

News : Eversource executive proposes New England states buy fuel to stabilize energy prices

By Marvin Richards Jr

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- States would purchase **LNG** , oil for power
- States would aim to negotiate fixed price

Executives for **Eversource Energy** and Avangrid are calling on **Connecticut** lawmakers to collaborate with other **New England** states to bring more fuel into the region and help manage volatility in the energy supply market.

James Daly, vice president of energy supply at Eversource, proposed an Energy Bridge Portfolio program during a Feb. 7 hearing before the **Connecticut** General Assembly's Energy and Technology Committee. Fuel deficiencies in **New England** , exacerbated by the turmoil in gas and power markets driven by **Russia** 's invasion of **Ukraine** , have led to massive bill increases for **Connecticut** ratepayers, Daly said.

Under the program, **New England** states would together purchase shipments of liquefied **natural gas** and oil, supplementing regional reserves, that would be delivered to generators as needed during periods of extreme cold, according to Daly's presentation. The states would aim to negotiate a fixed price for the commodities over multiyear periods to help mitigate price volatility, with each state shouldering a proportionate share of the cost.

Other aspects of the plan include smart metering programs and targeted energy efficiency and demand response programs. The Eversource executive said his proposal would reduce costs for utility customers and increase grid reliability.

If implemented, these steps could help ease the transition for customers and power providers until large clean and **renewable** power projects planned in the region come online.

Daly told lawmakers it has been difficult to get **ISO New England** and stakeholders to move forward with his proposed solutions. "We need leadership on this that's been lacking," Daly said. "It is not really in their interest to flood the market with fuel. It would lower their revenues."

Kenna Hagan, general counsel to the Avangrid subsidiary The United Illuminating Co., expressed support for the plan during the hearing as well.

"Different market mechanisms or different structures led by the state need to be in place to mitigate that price volatility," Hagan said. "Because at the end of the day, customers and businesses want predictability more than anything, to make sure they can budget and pay their bills."

In November, **Connecticut** Gov. Ned Lamont rolled out bill credits for customers ahead of dramatic increases in standard service supply rates that took effect Jan. 1. A state lawmaker introduced a bill in January that would require General Assembly approval of **electric** or **natural gas** rate increases approved by state regulators, but the legislation has not yet received any hearings.

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