

# Quenching the State's Growing Energy Thirst

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People stuck in elevators, ATMs and cash registers shut down, television stations off the air, surgeons waiting for the operating room lights to come back on. Scenes from Hurricane Katrina? No. These incidents occurred during California's rolling blackouts in 2000.

To ensure there is enough power in Massachusetts, the next governor will have to confront the state's energy challenges. The state set four power records this summer. Even though the lights stayed on, we could face energy shortages as soon as 2008, according to the power grid operator for New England.

The state got into this situation the old-fashioned way: more demand than supply. Basically, residents' lives and jobs are more dependent upon electricity. Computers, iPods, mobile phones, and bigger homes, to name a few, all contribute to the increased use of electricity. But even though Massachusetts has increased its use of electricity by 250 megawatts a year, we have not substantially increased electrical generation since 2001.

If Massachusetts is going to attract more businesses, jobs, and residents, then the state needs to have enough electricity for businesses to expand and to ensure that the lights stay on.

And the state has to face some difficult facts: It cannot simply conserve its way out of the problem by becoming more efficient or turning to renewable sources to generate power. Massachusetts businesses are leaders in energy efficiency, spending almost \$100 million a year on programs in that area. Consumers and businesses have given the Massachusetts Renewable Trust Fund a half a billion dollars since the fund was created. Even with these investments in energy efficiency, the state's net energy use is still rising.

With predicted shortfalls as soon as 2008, increasing supply through renewable wood and hydroelectric, wind, and biofuels generation is a step in the right direction. However, these largely intermittent resources, with significant siting challenges, may not be available soon enough to provide the power the state needs. Emerging technologies are exciting and should be encouraged, but they likely won't be available in time.

So, if the state is going to improve its economy then it must build more facilities to increase the production of energy, improve the delivery infrastructure, and be more energy efficient. One way to make the cost of living and doing business in Massachusetts more affordable is to have a balanced energy policy that will provide electricity that is affordable and readily available for businesses and residents.

Here are three suggestions that the next governor should implement in the first 100 days in office:

First, we need more power, so we need to build. There are a lot of companies willing and able to build more generation capacity in Massachusetts -- and pay for it. There are numerous liquefied natural gas projects that would bring more energy to Massachusetts. There are utilities poised to put up new transmission lines. These projects all need to be undertaken. We need to bring more partners to Massachusetts by saying yes to projects that make sense. Doing so will bring more jobs and residents to work in the state while insuring reliable power.

Second, we need to make the permitting process work faster. Right now, getting the required permits for an energy project can take years and a lot of money. As a result, Massachusetts has not been building the power it needs. Our energy challenges are too demanding to waste time

and money in a waiting game where no one wins. We need a thorough, predictable, and swift process that is fair to everyone and helps the state meet its energy needs.

Finally, we need tax incentives for renewable and alternative energy development in Massachusetts. Additional development of these energy resources will provide a more balanced approach to solving the challenge we face that also helps our environment and creates jobs.

For now, the lights still turn on when we hit the switch. But the next governor has to act in a forceful and comprehensive way. There are hard choices to be made in siting, demand reductions, transmission line development, energy efficiency programs, and green power generation. But, the way to do it is to have a balanced energy policy that delivers affordable and reliable electricity for everyone.

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