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Clearing the air on natural gas

Math is simple, law is clear – Herald column is not

LIZ STANTON | Jun 10, 2016

WANT TO KNOW how Massachusetts can lower electric bills while safeguarding the health of not just our own children but everyone else's children, too? By following our existing state and federal environmental laws and continuing to lead the nation by setting the standard for the clean energy economy.

The Massachusetts Supreme Judicial Court's May 17, 2016, decision is unequivocal. Our 2008 Global Warming Solutions Act requires annual limits on each category of the Commonwealth's emission of greenhouse gases. When taken together, these limits must be sufficient to bring our 2020 emissions to 75 percent of 1990 levels. Moreover, the Supreme Judicial Court instructed the Baker Administration to enforce these legally mandated reductions with binding regulations "to attain actual, measurable, and permanent emission reductions in the Commonwealth," including setting 2030 and 2040 emission targets that will get us to 20 percent of 1990 emissions by 2050.

That's the future we've already chosen. Business developers seeking to add new greenhouse-gas-emitting investments must now meet a burden of proof. They must demonstrate that operating their planned natural gas pipelines and power plants is consistent with reducing carbon pollution 25 percent by 2020 and 80 percent by 2050.

The math is simple. The law is clear. But recent pro-gas-investor rhetoric—including Holly Robichaud's opinion column published online on June 6 as a "news" article in the *Boston Herald*—obscures the actual issues. (Synapse has contacted the *Boston Herald* multiple times asking for the newspaper to print this clarification but has not yet received any response from their editors.)

Let's clear the air:

- Robichaud claims that Massachusetts' electric customers pay the most in the nation. Based on US Energy Information Administration data, Massachusetts electric rates are in fact the sixth highest in the country. But what customers actually pay depends not just on the electric rate but on the amount of electricity they use. Thanks to Massachusetts' path-breaking energy efficiency initiatives, despite our higher rates, our electric bills are lower than those in 30 other states. The average Massachusetts electric bill is actually 5 percent lower than the national average.

- Robichaud claims that Massachusetts customers' electric rates have been "skyrocketing" over time. Massachusetts' actual increase in average electric rates was 5 percent per year for the past 5 years. This is less than it was in the past—in the 2000s, the average yearly rate increase was 14 percent.
- Robichaud claims that National Grid customers' rates jumped 96 percent last winter. One portion of National Grid customer's rates (the "supply cost") did jump 97 percent in the winter of 2014—but the other "fixed" portion of rates did not. Overall, the temporary bump in our total residential electric rates was just 4 percent.
- Robichaud claims that a Synapse Energy Economics report—of which I was the lead author—"concluded there was a significant need to increase natural gas pipeline capacity." In fact, Synapse found that, given the Patrick Administration's particular set of assumptions about future investments in clean energy resources, more natural gas supply would be needed to prevent winter spikes in electric prices. Our study—written in 2014 and published in January 2015—very explicitly modeled a future in which Massachusetts failed to comply with its own climate law in 2020.
- Robichaud claims that the Analysis Group's November 2015 study commissioned by the Massachusetts Attorney General's office is somehow superseded by Synapse's earlier study. I disagree. The Analysis Group's study included new information that had been unavailable to Synapse in 2014, including the experience of another winter of gas and electric prices under new market rules designed to alleviate price spikes as well as evolving regional and global market conditions. The Analysis Group's study found sufficient clean energy resources to make additions to the region's natural gas infrastructure unnecessary. It should also be said that both the Synapse and Analysis Group studies agree on this point: bringing additional natural gas into New England leads to a future in which it is not possible to achieve the 25 percent emission reduction by 2020 required under law.
- Robichaud claims that without a new gas pipeline we will "sit in the dark." This claim is remarkably out of date. Neither the Synapse nor the Analysis Group studies found any risk of blackouts with or without a new pipeline. Even gas developers no longer claim electric reliability as a rationale for building pipelines.
- Robichaud claims that investing in clean energy rather than natural gas would "add to our already hefty cost of living expenses." While the Synapse study did not model a comparison study without a new pipeline, the Analysis Group found that increasing efficiency and investing in renewables is far less expensive than a new gas pipeline.

Massachusetts utilities are requesting permission to invest in new natural gas pipelines and add the costs of this investment to electric customers' bills. That's the so-called "gas tax"—an increase in customers' electric rates used to finance a highly speculative investment in natural gas infrastructure with a 50-year lifetime that our own state law may render a useless liability in less than four years.

If the gas developers think otherwise, they should demonstrate it with solid, rigorous analysis that they make widely available for public scrutiny. If a new gas pipeline paid for by electric consumers is both useful and economic under our Massachusetts climate law, prove it.

Liz Stanton is principal economist at Synapse Energy Economics in Cambridge.