

Nickles Addresses NECA Power Markets Conference

On November 4, **COMPETE** Co-Chair, former Senator Don Nickles, urged New England to stay the course on competitive reforms in electricity in an address to nearly 140 attendees of the Northeast Energy and Commerce Association's 2009 Power Markets Conference, *New England's Power Markets at the Crossroads*. Senator Nickles highlighted the significant consumer benefits achieved through competition in New England – including reliability, efficiency and price benefits – as well as the importance of strong policymaker support at the state level that has allowed competition to thrive.

"Our opponents have suggested turning back the clock on existing competitive markets," Senator Nickles said. "We should not be naïve about the so-called 'good old days' of monopoly utilities. Without competition, there was little incentive for traditional utilities to innovate."

"Well-structured markets offer clear and concrete benefits for consumers, our economy and the environment," he continued. "But the continuation of these benefits depends on policy makers looking past the short-term and planning for our nation's long-term energy needs."

Senator Nickles also highlighted some significant regional statistics in support of competition:

- In 2008, enrollment in ISO-New England's demand response programs grew 28 percent, an important factor for maintaining power grid reliability and controlling wholesale costs during record peak electricity use. Total demand resources **increased 556 percent** from January 2005 to December 2008.
- Generator availability, which stood at 81 percent when wholesale electricity markets commenced in New England in 1999, hit **a new high of 90 percent** in 2007.
- A recent survey in New England demonstrates that, 10 years after restructuring, consumers want competition in electricity markets, with **78% of New Englanders in favor of competition**.
- In the Western Massachusetts Electric Company territory – prices for residential customers will decrease by **27.5 percent**, commercial and industrial customer prices will fall **24 percent**.
- Connecticut Light & Power, the state's largest utility, has seen an uptick from about 85,000 customers on competitive supply in May 2008 to 134,255 as of May 2009, representing almost **11% of the customers** in the utility's service territory **and nearly 46% of the load**.