economic impact of the proposed Facilities, including its construction and operation; (ii) the proposed Facilities' consistency and compliance with the State Guide Plan including the State Energy Plan – Energy 2035; and (iii) in coordination with the Rhode Island Office of Energy Resources, a particular examination of the proposed Facility's consistency and compliance with the State Energy Plan and whether the Facility will conform to the requirements and provisions of the Act on Climate, R.I. Gen. Laws §§ 42-6.2-1 et seq., or any other applicable and/or relevant statute enacted during this session of the General Assembly that would relate to the project, and state energy policies."²

Presented herein is the Rhode Island Office of Energy Resources' ("OER's") Advisory Opinion which assesses the Project's consistency and compliance with: (1) the State Energy Plan: Energy 2035; and (2) the Act on Climate.

Overview

The Office of Energy Resources drafted Energy 2035: Rhode Island State Energy Plan in collaboration with Rhode Island Statewide Planning Program, Division of Planning, Department of Administration, as part of the State Guide Plan Element in 2015. As shown below, the SouthCoast Wind Project is well aligned with the Rhode Island State Energy Plan, Energy 2035. In the "Overview of Energy in Rhode Island" *Energy 2035* calls out the importance of offshore wind, pointing out that "Renewable energy resource potential is modest in Rhode Island compared to other regions of the country. Nevertheless, important in-state opportunities exist for developing renewable forms of energy. The State's most significant renewable energy resource from a power production standpoint is offshore wind."3,4 Energy 2035 noted that:

"Rhode Island cannot achieve the *Energy 2035* Vision without bold steps to increase the generation and use of clean, renewable sources of energy—wind, solar, hydropower, anaerobic digestion, and others. Renewable energy will diversify the state's energy supply portfolio, help mitigate long-term energy price volatility, stimulate the state's

² Preliminary Order, 10/8/24, p. 18, emphasis added.

⁴ Energy 2035 references the *Ocean Special Area Management Plan* (SAMP). The project's compliance with the SAMP, which is administered by the Coastal Resources Management Council (CRMC) and focuses on the coastal waters of Rhode Island.

economy through industry growth and job creation, and set Rhode Island on pace to meet ambitious greenhouse gas emission reduction targets."⁵

Clearly, the SouthCoast Wind Project is such a bold step to increase the generation of clean, renewable sources of energy.

Energy 2035 recommended two strategies that will enable Rhode Island to promote local and regional renewable energy: (1) expand the Renewable Energy Standard ("RES"); and (2) expand renewable energy procurement. How the project furthers both these strategies is outlined below. In June 2022 Governor McKee signed legislation requiring that 100% of the state's electricity supply be from renewable energy resources by 2033. Using available data from the ISO-NE 2024-2033 Forecast Report of Capacity, Energy, Loads, and Transmission ("CELT") and RI PUC's most recent RES Annual Compliance Report (2022), Table 1 below forecasts the expected RES Requirement for RI through 2033 and the increase of the RES Requirement when compared to the 2022 requirement level.^{6,7}

Table 1: Rhode Island Renewable Energy Standard Annual Obligation Forecast

Year	RES Requirement (%)	Annual Net Load Forecast (MWh)	RES Obligated Retail Sales Forecast (MWh)	RES Requirement Forecast (MWh)	RES Requirement Increase over 2022 Requirement (%)
2022	19%	7,919,000*	7,661,516*	1,504,610	-
2023	23%	7,647,000*	7,398,360	1,701,623	13.1%
2024	28%	7,791,000	7,537,678	2,110,550	40.3%
2025	34%	7,793,000	7,539,613	2,563,468	70.4%
2026	41%	7,833,000	7,578,312	3,107,108	106.5%
2027	48%	7,894,000	7,637,329	3,665,918	143.6%
2028	55.5%	8,057,000	7,795,029	4,326,241	187.5%
2029	63.5%	8,185,000	7,918,867	5,028,481	234.2%
2030	72%	8,371,000	8,098,819	5,831,150	287.6%
2031	81%	8,578,000	8,299,089	6,722,262	346.8%

⁵ p. 62.

⁶ ISO-NE, 2024 Forecast Data for the CELT Report 2024 – 2033. https://www.iso-ne.com/system-planning/system-forecasting/load-forecast

⁷ RI PUC, RI RES Annual Report Compliance Year 2022. https://rhodeislandres.com/wp-content/uploads/2024/05/2022-RES-Annual-Compliance-Report-final.pdf

2032	90.5%	8,835,000	8,547,733	7,735,698	414.1%
2033	100%	9,072,000	8,777,027	8,777,027	483.3%

^{*}Historic values reported in 2024 ISO-NE Forecast Data (2022 and 2023 Annual Net Load Forecast) and 2022 RES Annual Compliance Report (2022 RES Obligated Retail Sales).

As shown in Table 2 below, the Project makes a major contribution to the achievement of the State's RES. Even when considering the additional supply of renewable energy certificates ("RECs") from other renewable energy programs and Revolution Wind, SouthCoast Wind provides a significant portion of the RECs needed to achieve RES requirements. The remaining RES requirement represents the net RES requirement to be fulfilled after accounting for the existing RES eligible resource supply, banked RECs, renewable energy facilities added in 2023 and 2024, expected new capacity of Renewable Energy Growth ("REG") Program facilities and the delivery of RECs from Revolution Wind. ^{8,9} The calculation assumes an annual delivery of 861,488 MWh by the Project to RI starting in 2031. ¹⁰

⁸ Delivered energy and associated RECs from Revolution Wind assumes a capacity factor.

⁹ Delivered energy and associated RECs from the added renewable energy in 2023 and 2024 and REG Program contributions assume a 13% capacity factor for solar facilities.

¹⁰ Delivered energy and associated RECs from the Project assume a capacity factor. Commercial operation date for full project output assumed to be reflecting a one-year delay from the original proposal.

Table 2: SouthCoast Wind Contribution to RI RES Requirement

Year	RES Requirement (MWh)	Banked RECs ¹¹ (MWh)	Added Renewable Energy Post 2022 RES Report ¹² (MWh)	REG Program Contribution ¹³ (MWh)	Annual Delivery of Revolution Wind (MWh)	Remaining RES Requirement (MWh)	SouthCoast Wind RES Contribution (%)
2022	1,455,688						
2023	1,701,623	122,928	205,849	45,552		-128,395	
2024	2,110,550		342,950	105,339		206,573	
2025	2,563,468		342,950	228,899		535,932	
2026	3,107,108		342,950	439,007		869,463	
2027	3,665,918		342,950	667,906	1,611,840	-412,466	
2028	4,326,241		342,950	915,595	1,611,840	168	
2029	5,028,481		342,950	1,182,074	1,611,840	435,929	
2030	5,831,150		342,950	1,467,344	1,611,840	953,328	
2031	6,722,262		342,950	1,771,403	1,611,840	1,540,381	55.6%
2032	7,735,698		342,950	2,094,253	1,611,840	2,230,967	38.4%
2033	8,777,027		342,950	2,435,893	1,611,840	2,930,656	29.2%

Energy 2035 centers not only on an expanded RES, but also on direct renewable power procurement. It calls for the state to bring online local renewable energy projects that will bring economic development, system reliability, and job creation benefits to the state. Clearly, RI Energy's procurement of 200 MW from SouthCoast Wind is the product of such a renewable procurement and is in fact the product of a multi-state collaboration that allowed Rhode Island to magnify its impact by partnering with Massachusetts.

PUC, RI RES Master Status Tracking 11.2024. https://rhodeislandres.com/wp-content/uploads/2024/12/RI-RES-Master-Status-Tracking-11.2024-FOR-POSTING.pdf

¹¹ Id at 6.

