



2007 Summer Power Challenges

Independent System Operator New England (ISO-NE), the not-for-profit operator of the region's energy grid issued a statement in May that there should be sufficient electricity to meet New England's power needs for the summer of 2007, including the electricity needed to maintain system reliability during an extended heat wave.

While this appears to be good news, it does not account for unforeseen events such as unplanned plant shut-downs, loss of transmission lines, damage due to severe weather, or prolonged heat waves. In fact the President and CEO of ISO-NE Gordon van Welie was quoted in the *Boston Globe* as saying that summer energy demands can be met only by "assuming everything is running and nothing big breaks."

Given these uncertainties, the region should not be lulled into a false sense of energy security, nor should it be cited as a reason to stall desperately needed energy grid improvements in Massachusetts.

In 2006, New England added just 110 megawatts (MW) of supply to its existing capacity of 31,083 (MW). This is a small fraction of the 1,030 MW increase in peak demand that ISO-NE has predicted for the summer of 2007 over 2006. Even a small disruption in grid operations would require aggressive action by ISO-NE to avoid energy shortages that could result in brownouts or blackouts. Such actions were taken on two occasions during the summer of 2006.

The Massachusetts Affordable Reliable Electricity Alliance believes that in the short term intensive energy efficiency measures will help ease the pressure on the grid. However, over the long term, the development of new in-state generation is vital. This is also made clear in ISO-NE's 2006 Regional System Plan which reads, "without the timely addition of new resources, the region will fail to meet established reliability criteria, increasing the possibility of needing to disconnect customers during periods of peak demand."

In addition to developing new, clean generation, keeping the existing base-load energy sources such as the Pilgrim nuclear power plant will maintain the grid's reliability and further strengthen energy supply. Transmission upgrades and improvements such as the National Grid and Northeast Utilities' "New England East West Solution" project would alleviate bottlenecks that can prevent affordable electricity from reaching the areas that need it most.

Despite ISO-New England's forecast that the region will have sufficient power this summer, it is clear that Massachusetts is dangerously close to shortages that could potentially cause billions of dollars in economic damage and put public health at risk. With planning and action, however, Massachusetts can guarantee that it has the power to meet current and future electricity demand.

For more information about what can be done to improve the energy situation in Massachusetts, read Mass AREA's issue brief "*10 Steps to a More Affordable Reliable Massachusetts Power Supply*" which can be found at www.maarea.us.