



January 2, 2024

Mr. Harry Lanphear
Administrative Director
Maine Public Utilities Commission
18 State House Station
Augusta, ME 04333-0018

RE: New England Clean Energy Connect; Docket No. 2017-00232

Biannual Progress Report on Permitting, Development, and Construction of the NECEC

Dear Mr. Lanphear:

Pursuant to ordering paragraph number 3 of the Maine Public Utilities Commission's (the "Commission") May 3, 2019 Order Granting Certificate of Public Convenience And Necessity And Approving Stipulation (the "CPCN Order") in the above-captioned proceeding, NECEC Transmission LLC respectfully submits this biannual progress report summarizing significant developments in the permitting, development, and construction of the New England Clean Energy Connect (the "NECEC" or the "Project").

Project Status Overview

NECEC had received all key federal and state permits before starting construction, and all municipal permits required for the construction of the NECEC transmission line. NECEC transmission line design is complete. Major contracts for materials and construction services were signed in 2020 and construction started in January 2021. Most contracts have been renegotiated and construction has resumed on the DC transmission Line and HVDC converter station. The NECEC team continues to work closely with contractors to use as much Maine-based labor under their contracts as possible.

NECEC has worked closely with Hydro-Québec TransÉnergie on the development aspects of the NECEC that require coordination.

On November 2, 2021, Maine voters approved, by virtue of a referendum, L.D. 1295 (I.B. 1) (130th Legis. 2021), "An Act To Require Legislative Approval of Certain Transmission Lines, Require Legislative Approval of Certain Transmission Lines and

Facilities and Other Projects on Public Reserved Lands and Prohibit the Construction of Certain Transmission Lines in the Upper Kennebec Region” (the “Initiative”).

On November 3, 2021, NECEC Transmission LLC filed a lawsuit challenging the constitutionality of the Initiative and requesting injunctive relief preventing retroactive enforcement of the Initiative to the Project. NECEC Transmission LLC also requested a preliminary injunction preventing such retroactive enforcement during the pendency of the lawsuit.

On April 20, following a unanimous jury decision in NECEC Transmission LLC’s favor, the Maine Business & Consumer Court issued a court order preventing retroactive enforcement of the Initiative. The decision was not appealed and is final.

Federal, State, and Local Permitting Update

NECEC state and federal permit applications were filed in 2017. NECEC has received all key federal and state approvals, and all municipal approvals required for the construction of the NECEC transmission line.

On October 19, 2018, the Federal Energy Regulatory Commission (“FERC”) accepted all bilateral, cost-based transmission service agreements (“TSAs”) associated with the NECEC.

On November 6, 2020, the project received the required approvals from the U.S. Army Corps of Engineers (“USACE”) pursuant to Section 10 of the Rivers and Harbors Act of 1899 and Section 404 of the Clean Water Act. A complaint for declaratory and injunctive relief asking the Court to, among other things, vacate or remand the Section 404 Clean Water Act permit for the NECEC is currently pending before the District Court in Maine.

NECEC received the Presidential Permit from the U.S. Department of Energy (“DOE”) on January 14, 2021. In April 2021, plaintiffs filed their amended complaint for declaratory and injunctive relief asking the Court to, among other actions, vacate or remand the Presidential Permit. The proceedings before the District Court are ongoing.

At the State of Maine level, the project received the Certificate of Public Convenience and Necessity (“CPCN”) from the Commission on May 3, 2019, in this docket. The Commission’s decision was affirmed by the Maine Law Court in March 2020.

On January 8, 2020 the Land Use Planning Commission (LUPC) granted Site Law Certification to NECEC. The DEP granted Site Location of Development Act, Natural Resources Protection Act, and Water Quality Certification on May 11, 2020. The DEP Order was appealed by certain parties. Through an Order dated July 21, 2022, the Maine Board of Environmental Protection (the "BEP") denied the appeals of the DEP Order. The BEP affirmed the DEP Order and made certain amendments to some of the conditions included therein. In August 2022, the three groups that had appealed the DEP Order appealed the MBEP Order. Two of the three groups appealing have withdrawn their appeals and the remaining group's appeal is still pending before the Maine Superior Court.

At the municipal level, NECEC has received the required approvals to construct the NECEC transmission line. Approvals from three Maine municipalities are pending for the construction of certain upgrades related to the NECEC by CMP. Planning to obtain the remaining three permits before May 2024.

NECEC Construction, Development, and Progress Update

Service agreements for the Project, including program management, legal and permitting support, communications, and engineering design, are in place. Most of the contracts that were in place before construction stoppage have been renegotiated.

