

Mass. AG sees no need for new natural gas pipelines

Prefers methods to boost efficiency



BARRY CHIN/GLOBE STAFF/FILE

Attorney General Maura Healey took part in the Boston Globe's Political Happy Hour series last month.

Attorney General Maura Healey, who by law represents consumers in utility cases, said Wednesday that the state can meet its energy needs and lower costs without building new natural gas pipelines, citing a study that calls instead for improving energy efficiency and management.

The study was commissioned by Healey's office, but financed by two national foundations that have contributed to environmental causes. In its report, the Boston consulting firm Analysis Group Inc. concluded that increasing energy efficiency and encouraging electricity users to scale back their use when demand and prices are high would keep the lights on and save consumers \$146 million per year through 2030.

Savings from increasing the supply of natural gas — the main fuel used to generate electricity here — through expanded pipelines would save \$133 million a year, the study estimated.

“This study demonstrates that we do not need increased gas capacity to meet electric reliability needs, and that electric ratepayers shouldn't foot the bill for additional pipelines,” Healey said in a statement. “A much more cost-effective solution is to embrace energy efficiency and demand response programs that protect ratepayers and significantly reduce greenhouse gas emissions.”

These findings, however, came under attack by natural gas interests, including Kinder Morgan Inc., which has proposed a pipeline that would transport natural gas from shale fields through Western Massachusetts and Southern New Hampshire. The company cited earlier studies, some funded by the

natural gas industry, that have estimated that new pipelines would lead to savings of about \$2 billion per year by increasing supplies and lowering prices.

Tony Buxton, the spokesman for the Coalition to Lower Energy Costs and a lawyer who represents industrial clients, also questioned the objectivity of Healey's study, noting it was financed by the Barr Foundation and the John Merck Fund, both of Boston. They have funded renewable advocacy campaigns and environmental groups such as the Conservation Law Foundation, which has opposed pipeline projects.

"I have been disappointed," Buxton said of the Healey study's conclusions. "Frankly, it's likely the opponents of gas knew they needed some type of study to attempt to refute the 30 studies that say we need gas capacity."

A spokeswoman for Healey deflected criticism of the study's funding, saying that the Analysis Group has also worked for energy companies and is widely recognized for its rigorous and impartial approach to policy and economic questions.

Four pipeline projects have been proposed to increase the supply of natural gas into the region and help address the high cost of electricity in the state, but the most controversial have been the Kinder Morgan proposal and an expansion of the existing Algonquin pipeline.

Communities, residents, and local officials across Western Massachusetts are fighting the Kinder Morgan plan. In West Roxbury, residents, supported by Boston Mayor Martin J. Walsh and US Representative Stephen F. Lynch, a South Boston Democrat, oppose a spur from the Algonquin project that would run through that neighborhood.

That Algonquin project has already been approved by the Federal Energy Regulatory Commission; Kinder Morgan said it would go ahead with its plans to file for federal approval on Nov. 20.

Environmentalists oppose the projects, arguing that burning more natural gas will increase greenhouse gas emissions that contribute to global climate change. The study said building more natural gas pipelines could risk increasing emissions beyond targets set by federal and regional policy makers.

A copy of the study was filed with the Federal Energy Regulatory Commission, which has the final say over interstate natural gas pipelines.

Pipeline opponents hailed the findings of the Healey study, saying it would bolster its case before regulators and the courts.

“Information is powerful, and we hope that FERC and others will read the report and make it a part of their decision-making process,” said George Bachrach, the president of the Environmental League of Massachusetts.

Associated Industries of Massachusetts, the state’s largest business group, said it was still analyzing the report, but said the Healey study failed to take into account the benefits to businesses that now don’t have access to lower-cost natural gas.

Mary-Leah Assad, a spokeswoman for National Grid, which is backing a project to expand New England’s natural gas pipelines and sell gas to electric generators, said the company was “disappointed” by the study’s findings and called for a “diverse portfolio” of pipelines and renewable energy. An Eversource spokeswoman echoed those points.

“There’s simply no getting around the need for more pipelines to moderate exorbitant electricity prices,” Assad said.

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Correction: An earlier version of this article misstated the net cost of importing electricity over new transmission lines as a net benefit.

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