

# **NEW ENGLAND ENERGY CONFERENCE AND EXPOSITION**

## **PURSUING ENVIRONMENTAL GOALS “AGAINST THE WIND”: A CONSUMER ADVOCATE’S PERSPECTIVE**



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# State Leadership Keeps Wind in Sails

Connecticut and other New England states retain ability to exceed federal requirements.

1. Conn. GWSA (22a-200a) requires greenhouse gas emissions
  - 10% below 1990 levels by 2020
  - 80%(!!) below 2001 levels by 2050.
2. Conn. RPS (16-245a) requires 20% Class I by 2020 (this may be raised soon for 2030).
3. Continuing procurements, ZREC/LREC

# Costs of Meeting Goals Declining

- Robustly Competitive Procurements for New Resources
  - RPS not as expensive as once feared
  - Lower prices in energy market due to new resources
- RGGI impacts prices in energy market, but resulting revenue supports energy efficiency investments

# Retaining Low-Carbon Resources

- Achieving carbon goals would be complicated by additional nuclear power plant retirements. Determining whether a plant is a retirement risk is difficult.
- Whether through tweaks on existing market rules, carbon pricing initiatives, or contracts, the region should continue to consider options for nuclear plant retention, though not at all costs.
- Millstone provides over 50% of the power produced in Connecticut each year. You cannot economically replace that with intermittent resources and storage at this point.

# IMAPP—Achieve, Accommodate, or just Pontificate?

- Integrating Markets and Public Policy (IMAPP)
  - discussions at NEPOOL and a larger discussion at FERC re how to ensure reasonable rates for existing generators given state contracting, RPS, potential nuclear subsidies, etc.
  - States have robust environmental and diversity goals and appear likely to continue to enter contracts with new resources to achieve them
  - States will not likely “turn over the keys” to the market to “achieve” their goals, and can’t bind their legislatures anyway.
  - “Accommodate” proposals may be the best that can be accomplished
    - The overall price paid by customers needs to remain acceptable and not excessively volatile.

# The Future is Soon (We Think)

- Electric Vehicle fleets expected to rise.
- Must encourage charging in wee hours.
  - Need further time-of-use pricing initiatives
  - Smarter meters?
- Smart appliances and apps to control usage
  - How great will
- Consumer empowerment a goal
  - Choice will mean solar, apps, connecting to wholesale prices, choice of TOU options.
  - The current retail supply offers are just costing ratepayers money in the long run (pay less now, more later), and are not empowering.

# The Great Net Metering Debate— It's Time

- Connecticut has net metering (16-243h)
- Need to have the debate about using value of solar instead, with grandfathering of existing users
  - Net metering a blunt instrument.
  - Impacts rate design and adds costs for non-users
  - Can implement competitive processes a la ZREC.
- Grid-side is cheaper than rooftop, and funds are not unlimited. Grid-side equitably shares costs and benefits with all users.