Contracts for the construction and materials for the HVDC transmission line and network upgrades were awarded and executed, including contracts with construction and clearing companies with a strong presence in Maine as part of the commitment of NECEC to give preference to the hiring of Maine workers. Most of the transmission materials (conductor, fiber, insulators, etc.) and steel poles have been received. The contract for the engineering, procurement, and construction of the HVDC converter station was executed in 2019.

Construction of the new transmission line started in January 2021 with right-of-way clearing and access roads preparation followed by the installation of the steel structures in February 2021. Prior to Project construction stopping in November 2021, a total of 139 miles of the Project's HVDC right-of-way had been cleared, 107 pole bases had been installed and 78 poles were erected. Construction on the transmission line resumed in October 2023. Currently a total of 141 miles have been cleared and processed, 187 pole bases have been set, and 128 poles have been erected.

In Lewiston, the HVDC converter station site has been cleared of trees and blasting has been completed. At the time construction stopped in November 2021, 98% of the site preparation work had been completed. Construction resumed on the HVDC converter station in August 2023. Since construction resumed the remaining

site preparation work has been completed and work has begun on pouring foundations and walls for HVDC converter station.

CMP is preparing to restart construction on the AC network upgrades. Before the stoppage contractors completed four necessary structure replacements, as well as a transmission line relocation consisting of 14 new pole installations and 18 pole removals in Lewiston. Since restarting CMP has started construction on substations and has begun resource flagging in preparation for starting construction on AC transmission lines in the coming months.

Regarding real estate, the NECEC has secured rights over the real estate required for construction of the Project. As noted above, on November 29, 2022, the Law Court issued a decision on the pending BPL lease litigation. The Law Court ruled in favor of NECEC Transmission LLC, vacating the trial court's prior decision to reverse BPL's decision, and confirming that the BPL acted within its authority when granting the lease. On December 29, 2022, following the denial of the motion to reconsider filed by the plaintiffs in the case and pursuant to the mandate from the Law Court, the Superior Court granted judgment to BPL, CMP and NECEC Transmission LLC.

Status of ISO-NE System Impact Studies

ISO-NE issued the final System Impact Study ("SIS") for NECEC on May 13, 2020, determining the upgrades required to permit the interconnection of NECEC to the ISO-NE system. On July 9, 2020, the Project received the formal I.3.9 approval associated with this interconnection request.

On October 30, 2020, CMP, NECEC Transmission LLC and ISO-NE executed the interconnection agreement for the Project.

In parallel with the interconnection studies, ISO-NE conducted studies to determine the upgrades to meet ISO-NE's Capacity Capability Interconnection Standard (CCIS). During 2020, the System Operator conducted a preliminary assessment of the network upgrades through its Preliminary Non-Binding Overlapping Impact Study (PNOI). The results and confirmation of the network upgrades required to satisfy the CCIS were finalized in the second half of 2021.

Necessary Upgrades to Meet CCIS and Section I.3.9 Requirements

As part of the SIS process, ISO-NE determined what upgrades are necessary for the Project to meet the requirements of Section I.3.9 of the ISO-NE Tariff and to permit the interconnection of the Project to the ISO-NE-administered transmission system. The results of this SIS confirmed most of the network upgrades assumed by

NECEC in its project scope, including the parallel 345kV line between Coopers Mills Substation (Windsor) and Maine Yankee Substation (Wiscasset) or the expansion of those substations' terminals. Additionally, the report identified the re-rate of a 115kV transmission line in New Hampshire by Eversource, the upgrade of Seabrook's circuit breaker by NextEra, and the installation of a statcom at the Buxton Substation by CMP.

NECEC continues to work with ISO-NE and affected parties on the implementation of these upgrades. With respect to the breaker replacement required at the Seabrook station, on October 13, 2020, Avangrid, Inc. and NECEC Transmission LLC filed a complaint with the Federal Energy Regulatory Commission (Docket No. EL21-6-000). On February 1, 2023 FERC granted NECEC's requested relief and subsequently denied NextEra's request for a rehearing of that decision. NextEra appealed FERC's decision.

CMP also requested that ISO-NE determine in accordance with the applicable ISO-NE Tariff provisions what additional transmission facilities would be necessary for the Project to meet ISO-NE's CCIS. As discussed above, the determination by ISO-NE of the facilities required to meet the CCIS was finalized in the second half of 2021.

Consistent with the terms of the Commission's CPCN Order, NECEC Transmission LLC will next file a progress report on these matters by July 1, 2024.

Sincerely,



Manuel Marquez
Vice President – NECEC
NECEC Transmission LLC