



WMGLD  
P.O. BOX 190 480 North Ave.  
Wakefield, MA 01880  
Tel. (781) 246-6363 Fax (781) 246-0419

Kenneth J. Chase, Jr., Chmn.  
Michael Giannattasio, Secretary  
John J. Warchol  
Michael P. McCarthy  
Kevin T. Haggerty

Peter D. Dion, General Manager  
Eugene J. Sullivan, Assistant Gen. Manager

February 7, 2014

Heather Hunt, Executive Director  
New England States Committee on Electricity  
4 Bellows Road  
Westborough, MA 01581

RE: Comments on increased pipeline capacity

Dear Heather,

We are one of the four municipal companies that sell natural gas in Massachusetts. The efforts NESCOE has undertaken along with the New England Governors to increase natural gas pipeline capacity are very much appreciated. Our perspective from the front lines shows us we need even more capacity. We support efforts to provide an additional 2 billion cubic feet of natural gas per day. With that additional capacity, we would be competitive commercially with the rest of the country and our residents would no longer have to pay a premium for their gas.

This first 1 billion cubic feet of additional natural gas capacity was based on assumptions that placed gas in the \$7 to \$9 dollar MMBtu range, with spikes in the \$13 range. Right now, we regularly see prices in the \$25-\$38 range and spikes in the \$60s and \$70s. New York and New Jersey have seen spikes over \$100.

Customers are just starting to get bills that reflect the huge increases caused by the lack of pipeline capacity. This will be an increasingly vocal constituency and I would like to tell them that we truly are taking all the necessary steps to provide them with relief.

Natural gas fueled electric generation is becoming increasingly expensive because of a lack of supply. ISO-NE has a difficult job providing adequate resources every day. They have been forced to turn to the greater use of coal and oil as fuel sources to generate electricity which completely undermines the efforts regulators throughout the Northeast have taken to protect the environment through the use of natural gas. In concrete terms, the kilowatt hours produced from natural gas has dropped from their average of 52% of daily load to about 30%. This serves no one's agenda.

I like to keep things simple in my mind. I liken New England to a person slowly dying because of clogged arteries. We need a bypass or else it will be all over for us.

Thank you for your efforts to date and I strongly urge you to take advantage of this opportunity to once and for all place New England on an even footing with rest of the country with adequate access to natural gas.

Sincerely,

Eugene J. Sullivan, Asst. General Manager