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**Massachusetts General Court
Joint Committee on Telecommunications, Utilities and Energy**

**Public Hearing
September 29, 2015**

**Testimony of
Francis Pullaro
Executive Director of
RENEW Northeast**

Chairman Golden, Chairman Downing and members of the Committee,

My name is Francis Pullaro- the Executive Director of RENEW Northeast, Inc., or RENEW. I appear before you to testify on the bills relating to the procurement of large-scale clean energy resources.

RENEW is a non-profit association uniting the renewable energy industry and environmental interest groups whose mission involves coordinating the ideas and resources of its members with the goal of increasing environmentally sustainable energy generation in New England from the region's abundant renewable energy resources.¹

RENEW deeply appreciates this committee's work in 2012 that lead to passage of Chapter 209 of the Acts of 2012, "An Act relative to competitively priced electricity in the Commonwealth" and the subsequent procurement of wind energy resources in 2013. RENEW sees opportunities to build on the success of that law by substantially increasing the amount of clean energy- renewable energy (defined as Class I resources in the Renewable Portfolio Standard or "RPS") and other forms of hydropower- available to Massachusetts consumers in order to fulfill the important goals of the RPS and Global Warming Solutions Act ("GWSA") and to meet New England's peak winter energy needs.

¹ This testimony represents the views of RENEW and not necessarily those of any particular member of RENEW.

RENEW supports legislation that will enable Massachusetts to participate in the effort of the New England States to achieve a historic transformation of our region's energy infrastructure. Connecticut and Rhode Island enacted laws within the past year authorizing clean energy procurements for large-scale clean energy resources to be conducted jointly with other New England States. RENEW urges the General Court to adopt legislation this fall to ensure Massachusetts can participate at a level proportionate to its load in a large-scale multi-state procurement. Massachusetts' contribution in this collaboration will help lower energy costs, create jobs, increase reliability and- above all- replace the region's aging and dirty fossil fuel fleet with renewable and cleaner resources.

RENEW encourages Massachusetts and all the states of New England to consider clean energy procurements and electric transmission upgrades be designed to maximize the development of the region's own renewable resources while minimizing the need for ratepayers to support new or upgraded natural gas pipeline capacity and low-carbon, non-RPS hydropower imports.

A "renewables first" strategy can reduce carbon emissions on the time-scale needed and achieve the broad objectives of renewable energy policies. On this point, RENEW urges the Committee to ensure renewable resources- and not just hydropower imports- will be making a substantial contribution to its greenhouse gas reduction objectives. A significant component of renewable resources will provide substantial benefits. It will (1) lower wholesale electricity prices; (2) provide a hedge against volatile prices; (3) spur economic development in Massachusetts' green economy; and (4) meet GWSA goals.

To take a renewables first approach, RENEW makes the following recommendations on the energy bills now before this committee:

I. Procurement of Energy from Large-Scale Renewable Resources Under Fixed-Price Long-Term Contracts Will Lower the Cost to Meet Massachusetts' Renewable Energy and Environmental Goals

Massachusetts' successful long-term contracting policies are ensuring compliance with RPS requirements using cost-effective generation. Large-scale renewable energy resources are the most competitive on price with larger wind energy projects having the lowest prices. Many companies having headquarters or offices in Massachusetts are developing renewable energy projects around the region. These companies and the Massachusetts economy will benefit from further growth in renewable energy development.

To achieve these benefits from renewable energy, a requirement should be added to any legislation so that at least 30 percent of the volume of electricity (MWhs) in each proposal should be fulfilled by Class I renewable energy generation.

As provided in S.1757, §§3, 4; and H.2861 §§2, 3, electric distribution companies should contract with renewable generators under long-term power purchase agreements of at least 15 years consisting of energy and Renewable Energy Certificates ("RECs") both at a fixed price.

RENEW opposes the “delivery commitment” alternative to long-term contracting (S.1757, §5; and H.2861, §4). Due to the legal uncertainty, reliance on the delivery commitment alone or in part might jeopardize Massachusetts’ ability to meet its RPS and GWSA objectives. Equally as important, the delivery commitment cannot support the development of new RPS resources as those projects cannot be financed without long-term contracts for energy and/or RECs. By contrast, Hydro-Quebec, as a wholly-owned entity of the government of Quebec, does not face these financing challenges in building its large-scale hydropower. It might be the only eligible clean energy supplier not requiring a long-term contract.

II. An Additional Program for Offshore Wind Can Capture the Local Economic Development and Reliability Benefits of this Abundant Resource

A separate procurement program should be developed to establish an offshore wind industry in Massachusetts (H.2881, §11; and H.2851) With an offshore wind zone just off the coast of Massachusetts’ population centers, offshore wind generation can provide the added economic development and reliability benefits of having a locally produced source of clean energy and diversify the fuel mix as the region becomes more dependent on natural gas fueled generation. Given the long lead time expected to build the state’s first offshore project, Massachusetts should now begin making commitments to offshore wind so the first offshore projects will be available to meet the electricity needs of Massachusetts before significant retirements occur in Massachusetts’ fleet of nuclear and fossil fueled generation. A clear policy to support offshore wind at scale and over the long term, such as proposed by H.2881, §11, is needed for the offshore wind sector to develop an efficient and skilled local supply chain that will lower costs.

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RENEW welcomes the opportunity to work with you to find ways to lower the cost of renewable energy, decrease the region’s dependence on fossil fuels and ensure a significant role for locally sited renewable energy resources that will boost Massachusetts’ economy.

Thank you for the opportunity to testify before you today.