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## Study for New England Governors Shows Region Has Significant Potential to Develop Renewables

### States Draw on ISO New England's Power Planning Expertise to Help Develop 'Blueprint' for Future Power Grid Development

Holyoke, MA—September 15, 2009—At the request of New England's six governors, ISO New England Inc., the operator of the region's bulk power system and wholesale electricity markets, recently released the results of a months-long study evaluating renewable resource potential in the region and beyond, as well as the economic and environmental impacts of that development.

This technical analysis was used as a basis for the initial draft of the *New England Governors' Renewable Energy Blueprint*, prepared by the New England States Committee on Electricity (NESCOE) and recently shared with the six New England governors for their consideration. Through this process, regional policymakers hope to identify the available sources of renewable energy—both here and in neighboring regions—and determine the most effective means to encourage development of those resources across New England's power grid.

"ISO New England is pleased to provide its expertise and contribute to the region's efforts to take a wide-ranging look at possible next steps for regional power grid development. I share the New England governors' confidence that the region's past collaboration and planning successes will serve us well as we evaluate future resource scenarios," Gordon van Welie, ISO New England President and CEO, said.

The six New England governors earlier this year asked ISO New England to lend its technical support and power system planning experience to simulate the effects of various levels of renewable resource additions on the power grid. The study also identified the conceptual transmission development that could be required and estimated the costs to support interconnection of the resources envisioned in each scenario. In addition, the study looked at the impact of each scenario on wholesale electricity prices.

In recent months, a team of ISO New England engineers and economists has been analyzing more than 40 scenarios to integrate renewables, primarily large-scale wind resources onshore and offshore, into the region's electric grid by 2030.

### Summary of Economic Study Results

The objective of this study was to evaluate a hypothetical future power system under a number of scenarios. The study focused primarily on wind development, but also considered other resources such as demand resources, plug-in electric vehicles, expanded imports, and energy storage.

Though the study did not offer specific recommendations for resource or transmission development, key findings from the analysis include:

- Significant amounts of potential wind resources could be added to New England's system provided appropriate transmission expansion is in place, with offshore wind resource integration offering the most cost-effective use of new and existing transmission. The study considered and tested a wide range of additional wind resource integration scenarios, from 2,000 to 12,000 megawatts. A separate, ongoing ISO New England wind integration study is looking at operational issues surrounding large integration levels.
- For all of the scenarios considered, new transmission investment would be required to move energy from renewable resources to consumers throughout New England.
- Annual wholesale electric energy prices would be generally lower with the addition of renewable resources that have low or no fuel costs, such as wind, or when overall electricity use is reduced, as is the case when high levels of demand resources are added to the system.
- Lower levels of sulfur dioxide, nitrogen oxide, and carbon dioxide result when low-carbon-emitting-resources are added to the system or when older fossil-fueled generators are either retired or repowered with more efficient combustion technologies. The study assumed retired units would be replaced by new, natural gas combined-cycle units and repowered units would become measurably more efficient by incorporating new natural-gas fired technology with portions of the existing unit's infrastructure.

“We have an abundance of native renewable resource potential in New England. Before the states now are the questions as to how much regional renewable development should be pursued and at what cost,” said van Welie. “Tapping into these available resources can create potential benefits but would require new transmission to move power from where it is produced to where it is consumed. The concepts outlined in this study provide New England with an improved ability to compare and contrast the options before it, both within the region and beyond our borders.”

### About ISO New England's Economic Study Process

As a part of its regional planning process, ISO New England each year studies stakeholder proposals to explore opportunities that may improve power system efficiencies and produce economic benefits. Under study in 2009 is the request by NESCOE, acting on behalf of the governors, to identify the economic and environmental impacts for a set of renewable development scenarios. The states developed the study assumptions with technical input from the ISO. The study was conducted to support the governors' efforts to develop a renewable energy blueprint.