¹² Accounts for renewable energy facilities the PUC has approved or conditionally approved for RES certification in 2023 and 2024, based on the PUC's monthly public report indicating the status of RES applications.

¹³ Annual additions of renewable energy facilities through the REG Program are based on the 2024-2026 megawatt allocation plan and linear growth of annual additions to 300 MW by 2033, the maximum capacity target mandated through Chapter 300 – An Act Relating to Public Utilities and Carriers – Net Metering.

1. Energy 2035 Themes & Goals

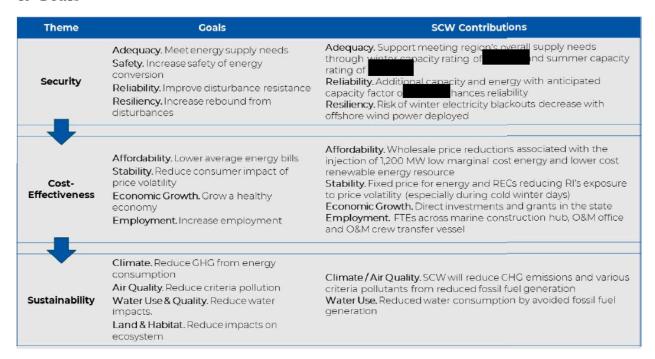
The *Energy 2035* Vision Statement identified three themes: (1) security; (2) cost-effectiveness; and (3) sustainability. These three themes were adopted to address three predominant, underlying concerns associated with energy use in Rhode Island. Each theme was to be advanced through four underlying goals. (See Figure 1.) The SouthCoast Wind Project advances the vast majority of these goals as outlined below.

(a) Security	
The SouthCoast Wind Project will add 1,200 nominal MW	to the ISO-New England (ISO-NE)
grid, but have a winter capacity rating of	. ¹⁴ These winter
and summer capacity ratings reflect the capacity that would	be available to the ISO-NE capacity
market and are a clear indication of the project's contribution	on to meeting the region's overall
supply needs. These winter and summer capacity ratings alo	ong with the project's anticipated
capacity factor of demonstrate that the project will be	e providing capacity and energy to
the ISO-NE system thereby enhancing the reliability of the	ISO-NE electricity system. A study
by the Union of Concerned Scientists found that the risk of	electricity blackouts over the
winter-when energy demand is high during periods of extra	reme cold—decreases with the
amount of offshore wind power deployed. 15 Offshore wind	also enhances the electricity grid's
resilience by adding an additional source of power at new p	oints of interconnection. SouthCoast
Wind will further enhance resiliency through its HVDC cor	verter that offers black start
capability allowing the HVDC converter to restore power as	fter a system outage.

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¹⁵ Union of Concerned Scientists Comments to "Request for Information Regarding Maine Offshore Wind Renewable Energy and Economic Development Program". https://ucs-documents.s3.amazonaws.com/clean-energy/Offshore-Wind-Reliability-Analysis-Muller-UCS.pdf

Figure 1: Summary of SouthCoast Wind Contributions to Energy 2035 Themes & Goals



(b) Cost-Effectiveness

SouthCoast Wind also makes meaningful contributions to the various cost-effectiveness goals: (1) affordability; (2) stability; (3) economic growth; and (4) employment. With respect to affordability, Rhode Island ratepayers will benefit from the wholesale price reductions associated with the injection of 1,200 MW of low marginal cost energy into the ISO-NE grid. This is a major source of the quantitative benefits offered by the project. By providing a fixed price for energy and RECs, SouthCoast Wind would reduce Rhode Island ratepayer's exposure to energy price volatility. Here as well, the project's high output during cold winter days increases its effectiveness as a hedge against electricity price volatility that is often experienced when natural gas prices spike during these periods.

(c) Sustainability

Finally, the project will enhance the sustainability goals outlined in *Energy 2035*, with reductions in greenhouse gas emissions (GHG) and various criteria pollutants from reduced fossil fuel consumption. As noted above, RI Energy is procuring 200 MW of the 1,287 MW SouthCoast Wind Project and with the ISO-NE electricity system operated on an integrated basis the GHG and criteria pollutant emission reductions are realized across New England. The 1,287 MW Project is projected to avoid over 5 million tons of CO2 emissions and 771 tons of NOx emissions annually. Rhode Island's allocation of the project capacity is projected to avoid about 128 tons of NOx emissions and 838 thousand tons of CO2 emissions annually. These estimates

were derived using the 2023 AVERT avoided emissions rates for offshore wind in the Northeast region. ¹⁶ Presented below in Table 3 are the GHG and criteria pollutant emission reductions based on the 200 MW contracted by RI Energy and the project's total output delivered to the electricity grid at 1,200 MW. ¹⁷

Table 3: Emission Reductions from SouthCoast Wind Project

	SouthCoast Wind	RI Allocation of Project
Capacity	1,287 MW	200 MW
NOx Avoided Tons per Year	771.1	128.5
CO2 Avoided Tons per Year	5,032,420	838,737

The Project will also reduce water consumption given that there's no water consumption for make-up water used for the steam turbine in a natural gas combined-cycle project or a traditional fossil fuel fired steam turbine.¹⁸

Conclusion: After careful consideration, the Office of Energy Resources and the Division of Statewide Planning finds 1) the proposed Project is consistent with the Plan's goals and performance measure targets and 2) the proposed Project is consistent with the Plan's policy themes and strategies. Therefore, the proposed Project is consistent with *Energy* 2035.

B. Land Use 2025: Rhode Island's State Land Use Policies & Plan (adopted April 13, 2006)

Overview

Land Use 2025 brings together other content from several State Guide Plan elements such as natural resources, economic development, housing, and transportation to guide conservation and land development in the state. It articulates goals, objectives, and strategies to guide current and

¹⁶ AVERT is a peer-reviewed tool that provides marginal electric generation emissions rates and is published by the Environmental Protection Agency. https://www.epa.gov/avert

¹⁷ From a broader perspective, the cumulative GHG and criteria pollutant emission reductions can be considered recognizing that as part of the Multi-State Procurement where SouthCoast Wind was selected, Massachusetts also has contracted for 791 MW from the New England Wind 1 project and offered a contract for 800 MW for Vineyard Offshore's 1,200 MW Vineyard Wind 2 project. The remaining capacity available from Vineyard Wind 2 has not been contracted. Vineyard Offshore announced that the project will participate in future procurements.

¹⁸ The US Department of Energy, Energy Information Administration noted that in 2021, natural gas combined-cycle generation averaged a water-withdrawal intensity of 2,803 gal/MWh. https://www.eia.gov/todayinenergy/detail.php?id=56820#:~:text=In%202021%2C%20natural%20gas%20combined, very%20low%20water%2Dwithdrawal%20intensity.

future land use planning using different development approaches for urban and rural areas. It is intended as a policy guide for directing growth to areas most capable of supporting current and future developed uses and to direct growth away from areas less suited for development. The core development pattern that *Land Use 2025* is directed at is the spread of relatively low-density housing and commercial highway development into the more rural areas of the state. The cornerstone of *Land Use 2025* is the principle that the state will "contain sprawl, and that housing, commerce, and social interaction will be concentrated in dense centers of varying scales, marked by quality design."

Land Use 2025 contains a Future Land Use Map (FLUM) that visually depicts this intent. The map contains an Urban Services Boundary (USB) that shows a projection where areas with public services supporting higher development density presently exist or are generally desirable. Within the USB, most land is served by public water service; many areas also have public sewer service. Also included on the FLUM are potential areas for the development of local growth centers. What was not specifically included in establishing the USB was the location of existing or proposed energy infrastructure. It is important to note the FLUM is a generalized portrayal of desired state land use policy and is not intended to be applied to specific development proposals.

