

Director of Policy, Amy Boyd's Speech – MOPR Press Statement, April 14, 2022

Thank you. My name is Amy Boyd. I'm the Director for Policy at Acadia Center, a clean energy advocacy organization working to help achieve a healthy climate.

I'm very happy to be here on a spring day with a clean energy champion as we look forward to a bright clean energy future. At the same time, I'm also deeply concerned that our clean energy future is being delayed by discriminatory regional market rules that block clean energy.

We're here today about the Minimum Offer Price Rule. This is an ISO-New England rule that serves as a barrier to clean energy entering the regional capacity market. The rule sets an artificial price floor for clean energy resources and tells them they can't bid in the market below that level. This is the case even if it means they can't compete at all. The effect of this has been to slow the development of new clean energy like offshore wind and battery storage. It also drives up prices for consumers across New England.

The Minimum Offer Price Rule has erected barriers to clean energy and energy storage in New England for far too long already. Yet in a filing at the Federal Energy Regulatory Commission, ISO-New England has proposed to delay eliminating this harmful rule. We are here to express our opposition to that delay.

To be clear, calls for eliminating this rule began over a decade ago. Since then, state clean energy policy here in Massachusetts and across the region has evolved and has gotten increasingly ambitious. But ISO-New England's approach to clean energy has not kept pace. Here we stand a decade later, and ISO-New England claims it's still not ready to eliminate this harmful rule. It wants to delay even longer before clean energy can get fair treatment and consumers can see the cost savings of competition.

Our region stands poised to welcome nearly 5000 MW of offshore wind that could be harmed if ISO-New England's federal regulator, the Federal Energy Regulatory Commission, approves the delay ISO-New England has proposed. A similar amount of new battery storage could be harmed.

With those kinds of modern resources, we could make our electric system both cleaner and more reliable. Instead of hearing constant alarm bells from ISO-New England about the risk of winter blackouts like we did this year, we could have offshore wind and battery storage serving the electric grid all winter long. We could take real steps to reaching our climate goals. And we could do this while lowering market costs and avoiding the impacts of fossil fuel price spikes. At the same time, our communities would have better health and cleaner air.

Ultimately, we can't meet our climate goals as a region if ISO-New England keeps old-fashioned practices like this in place. The climate scientists at the IPCC have told us that we can't afford to wait any longer to remove obstacles to progress like this one. Rules like the Minimum Offer Price Rule hurt clean energy and they hurt our communities. ISO-New England needs to start counting itself responsible to those communities.

The first step to doing so is to eliminate the Minimum Offer Price Rule that has stood in the way of clean energy development and protected fossil fuel resources from competition. Our energy system is not an old boys club. It should not be run like one. We need a modern approach to regional energy management that at a bare minimum gives new clean energy the same access to capacity market payments that fossil fuels receive.

I urge New England's governors and others to oppose the delay in eliminating the Minimum Offer Price Rule. Together we can make the changes we need, but there is no time to waste.

Thank you very much.