

# **New England Governors' Renewable Energy Blueprint**



**New England States  
Committee on Electricity  
at the  
CEAB IRP Workshop  
November 5, 2009**

**Anything I say represents my views,  
not NESCOE's.**

# About NESCOE

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- New England's Regional State Committee
- Governed by a board of Managers appointed by each of the New England Governors
- Focus on system planning & expansion and resource adequacy
- More information at [nescoe.com](http://nescoe.com)

# The Blueprint's Path

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September 2008

NEGC Resolution

February 2009

Governors write to President Obama,  
Congressional leaders

March 2009

States request ISO-NE perform technical  
analysis

July 2009

ISO-NE issues draft Renewable Development  
Scenario Analysis

September 2009

NEGC Adopts Blueprint

# Renewable Development Scenario Analysis

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## BACKGROUND & OBSERVATIONS



# Policy Choices Informed By Data

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- States asked ISO-NE to study “significant sources of renewable energy available to New England, the most effective means to integrate them into our power grid, and the estimated costs” and then developed study assumptions
- ISO-NE conducted RDSA
  - Looks out 20 years
  - 9 **conceptual** transmission scenarios
  - Focus on wind resources
    - Up to 12,000 MW of wind in New England
    - 7,500 MW onshore & 4,500 MW offshore
    - Incremental cases from 2,000 to 8,000 MW



# What the RDSA is Not

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- Not an effort to identify 2030 supply, demand levels
- Not meant to discount contribution other low-carbon resources will make to New England
- Not meant to signal any reduced interest in efficiency and demand reduction
- **Not an identification of preferred resource locations or preferred transmission pathways**
  - Competitive markets or solicitations will determine what resources are developed, where, and by whom

# New England has Options

slide courtesy ISO-NE; refer also to RDSA, dated September 1, 2009, page 23

| <b>Description</b><br><i>Partial list of scenarios</i>   | <b>New Capacity</b><br>(Megawatts) | <b>Percent of New England Energy (%)</b> | <b>Preliminary Transmission Cost Estimates</b><br>(Billions) |
|--|------------------------------------|--|--|
| <b><i>From New England:</i></b>  |                                    |  |  |
| 4,000 MW of offshore wind <i>plus</i><br>1,500 MW of inland wind   | 5,500 MW                           | 12%                                      | \$6 B  |
| 12,000 MW of wind  | 12,000 MW                          | 23%                                      | \$19 B to \$25 B   |
| <b><i>From New England and Eastern Canada:</i></b>   |                                    |  |  |
| 5,500 MW of wind (from above) <i>plus</i><br>3,000 MW of additional imports from<br>Québec and New Brunswick | 8,500 MW                           | 15%                                      | \$7 B to \$12 B  |
| 12,000 MW of New England wind <i>plus</i><br>3,000 MW of additional imports from<br>Québec and New Brunswick | 15,000 MW                          | 26%                                      | \$17 B to \$36 B   |
|  |                                    |  |  |



# Ample Resources, Choices

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- The New England region has a vast quantity of untapped renewable resources
  - ✦ **more than 10,000 MW (nameplate) on & off-shore wind power potential**
- If developed at conservative levels, there are ample renewable resources to enable New England to meet renewable energy goals
- More aggressive development could enable New England to export renewable power to neighboring regions

# Transmission Options

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Potential transmission projects can be identified to transfer power from off & on-shore wind resources to New England load & for export to our neighbors

- ✦ Transmission costs vary with level of resource development
- ✦ Expansion of near off-shore wind resources could be accomplished incrementally with lower-voltage, lower-cost interconnections directly into coastal load centers

# Helping to Bring New, Cost-Effective, Renewable Resources to Market

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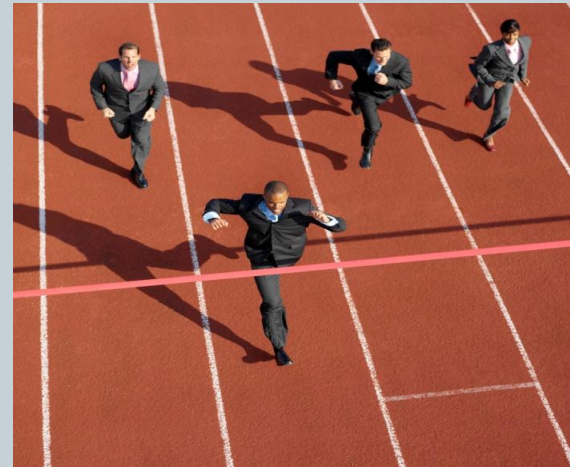
## PROCUREMENT AND CONTRACTING