Relevant goals, objectives, and policies

Goal LUG 1: A sustainable Rhode Island that is beautiful, diverse, connected, and compact with a distinct quality of place in our urban and rural centers.

Objective LUO 1A: Focus growth within the urban services boundary and in centers of different sizes and types; support traditional centers instead of new development.

Goal LUG 2: A statewide network of greenspaces and greenways that protects and preserves the environment, wildlife habitats, natural resources, scenic landscapes, provides recreation, and shapes urban growth.

Objective LUO 3C: Maintain and protect the rural character of various parts of Rhode Island.

Goal LUG 4: First class supporting infrastructure that protects the public's health, safety, and welfare, fosters economic well-being, preserves and enhances environmental quality, and reinforces the distinction between urban and rural areas.

Objective LUO 4D: Locate new infrastructure in appropriate areas.

Policy LUP 4: Achieve a livable, coherent, and visually pleasing environment.

Policy LUP 5: Relate the use of land to its natural characteristics, varying suitability and capacity for development.

Policy LUP 13: Factor into decisions regarding development the importance of recreation, open space, historic resources, and public access to the shore to the State's economy, in tourism, and in maintaining our quality of life.

Policy LUP 18: Protect rare and unique geologic or other natural features.

Policy LUP 19: Preserve the best farmland and active farms in the State for active agricultural use.

Policy LUP 23: Preserve and enhance the distinctiveness of urban, suburban, village, and rural communities and landscapes.

Policy LUP 24: Preserve historic buildings, districts, and archeological sites.

Policy LUP 28: Protect and provide utility services that are adequate to meet the needs of present and future populations.

Results of the consistency review

The DSP considered the following findings in its evaluation of consistency:

No existing land uses will be displaced or negatively impacted. The Project is proposed to be located entirely underneath Town roadways and will thereby use existing infrastructure. The project will have minimal impact on the geologic, soil, surface water, and wetland resources of the Property since the proposed project occurs within existing developed land uses and roadway rights-of-way. The environmental impacts also appear to be locally contained within existing developed land and roadway rights-of-way. No existing land uses will be displaced or negatively impacted.

The primary feature of the Project is the generation of renewable electricity and furthers the reduction of greenhouse gas emissions. The renewable energy production from the project would support the goals and policies of SGP 781, *Rhode Island Energy 2035*.

Conclusion: The Division of Statewide Planning finds the proposed Project to be consistent with Land Use 2025: Rhode Island's State Land Use Policies & Plan.

C. Ocean State Accelerates: Five-Year Economic Development Strategy (adopted February 2025)

Overview

Ocean State Accelerates presents an analysis and discussion of economic development opportunities facing the state. It is intended to be a state-level economic development plan. On the topic of energy, Ocean State Accelerates emphasizes the need for Rhode Island to be resilient and competitive. The Plan recognizes that economic development requires a reliable energy

infrastructure providing energy at competitive costs over the short-term, as well as the potential for long-term economic benefits resulting from the development of sustainable, clean, and renewable energy systems.

Relevant goals, objectives, and policies

Thematic Area 3: Sustainable Growth

Goal 10: Embed climate resilience, natural resource protection, and a sustainability mindset and practice into all statewide economic, land use, and transportation initiatives.

Objective 10.3: Address critical infrastructure needs related to climate change and disaster preparedness.

Goal 12: Support the State's goal for 100% renewable energy by 2033 and support initiatives that address sustainability goals and impacts of climate change. Continue to invest in and lead on climate resilience planning and innovation.

Results of the consistency review

Ocean State Accelerates recognizes that the resilience of the power grid "is critical to the wellbeing of residents but also important to businesses as they expect and need a reliable energy source." One of the Plan's Strategy Drivers is to "[b]uild resilient and adaptable infrastructure to prepare for increased intensity of storms and climate change impacts, including upgrading and strengthening the power grid." The Plan also states that one of the biggest threats to businesses in Rhode Island is the high cost of energy.

According to the Plan, sustainable growth in the state can be achieved through:

- Building climate resilience
- Developing infrastructure for industry
- Achieving 100% renewable energy usage

Conclusion: The Division of Statewide Planning finds the proposed Project to be consistent with *Ocean State Accelerates*.

D. State Housing Plan (adopted March 2000)

Overview

The *State Housing Plan* establishes state goals and policies for housing. It serves as a guide to aid the public and private sectors in providing affordable housing, in standard condition, and in a suitable living environment, for all Rhode Island residents, with special emphasis on the housing

needs of lower-income households and individuals. (A new Housing plan- *Housing 2030*- is in draft form and is expected to be adopted as the new State Guide Plan element in late 2025).

Relevant goals, objectives, and policies

Goal 1-1-1B: Ensure the provision of a sufficient number of housing units to meet population needs.

Policy 1-2-3 B: Enhance and preserve historic and other aspects of neighborhoods and communities which add identity and character.

Results of the consistency review

While there will be some temporary impacts to certain residential areas, there will be no long-term impacts to housing located in the project area. The Siting Report notes that "construction of the onshore export cables is expected to have short-term land use impacts, particularly to the privately-owned properties for which easements would be required. Existing land uses and related activities would fully resume following construction. The onshore export cables are not expected to result in long-term impacts, except for displacing some underground utility real estate."

The Siting Report also addresses potential visual impacts to residential areas, stating that "visual and aesthetic impacts from installation of the underground duct bank will not substantially alter the overall visual setting of the existing landscape. Most of the underground cable route will be completed using the existing public road ROW and will not show additional visual changes other than manhole covers and handhole covers installed flush with the ground surface." The project is not expected to have any long-term impacts to the housing stock in the project area.

Conclusion: The Division of Statewide Planning finds the proposed Project to be consistent with the *State Housing Plan*.

E. Protecting Our Legacy of Buildings, Places, and Culture: An Historic Preservation Plan for Rhode Island (adopted October 14, 2021)

Overview

Rhode Island's State Historical Preservation Plan describes the planning process for historic preservation, explains how the state organizes information about historic properties, sets goals, objectives, and policies for preservation, and identifies strategies for putting the plan into action.

Relevant goals, objectives, and policies

Goal 1: Protect and preserve all of Rhode Island's historic properties.

Goal 2: Retain community character through preservation of local heritage by the protection, restoration, and reuse of historic and cultural resources.

Objective 2C: Protect historic buildings, areas, and archeological sites from inappropriate alteration, neglect, and demolition.

Results of the consistency review

The Rhode Island Historical Preservation and Heritage Commission (RIHPHC) issued the following advisory opinion on November 8, 2024:

- The project is subject to RIHPHC jurisdiction and was reviewed under the regulations of Section 106 of the National Historic Preservation Act.
- Three potentially significant marine archaeological resources and two ancient, submerged landform features are located in the project Area of Potential Effects (APE) within Rhode Island waters, and two terrestrial precontact sites were located in the project APE.
- The RIHPHC determined that effects to archaeological resources (both submerged and terrestrial) in Rhode Island will be avoided or mitigated to their satisfaction.
- It is the advisory opinion of the RIHPHC that EFSB approval for the project should be granted.

Conclusion: The RIHPHC does not object to the Project or elements thereof, therefore the Division of Statewide Planning finds the proposed Project to be consistent with the State Historical Preservation Plan.

F. Ocean State Outdoors: Rhode Island's Comprehensive Outdoor Recreation Plan (adopted August 29, 2019)

Overview

Ocean State Outdoors presents long-term goals and a five-year plan of action for strategically managing outdoor recreational resources of the state, impending threats, and unfulfilled needs.

