Base Load Generation in New England

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Introduction

- Current state of Base Load Electricity Generation in New England
- Trends and prospects

Base Load Generation

Generation that runs full power almost constantly

- Long term contracts.
- Customary auction winners.
- RMR contracts; grid stability.
- Certain renewable generators.

Base Generators Load Supply:

32 % system capacity.

54 % total system energy.

Benefits: Base load Generators

- Reliability.
- Low cost – high return to investors.
- High power density.
- Fuel diversity.
- Price moderating.
- Easily watched/regulated.

Reality: Base Load the Future

- Price response metering.
- Demand side management.
- E-Transportation expectations.
- Economic growth.
- Little attention due to peak crisis.

Reality: Fleet Status

- Nothing being built.
- Little proposed.
- “Graying” Fleet.

Proposed New Projects

Wind:	1105
Gas:	1371
Multi:	1078
Bio:	90
Coal:	237
Nuclear:	0
Hydro:	0
Total Base:	693 of 4474

Reality: The New Reality

Gas is becoming the new Base Load generation with the risks of price volatility and supply limitations.

Issues with New Construction

- Environmental impacts.
- Substantial capital/operating cost.
- High economic risk.
- Political/geopolitical considerations.

Challenges

- Prospects of capital recovery.
- Environmental activism.
- NIMBY.
- No obligations to serve.
- Uncertain standards and national priorities.

Considerations and Offerings

- Long Term Contracts.
- Obligations to Serve.
- Fuel diversity.
- Consistent Regional and National Standards & Priorities.
- FCM.