# Long-Term Contracting Authority

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- All six states have **authority to approve long-term contracts for capacity, energy and/or renewable energy credits**
- Across New England, procurement is generally executed through **competitive solicitations**
- Typically, competitive procurement is implemented by utilities, subject to review & approval by Public Utility Commissions



# Contract Synchronization Opportunities

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- States generally have authority over **contract term length**
- A majority have flexibility with respect to contracts with resources **within or out** of state
- States with **integrated resource planning** have added flexibility to synchronize procurement with others
- **Common goal** in each state's contracting authority relates to securing **low cost, cost-effective or cost-stabilizing power**



# Helping to Bring New, Cost-Effective, Renewable Resources to Market

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## SITING INTERSTATE TRANSMISSION



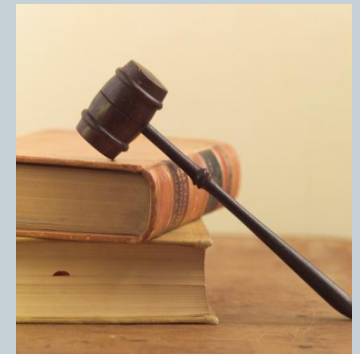
# Siting Authority

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CEAB is not looking at siting, but....

Opportunities to coordinate siting of transmission is central to the Blueprint.

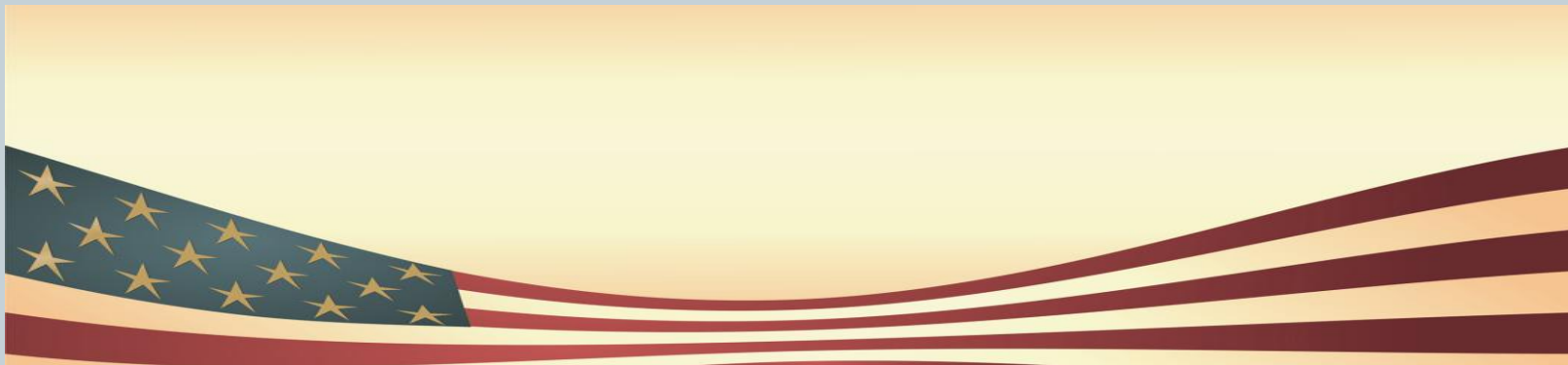
- All six states generally have exclusive siting authority
- All six states have sufficient statutory flexibility to coordinate
- Several states have specific & broad coordination authority



# State-Federal Partnership

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**State and federal officials working together will reinforce our ability to simultaneously advance our clean energy goals & the nation's interest in reducing carbon emissions, diversifying energy supply and reducing reliance on foreign fossil fuel**





# Blueprint Resolution

**BE IT FURTHER RESOLVED** that the New England Governors authorize their regulatory and policy officials to use the Blueprint as a resource to help support development of New England's renewable resources in their public advocacy, rule-making, policy development and other initiatives; and

**BE IT FURTHER RESOLVED** that the New England Governors authorize their regulatory and policy officials to review the availability of renewable resources in the region, including those identified in the Blueprint, and to consider potential mechanisms for the joint or coordinated but separate competitive procurement of renewable resources, and to report the results of such a review to the Governors within the next twelve months.

# Conclusion

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New England has the essential elements in place to help bring our cost-effective, secure, low-carbon resources to market

- ✦ natural resources
- ✦ technical analysis to inform policy choices
- ✦ cooperative experience and authority to do more
- ✦ statutory flexibility
- ✦ mutual state and national interest in increasing renewable power