Relevant goals, objectives, and policies

Goal 2: Strengthen, expand, and promote the statewide recreation network while protecting natural and cultural resources as well as adapting to a changing environment.

Results of the consistency review

Results of the consistency review:

The closest recreational resource to the project area is Island Park Beach, where the cable will

make landfall. Other recreational resources within the general vicinity are the privately-owned Montaup Country Club on Anthony Road, and Founders Brook Park and Aquidneck Land Trust property and trails. The Siting Report states that:

"SouthCoast Wind will work with the Town of Portsmouth and affected stakeholders to maintain access to local recreational lands and vistas. Access and parking will be maintained for residents to access such areas as Island Park Beach, Founders Brook Park, and Aquidneck Land Trust property and trails. Open access to the Montaup Country Club on Anthony Road will be maintained by the construction contractor, to the greatest extent practicable, during construction. Areas temporarily affected by installation and construction activities, including roads, beaches, parking areas, green spaces, etc., will be restored to an equal or better condition, as appropriate for the existing land use. The continuation of the existing seasonal use does not conflict with existing recreational facilities."

While there may be temporary disruption to access and/or use of recreation resources, this project poses no long-term changes or negative outcomes to the use of recreation resources located in or near the project area.

Conclusion: The Division of Statewide Planning finds the proposed Project to be consistent with *Ocean State Outdoors*.

G. A Greener Path... Greenspace & Greenways For Rhode Island's Future (adopted November 10, 1994)

Overview

A Greener Path... Greenspace and Greenways for Rhode Island's Future offers a vision of an integrated, statewide greenway network, and provides strategies to advance protection of valuable resource lands, encourage transportation alternatives, and expand recreation opportunities for Rhode Island.

Relevant goals, objectives, and policies

Policy G-8: Direct new growth and development to areas and locations that minimize the potential for negative impacts upon the greenspace system.

Policy G-9: Incorporate a greenspace buffer within major new developments whenever the potential for discordance exists between the type, scale, or effects of the new Project and existing or planned adjacent land uses.

Policy E-1: Protect the physical and biological integrity of ecological systems and natural landscape units. Where possible, protect large, contiguous tracts of greenspace to meet the needs of certain wildlife species. Establish greenway corridors linking discrete parcels where such connections would not jeopardize management objectives for rare, endangered, or other species or communities of concern,

Policy P-1: Particularly within urban areas where it is lacking, make retention, enhancement, or reestablishment of greenspace a priority consideration in all physical development and revitalization projects. Make provision or expansion of public access to greenspace and greenways a fundamental aspect of community and economic revitalization efforts.

Results of the consistency review

The closest greenway is the trailhead for the Sakonnet Greenway, located 5.8 miles south of the Project are. The Greenway is the longest contiguous nature trail on Aquidneck Island and is owned by the Aquidneck Island Land Trust, running for ten miles, and is used for walking, biking, horseback riding and cross-country skiing.

The Project will not disturb any the greenway or any greenspace areas, nor will it interfere with the planned and promotion of the statewide network of greenspaces and greenways. With respect to the impact on vegetative community, fish and wildlife that will be caused by disruption of the habitat and whether the project will present an unacceptable harm to the environment, the DSP defers to the expertise of the Rhode Island Department of Environment Management (RIDEM).

Conclusion: Based on the available information, the Division of Statewide Planning finds the proposed Project to be consistent with *A Greener Path...Greenspace and Greenways for Rhode Island's Future*. However, this conclusion is contingent on RIDEM's findings with respect to impacts on habitat and the environment.

H. Forest Resources Management Plan (adopted March 10, 2005)

Overview

The *Forest Resource Management Plan* establishes a vision for the management of the forest resources of the state. It provides goals, policies, and strategies focused on the management of tree resources within the state. It is intended to advance local stewardship of the state's forest resources towards the twin goals of a healthy, sustainable economy and environment

Relevant goals, objectives, and policies

Goal S: To create, conserve, and maintain sustainable forest resources.

Goal FRT: To provide statewide recreational activities and promote tourism in forested recreation areas.

Goal F: To conserve and restore Rhode Island's forests so as to minimize forest fragmentation.

Results of the consistency review

While the *Forest Resources Management Plan* does not define a minimum size for an area to be classified as "forest," the Farm, Forest, and Open Space Act defines "forest land" as "any tract or contiguous tracts of land, ten (10) acres or larger bearing a dense growth of trees..." The Siting report states: "The Project onshore export cable routes contain intermittent areas of vegetation and wooded areas. Limited vegetation clearing to facilitate construction along the Project route will impact some vegetated areas and involve removal of select trees and some vegetation. The HDD staging area proposed at the corner of Boyds Lane and Park Avenue may likely require clearing and removal of vegetation to expand the cleared area to be temporarily occupied by the HDD equipment, vehicles and materials. SouthCoast Wind will make landfall at developed land. The landfall work area and onshore cable route will not require vegetative management and will be restored once complete. SouthCoast Wind will consult with the Portsmouth Department of Public Works to appropriately restore disturbed areas.

Conclusion: As the Project will result in the removal of select trees and some vegetation, there may be some impact on the trees and forest resources within the Project area, but because the impact appears to be limited, it is the conclusion of the Division of Statewide Planning that this project is consistent with *Forest Resources Management Plan*.

I. Urban and Community Forestry Plan (adopted (May 13, 1999)

Overview

The Rhode Island *Urban and Community Forest Plan* establishes a vision, goal, and policies, and provides recommendations focused on the management of tree resources within the built environment. This guidance is intended to advance the effectiveness of local stewardship of the state's tree resources towards the twin goals of a healthy, sustainable economy and environment.

Relevant goals, objectives, and policies

Goal: Stabilize overall forest cover at or near the present level, and gradually repair the forest canopies of urbanized areas to the level recommended for proper ecological functioning.

Policy D1: Encourage new development that respects forest resources as vital elements of the community and properly integrates trees to create high-quality living and working environments.

Policy D2: Integrate trees into the built environment to beautify, buffer, and shelter structures and facilities.

Results of the consistency review

According to the Siting Report, "The Project onshore export cable routes contain intermittent areas of vegetation and wooded areas. Limited vegetation clearing to facilitate construction along the Project route will impact some vegetated areas and involve removal of select trees and some vegetation." It does not appear that urban forestry resources within the project area will be heavily impacted by the construction of the project, aside from select tree removal.

Conclusion: Because this project will have a limited impact the municipality's overall forest cover, it is the conclusion of the Division of Statewide Planning that this project is consistent with the *Urban and Community Forest Plan*.

J. Moving Forward Rhode Island 2040: Rhode Island's Long-Range Transportation Plan (adopted December 2020)

Overview

This State Guide Plan element provides a long-range framework, goals, objectives, and strategies for the movement of both goods and people. It encompasses the highway system, public transit, transportation system management, bicycle travel, pedestrian, intermodal, and regional transportation needs.

Relevant goals, objectives, and policies

This State Guide Plan element's goals and objectives are specifically tailored to address long-range transportation issues. As such, they generally won't apply to energy Project siting. Specific potential impacts upon traffic and road conditions associated with a Project during construction and operation is best assessed by the Rhode Island Department of Transportation or the host community. However, one objective could potentially be affected over the long-term and therefore is assessed below.

Objective: Reduce travel congestion.

Results of the consistency review

Based on the SouthCoast Wind, LLC's application "the export cables will make landfall on the north side of Portsmouth where they will be jointed with onshore transmission cables before traversing approximately two miles underground across Portsmouth in the Mount Hope Bay, where they will travel to Brayton Point."

According to the application "The construction-related traffic increase will be minor relative to total traffic volume on public streets in the area. Temporary detours, lane closures and road restrictions may occur to facilitate the Project's onshore construction. SouthCoast Wind will coordinate closely with the town of Portsmouth, including the Portsmouth Department of Public

Works, the Rhode Island Department of Transportation (RIDOT), and other affected stakeholders to develop acceptable temporary traffic controls and traffic management plans for work within town and state streets and highways to minimize disruptions to residents and local commuters. No long-term impacts to traffic flow or roadways are expected. Once construction begins, SouthCoast Wind will have a construction schedule webpage to alert abutters, residents and other stakeholders of construction locations, dates, activities and traffic control measures."

Lastly, traffic will be "intermittent, temporary, and will cease once construction of the Project is completed. The addition of this traffic for the limited periods of time is not expected to result in any additional congestion or change in operating conditions along any of the roadways along the ROW."

Conclusion: The Division of Statewide Planning finds the proposed Project to be consistent with *Moving Forward RI 2040: Long-Range Transportation Plan*.

K. Rhode Island State Rail Plan (adopted March 2014)

Overview

The *Rhode Island State Rail Plan* was developed to meet the provisions of the Passenger Rail Investment and Improvement Act ("PRIIA") of 2008 and to maintain state eligibility for rail funding under PRIIA programs. The rail plan articulated the vision, goals, and objectives for Rhode Island's passenger and freight rail systems, and it identified and prioritized potential passenger and freight rail projects in Rhode Island. (A new Rail Plan is currently being drafted by the Rhode Island Department of Transportation).

Relevant goals, objectives, and policies

Chapter 9, Subsection 9.3 Goals, Objectives, Policies, and Implementation Actions, Part 5. Economic Vitality, Policy 4 – "Utilize rail investments to support community economic development, including downtown and village revitalization, tourism, and the creation of new, appropriately scaled growth centers."

Results of the consistency review

RIDOT retains ownership of the railroad line from Portsmouth to Newport, which is 16.3 miles in length and runs along the property line of the Montaup Country Club. Currently, the rail line is used by two parties: the Newport Railroad Foundation, which operates a tourist train as the "Newport and Old Colony Railroad," and the Newport Dinner Train, which provides dining excursions.

As stated in the SouthCoast application:

[The] "Onshore Route Variant 2 runs along Anthony Road, parallel to Montaup Country Club golf course for approximately 0.54 mi (0.87 km) and then into the parking lot of the Montaup Country Club where the HDD staging area would be located. Route Variant 2 would cross under Montaup Country Club golf course using HDD. A total of 43 percent of the Route Variant 2 Study Area is zoned for recreational use. A portion of the Montaup Country Club falls within the Onshore Route Variant 2 Study Area so that recreational land constitutes 25 percent of this Study Area" (Page 7-16).

According to the SouthCoast application—Chapter 10 "Permit Requirements" section, "the Project also requires an easement from RIDOT to install cables under a RIDOT controlled railway segment in Portsmouth associated with Route Variant 2. SouthCoast Wind continues to coordinate with RIDOT as a letter of intent is developed to be signed by both the agency and the Project" (Page 10-8).

Conclusion: The Division of Statewide Planning finds the proposed Project to be consistent with *Moving Forward RI 2040: Long-Range Transportation Plan* and *The Rhode Island State Rail Plan*

L. Rhode Island Water 2030 (adopted June 14, 2012)

Overview

Overall, *Rhode Island Water 2030* describes the potable water resources of the state and sets goals and policies for the management of issues pertaining to them. It focuses on critical policy and emerging trends for potable water systems at all management and planning levels and is intended to serve as the foundation for coordinated water supply management and decision making. It identifies where our drinking water comes from, the various types of drinking water systems in the state, and the organizational and managerial responsibilities of our water systems. The plan also addresses the roles and responsibilities of State agencies relative to water allocation but does not address in detail the functions and values of the raw natural resource or the protection of its quality, as this subject matter is addressed through other State Guide Plan elements. It also does not offer policy considerations for the siting of specific types of water users.

Relevant goals, objectives, and policies

Goal WRM-1: Manage and plan for the sustainable water use and development of the water resources of the State.

Policy 1: Ensure the overall long-term availability of potable water statewide.

Policy 2: Manage water use and withdrawals based on water availability that considers hydrologic capacity, public health, and protection of aquatic resources.

Policy 4: Ensure the protection of public health, safety, and welfare as the priority use of potable water while striving to protect other uses and the economic well-being of the State.

Goal WRM-2: Protect and preserve the health and ecological functions of the water resources of the State.

Goal WRM-3: Ensure a reasonable supply of quality drinking water for the State.

Results of the consistency review

The Project is not located in an area adjacent to any water resources of state significance used for drinking water, nor are there any drinking water reservoirs or watershed protection districts located nearby.

Conclusion: The Division of Statewide Planning finds the proposed Project to be consistent with *Rhode Island Water 2030*.

M. Water Quality 2035 (adopted October 13, 2016)

Overview

This plan describes existing practices, programs, and activities in major water quality areas and develops recommendations specific to each. It provides goals for water quality restoration and protection and addresses the protection and restoration of both surface and ground waters that are threatened or impaired by pollution. *Water Quality 2035* sets forth recommendations for twenty-four sources of pollution that are known to contribute, or have the potential to contribute, to water quality problems in Rhode Island. The plan also addresses reducing water pollution and protecting water resources through the proper management and planning for wastewater.

Relevant goals, objectives, and policies

Goal WQ #1: Protect the existing quality of Rhode Island's waters and aquatic habitats and prevent further degradation.

Goal WQ #2: Restore degraded waters and aquatic habitats to a condition that meets their water quality and habitat goals.

Results of the consistency review

It is important to note that *Water Quality 2035* does not address or endorse any specific types of wastewater management on a site-by-site basis. The Project and use are not mentioned as a location or use of concern in this Plan. However, one of the Plan's overarching Pollution Source and Aquatic Habitat Management Policies is "ensuring compliance with federal, state, and local regulatory programs for water quality protection and restoration."

The Project must comply with an assortment of regulatory programs for water quality protection and restoration that include permits from the:

- Rhode Island Coastal Resources Management Council;
- Rhode Island Department of Environmental Management; and
- Army Corps of Engineers

The project area is drained by waterways which generally flow to the north and southeast into the Sakonnet River. The crossing of rivers and streams is not proposed for this Project.

The project is located on previously disturbed land and is expected to have no impact on either the quantity or quality of runoff, as best management practices for erosion and sediment control and low impact stormwater design will be required by the state agencies of jurisdiction through Rules and Regulations of the Department of Environmental Management and the Coastal Resources Management Council.

Conclusion: Consistency with this Plan is dependent on the Applicant receiving all State and Federal permits pertaining to water quality. With proper permitting, the Project should be considered consistent with this State Guide Plan element.

N. Solid Waste 2038: Rhode Island Comprehensive Solid Waste Management Plan (adopted May 2015)

Overview

The purpose of this plan is to guide the activities of the Division of Statewide Planning, the Rhode Island Resource Recovery Corporation, and the Department of Environmental Management. It is intended to advance the effectiveness of public and private stewardship of the State's disposal of solid waste. As an Element of the State Guide Plan, this Plan sets forth goals and policies that must, under state law, be reflected in future updates of comprehensive community plans.

Relevant goals, objectives, and policies

This State Guide Plan element's goals and policies are specifically tailored to address solid waste management issues. As such, they generally do not apply to energy facility siting.

The solid waste facility closest to the project area in Portsmouth is located at 305 Hedly Street. Since the facility is located outside of the project area, the project will not impact the facility or its operation.

Conclusion: The Division of Statewide Planning finds the proposed Project to be consistent with the Solid Waste Management Plan.

O. Consistency with the Act on Climate and other relevant statutes

The EFSB also requested an opinion on whether the proposed Project would conform with the Resilient Rhode Island Act and other relevant statutes. Outside of the Act on Climate and 100% RES state laws, there are no other relevant state statues for OER to comment on for the SouthCoast Wind project proposal.

On April 14, 2021, Governor McKee signed into law the Act on Climate, which sets enforceable climate emissions reduction mandates. This legislation specifies emission mandates of 45% below 1990 levels by 2030; 80% below 1990 levels by 2040; and net-zero emissions by 2050. The 2021 Act sets mandatory and enforceable targets for reducing greenhouse-gas emissions and transitioning to a low carbon economy.

Rhode Island is required to reduce GHG emissions by 5.292 million metric tons of carbon dioxide equivalent (MMTCO2e) below 1990 levels by 2030. In 2022, the state was 3.14 MMTCO2e (32.6%) above the mandated 2030 level. The GHG emission reductions estimated by the AVERT model indicate that RI Energy's 200 MW purchase will contribute about 16% of the total emissions reduction required by 2030. 19,20

Conclusion: The proposed Project is consistent the Act on Climate.

 $^{^{19}}$ The Project's contribution to the 45% emissions reduction by 2030 is 15.8%. This represents the Project's RI allocated CO2 Avoided Tons per Year (838,737 MTCO2e) over the net reduction of emissions from 1990 levels to 45% in 2030 (11,760,000 - 6,468,000 = 5,292,000 MTCO2e).

²⁰ State of Rhode Island Department of Environmental Management, Complete 1990-2022 Rhode Island Greenhouse Gas Data. https://dem.ri.gov/sites/g/files/xkgbur861/files/2024-12/ghg-inventory-2022-f 1.pdf

PART THREE: SOCIO-ECONOMIC IMPACT ASSESSMENT

BACKGROUND

Neither the Energy Project Siting Act nor the EFSB's order specifies the topics to be included in a socio-economic impact assessment other than that the analysis must include, "economic and reliability benefits, including employment and tax benefits to the Town of Portsmouth and/or the State." The application submitted by SouthCoast Wind does include the following topics:

- Population
- Employment and Economic Impacts
- Land Use
- Visual Resources
- Noise
- Transportation
- Cultural Resources
- Safety and Public Health
- Electric and Magnetic Fields

The DSP concurs that these topics are commonly accepted components of socio-economic impact assessments. As noted in Part One, in determining which socio-economic topics to address for this advisory opinion, the DSP recognized that the EFSB has already requested that many factors be evaluated by the state's leading experts within their respective fields. Given the expertise that these other agencies can provide to the EFSB, those topics are not examined as part of this report's analysis. Therefore, in the absence of additional direction, this Advisory Opinion will limit itself to impacts from the construction and operation of the Project on:

- economic impact and employment;
- state and local tax revenues;
- energy reliability;
- the size and composition of the population;
- social equity;
- housing; and
- visual impacts

Many portions of this socio-economic analysis were conducted using quantitative and qualitative data supplied by the Applicant. With regards to economic data provided by the Applicant, the DSP utilized the Applicant's construction and operations cost data provided by BVG Associates in the application.

A. ECONOMIC IMPACT ASSESSMENT

Analysis Approach

The Applicant provided a confidential economic analysis on project construction costs to the DSP on the condition that DSP sign a non-disclosure agreement ("NDA").

To evaluate the Application regarding the projected economic benefits of the Project, the DSP used the May 5, 2025, analysis²¹ performed for the RI Commerce Corporation ("Commerce") by an outside economic consultant, Appleseed, to review information provided in an economic analysis by the Applicant. (The Project application states that the Applicant used a 2024 report by BVG Associates on the economic benefits of the buildout).²² The report examined the impact of the development, construction and ongoing operations of the first phase of the Project on the state's economy, including:

- Employment, earnings, and statewide economic output;
- The state's gross domestic product and Rhode Island state tax revenues; and
- Other economic benefits the state would derive from the development and operation of the Project's first phase.

Based on data provided by Commerce and the Applicant, Appleseed assumed that development and construction of the project's first phase would cost

Local and Statewide Business Impacts: Jobs, Earnings, and Economic Output

Both the construction and operations phases of the Project involve a significant amount of investment in Rhode Island, which economic theory and modeling indicates will lead to a positive effect on businesses through increased spending and employment.

Direct jobs are defined as on-site labor and professional services. On-site labor is given in job-years. Job-years are defined as full-time equivalent (FTE) jobs multiplied by the number of construction years. Construction jobs are given as FTE job-years since they are spread over a multi-year construction period. Some construction jobs will last only a portion of a year while others may last the entire expected construction period of three years. Operations jobs are given as annual FTE jobs over the entire operating period.

Indirect jobs are driven by the increase in demand for goods and services from direct on-site project spending including business and companies like construction material and component

²¹ "Advisory opinion on the economic development benefits of SouthCoast Wind Phase 1 for the State of Rhode Island," Appleseed, 2025.

²² "SouthCoast Wind- Rhode Island Energy Facility Siting Board Volume 2 - Siting Report and Attachments (Public Version - Redacted)," 2024.

suppliers, analysts, and attorneys involved with project feasibility assessments or contract negotiations, equipment, or replacement part manufacturers and others.

Induced jobs are driven by the local expenditures of those receiving payments within the first two job categories or increased household spending by workers.

Labor Earnings encompass the additional earnings (wages and employer paid benefits) associated with the additional local jobs.

Gross Output is the sum value of all goods and services at all stages of production (i.e., as a raw material and as a finished product) resulting from the project.

Value Added is the best indicator of economic development benefits to the local economy. The sum total of value added of all enterprises and self-employed in a given state comprises that state's GDP. These values are the sum of earnings from capital and labor or the difference between total gross output and the cost of intermediate inputs. It is comprised of payments made to workers, proprietary income, other property type income, indirect business taxes, and taxes on production and imports less subsidies.

Direct and Indirect Impacts: Jobs, Earnings, and Output

According to Volume One of the Project application, ²³ the Project will create a total of 17,440 full time direct, indirect and induced jobs years ("FTE years") in the region, "across all phases of the Project." The construction of the Project is expected to generate a Gross Value Added ("GVA") of over \$3 billion in the region, according to the Applicant.

The application states that:

"The Project will have a positive effect on employment in the region, including in Rhode Island through: workforce hiring; procurement of materials; equipment, and services, including port use and vessel charters, and indirect economic effects to local businesses such as restaurants and hotels to support workforce needs. SouthCoast Wind has also been working closely with the Rhode Island Commerce and the Supply Rhode Island Initiative to find ways to connect with Rhode Island businesses, in particular minority and women owned business enterprises."

²³ "Volume 1 – SouthCoast Wind Energy LLC – Updated Application for License to Construct Major Energy Facilities," 2024.

And:

"SouthCoast Wind estimates that the Project will draw 44 percent of its local workforce from EJ designated communities and 58 percent from economically distressed communities."

And:

"The construction phase will require amenities and services for workers, including lodging, restaurants, banks, shops, medical services, entertainment, parks, tourism, recreation, and gas stations. Project expenditures will support existing employment in these economic sectors, which may include increased hours and overtime opportunities for existing workers, as well as potentially creating new employment opportunities as affected businesses hire more workers. SouthCoast Wind is committed to encouraging the hiring of skilled and un-skilled labor from the Project region. SouthCoast Wind is committed to the hiring of personnel from the Project region to fill the positions required for the various preparation and construction activities. Furthermore, SouthCoast Wind is committed to working upstream to aid in the development of a trained workforce for future construction of the proposed Project. The training and use of local and regional resources would be prioritized so that the populations concerned by the proposed Project can benefit as much as possible from the direct and indirect economic benefits."

The following table is from the "Project Siting Report" and shows the FTE Years and GVA in the region by the Applicant per impact type:

TABLE 8-6. FULL-TIME EMPLOYMENT AND GROSS VALUE ADDED IN THE REGION

Total Job and GVA Creation from	FTE years created		4-1	ue Added million)
Project Procurement	FTE years	Peak ¹	GVA	Peak ¹
Direct	6,920	1,030	1,550	160
Indirect	4,160	890	870	140
Induced	6,360	1,250	970	120
Total	17,440	3,180	3,390	410

¹ Peak values indicate the maximum value of each unit of measure created within a single year Source: BVG Report, March 2024

Summary of Spending Impacts in Rhode Island

Appleseed included include in their analysis on spending impacts on the state the various community benefits that the Applicant and Commerce agreed to provide to the Rhode Island municipalities most affected by the project, such as remediation of affected land, repaving of streets, workforce development programs, and the development of a marine construction base.

Construction Phase: Direct and Indirect Impacts

According to the Rhode Island Department of Labor and Training ("RIDLT"), the average annual wage for an employee in Rhode Island who works in construction occupations is \$29.86/hour (2023 data). ²⁴ This RIDLT data indicates that direct earnings estimates for employees at the Project are reasonable and consistent with a finding of positive economic impact.

Based on this approach, Appleseed estimated that spending on the development and construction of the Project and on related community benefits will directly and indirectly support the following:

- jobs in Rhode Island, with in earnings (in 2028 dollars);
- in statewide economic output; and
- A one-time increase of in Rhode Island's gross domestic product.

Table 1: Impact of SouthCoast Wind's Spending on Development and Construction on Rhode Island's Economy (wages, value added and output in millions of 2028 dollars)

Jobs	Wages	Value Added ²⁵	Output
	Jobs	Jobs Wages	obe Worse

^{*}The total jobs shown is a cumulative total, representing an average of approximately jobs over a five-year construction period.

Appleseed notes that:

"In addition to the impacts cited in Table 1, SouthCoast Wind's spending on development and construction also benefits Rhode Island through the generation of state tax revenues. We estimate that SouthCoast's development and construction will generate more than in state tax revenues, including:

- in state personal income taxes paid by Rhode Island workers employed on the project, or whose jobs are indirectly attributable to the project;
- in state sales taxes paid on those workers' taxable household spending;

²⁴ RI Dept. of Labor & Training, Occupational Employment & Wage Statistics: May 2023

²⁵ Value-added is equivalent to total output minus the cost of purchased inputs. When aggregated across all of the firms participating in the project, it represents the project's contribution to the State's GDP.

and

• in state business taxes."

Operations Phase: Direct and Indirect Impacts

According to RIDLT, the average annual wage for an employee in Rhode Island who works in the wind turbine servicing sector is \$28.50/hour (2023 data). ²⁶ This data indicates that direct earnings estimates for employees at the Project are reasonable and consistent with a finding of positive economic impact.

Appleseed estimates that in its first full year of operation the project's operating expenditures (in areas such as skilled labor and supervision, water transportation, equipment, replacement parts and community benefits) will directly and indirectly account for:

- jobs in Rhode Island, with in annual earnings (in 2030 dollars);
- An increase of in the state's annual economic output; and
- An increase of in Rhode Island's annual GDP.

Table 2: Impact of SouthCoast Wind's Annual Spending for Ongoing Operations and Maintenance on Rhode Island's Economy (wages, value added and output in millions of 2030 dollars)*

	Jobs	Wages Value	Added	Output
Direct impact				
Indirect effects				
Induced effects				
TOTAL				

^{*}Impacts shown in Table 2 will recur annually over the expected thirty-year life of the project.

B. REVENUES

1. State Revenue

The Applicant states that state tax revenues will come from personal income tax, state sales/use tax, and state business tax, as stated below.

State Income Tax

Appleseed writes that:

²⁶ RI Dept. of Labor & Training, Occupational Employment & Wage Statistics: May 2023

"As with construction, SouthCoast's annual spending on operations will also generate Rhode Island state tax revenues. We estimate that in 2030, spending on operations and maintenance will directly and indirectly generate approximately in state tax revenues, including:

- in personal income taxes paid by workers directly or indirectly employed operations and maintenance;
- in state sales taxes on those workers' household spending; and
- in state business taxes."

Assuming an annual inflation rate of 2.5 percent, and using a 7.0 percent discount rate, we estimate that the present value of SouthCoast's annual operating impacts between 2030 and 2059 are as shown below:"

Table 3: Present value of 30-year stream of SouthCoast operating impacts

Type of impact	2030 value	Cumulative value, 2030- 59	Present value
Wages			
Value added			
Output			
State tax			
revenue			

The project will result in a positive amount of state income tax.

State Sales/Use tax - The Project has not yet estimated what its sales tax obligation might be.

<u>State Payroll Tax</u> – SouthCoast Wind has not estimated the payroll tax revenues that the Project will generate.

There are no anticipated costs to the State from the construction and operation of the Project.

Conclusion: The Division of Statewide Planning finds that the construction and operation of the Project will have a positive impact on revenue in the State.

2. Municipal Revenue

In exchange for use of Town land, the Applicant will pay \$23.2 million in host fees and taxes to Portsmouth over the next thirty-three years.²⁷

²⁷ https://southcoastwind.com/about-us/economic-benefits/

In addition to the revenues SouthCoast Wind will pay to the state of Rhode Island for the submerged lands lease for the offshore route in state waters, the Town of Portsmouth will directly benefit through tax revenues from the new onshore transmission assets of the Project. On January 16, 2024, SouthCoast Wind and the Town of Portsmouth entered into a Host Community Agreement in recognition of the community hosting the cable crossing infrastructure and focuses on efforts to increase climate resiliency in the town.

The Host Community Agreement calls for the Applicant to pay a \$500,000 up-front fee to the Town and another \$3.8 million when construction starts. Annual payments during the thirty-three years of operation will vary, with the first ten years of annual payments also including a payment-in lieu of taxes of \$125,000/year. Assets would be fully taxed at the regular rate in subsequent years.²⁸

Personal Property/Tangible Property Taxes

The PILOT agreement payments to the Town and payments may replace and supersede real estate and tangible or personal property taxes.

Other Economic Benefits

Appleseed also notes that the "development and operation of SouthCoast Wind could strengthen Rhode Island's economy and the well-being of the state's residents" in other ways:

- SouthCoast Wind will reduce Rhode Island's reliance on the use of fossil fuels to generate electricity, and in doing so will help Rhode Island reduce the health and social costs associated with CO2, SO2, and other emissions.
- Many of the jobs associated with SouthCoast Wind will be located areas that are readily accessible to residents of economically disadvantaged communities.
- The project will help Rhode Island keep pace with rapidly-growing demand for electricity especially if Phase 1 of the project successfully sets the stage for Phase 2.
- Through investments in areas such as maritime infrastructure, ocean engineering, workforce development, ocean industry R and D, development and operations of SouthCoast Wind will help Rhode Island create the resources needed for continued growth of state's 'blue economy.'"

Conclusion: The Division of Statewide Planning finds that construction and operation of the Project will have a positive impact on the Town of Portsmouth's municipal revenue.

²⁸ https://rhodeislandcurrent.com/2024/01/17/portsmouth-town-council-begrudgingly-approves-host-agreement-with-southcoast-wind/

C. ENERGY RELIABILITY

The socio-economic benefits of a more reliable energy system accrue to both individuals and businesses. A more reliable energy system will lessen interruptions to the region's power supply. At a minimum, electrical power disturbances can result in inconveniences to customers, but power supply interruptions can also harm vulnerable populations, cause economic loss to businesses, disrupt quality of life, and lead to more serious consequences, such as fatalities. In the long-term, a system that is not reliable may lead to increased cost of service and an inability to respond to emergencies.

D. SOCIAL IMPACT ASSESSMENT

1. Population Change

Another aspect of socio-economic impact that was considered regarding the construction and operation of the Project was the impact it will have on the local population. As a non-residential use, any population growth that would occur because of the construction of the Project would most likely be related to in-migration due to employment. The greatest number of jobs associated with the Project would be temporary jobs related to its construction. It is unlikely that a significant number of these temporary workers would establish permanent residency in Portsmouth because of their temporary employment. Economic analysis estimates project (see "Economic Impact" section, above) finds that the ongoing operations of the Project will create an additional direct permanent jobs. If all workers and their families moved to Portsmouth, it would generate a maximum of approximately new residents (based on an average household size of persons)²⁹. A recent analysis by Island's population to grow at a projected rate of per year between 2020-2030; according to the U.S. Census American Community Survey data, the Town's population was 17,447 in 2023, so this rate of growth for Portsmouth results in a population estimate in 2030 to be residents. It is not possible, however, to determine how many of these jobs could be filled by persons already living in Portsmouth or, for non-residents filling positions, how many would choose to relocate to Portsmouth. However, even if all permanent staff were to relocate to Portsmouth, the resulting percentage of population growth would be negligible.

Conclusion: The Project would not require any residential displacement. Given the nature and location of the Project, there is no reason to expect that it would lead to outmigration of existing residents.

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²⁹ https://www.census.gov/data/tables/time-series/demo/families/households.html

2. Social Equity

In considering the potential impacts of the Project on the socio-economic fabric of the state, the DSP examined whether any Federally protected group of people would bear a "disproportionate share of the negative environmental consequences resulting from industrial, governmental, and commercial operations or policies." Federal government statutes and regulations protect the following groups of people, which represent the groups considered in this analysis:

- minority populations;
- persons of low-income;
- children and the elderly;
- · households with limited English proficiency; and
- individuals with a disability.

Table 2 shows the presence of the identified select population groups within the U.S. Census Tract in which the Project will be located (Tract 401.01), Newport County, and the state of Rhode Island.

Table 2: Presence of Select Population Groups in Census Tract 401.01

	Tract 401.01	Newport County	Rhode Island
	% of total	% of total	% of total
Race*			
Black	0.2	3.9	9.1
Asian	0.7	2.2	3.5
Hispanic or Latino	6.1	6.2	16.7
Two or more races	3.8	7.8	8.4
Persons in Poverty	7.8	12.3	10.8
Population under age 5	5.0	4.0	5.2
School-aged Population (ages 5 to 18)	13.8	12.2	14.2
Aging Individuals (age 65+)	19.8	23.9	17.3
Limited English Proficiency households	0	3.1	5.4
Individuals with a Disability	12.0	13.0	14.3

^{*}The number of American Indians and Pacific Islanders in Census tract 401.01 were both 0% and were not included in this analysis.

Source: U.S. Census Bureau, ACS 5-Year Estimates, 2022.

For the purposes of this assessment, a significant concentration of any single population group is said to exist when the group makes up a greater percentage of the population in the defined area

³¹ Learn About Environmental Justice, U.S. Environmental Protection Agency-2021.

than in the host state. For the purposes of this assessment, a significant concentration of any single population group is said to exist when the group makes up a greater percentage of the population in the defined area than in the host state. This methodology was chosen based on the DSP's development of the Transportation Equity Benefit Analysis ("TEBA")³² found in *Moving Forward Rhode Island 2040*, the state's Long Range Transportation Plan (2020).

The data in Table 2 shows that:

- The population over sixty-five years of age within Tract 401.01 is higher than that of Rhode Island, but significantly lower than Newport County; and
- The percentage of both children under the age of five and school-aged children in the Census tract is higher than it is in Newport County, but lower than that of the state.

Overall, the population group data for Census Tract 401.01 indicates that federally protected population groups do not exist in significant concentrations in proximity to the Project.

Conclusion: The Division of Statewide Planning finds that the construction and operation of the Project will not unfairly impact Federally protected populations.

3. Housing

The Project is to be constructed underneath existing roadways. As such, the DSP expects that no existing housing units will be lost because of the construction or operation of the Project and, given that the DSP expects no significant change in Portsmouth's population because of the Project, it correspondingly does not expect any changes in housing supply or demand.

Conclusion: The Division of Statewide Planning finds that the construction and operation of the Project will have no significant impacts to housing in Portsmouth.

4. Visual Impacts

The siting report states that "[t]he Project will introduce no permanent above-ground structures into the Town of Portsmouth, Rhode Island" and that "...there will be no long-term visual impacts from the Project, which will be underground." It adds that "... there will be only temporarily visual impacts during the construction phase of the Project."

Conclusion: The Division of Statewide Planning finds there will be no visual impacts caused by the construction of the Project.

 $[\]frac{^{32} \text{ https://planning.ri.gov/sites/g/files/xkgbur826/files/documents/tip/2021/Section-5-Transportation-Equity-Benefit-Analysis.pdf}$

PART FOUR: ADVISORY OPINION AND RECOMMENDATIONS

The Advisory Opinion and Recommendations are that of the Statewide Planning Program ("Program") i.e. the joint efforts of the Division of Statewide Planning and the State Planning Council. As noted in the Introduction, the Program was instructed to provide the Board with an advisory opinion on:

- 1. the socio-economic impact of the proposed Project, including its construction and operation;
- 2. the Project's consistency and compliance with the State Guide Plan; and
- 3. in coordination with the Rhode Island Office of Energy Resources, a particular examination of the Project's consistency and compliance with the State Energy Plan.

A. STATE GUIDE PLAN CONSISTENCY

The Program finds that the proposed SouthCoast Wind Project is consistent with the State Guide Plan including the State's energy plan, *Energy 2035*, based on the findings:

- The Project is consistent with the State Guide Plan's goals and performance measure targets; and,
- The Project is consistent with the State Guide Plan's policy themes and strategies.

However, this finding of consistency is contingent upon SouthCoast Wind receiving all necessary State and Federal permits.

B. SOCIO-ECONOMIC IMPACTS

The Statewide Planning Program's socio-economic impact assessment concludes that the Project will have an overall positive socio-economic impact, based on the individual findings identified below.

The Program finds that construction and operation of the SouthCoast Wind Project:

- will have a positive impact on the state's businesses;
- will result in positive revenue benefits to the State;
- will have a positive impact on the Town of Portsmouth's municipal revenue;
- is not likely to result in any significant population changes within the Town of Portsmouth;
- will not unfairly impact Federally protected populations;

- will have no significant impact to the number of housing units that exist within the Town of Portsmouth; and
- visual impacts caused by the construction and operation of the Project will be relatively limited.

C. ADVISORY OPINION RECOMMENDATION

As noted throughout, the DSP limited its assessment to content matters that did not overlap or duplicate that requested of other entities and in several instances defers to the expertise solicited by the EFSB through the additional advisory opinions that it requested. As such, the Division of Statewide Planning recommends that the EFSB, in finalizing its perspective as to the socioeconomic impact and State Guide Plan consistency of the project, view this opinion considering the forthcoming information that was not otherwise available to the Program at the time of this report's production.