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## **NORTHERN PASS PROJECT ECONOMICS COLLAPSE**

*In 8 years, wholesale prices drop to historic lows and project costs rise by nearly 50%*

**Concord, NH:** In a [final brief](#) filed today with the New Hampshire Site Evaluation Committee regarding the Northern Pass Transmission Project the New England Power Generators Association (NEPGA) finds that Northern Pass will not meet its promised wholesale electricity benefits. Specifically, the brief details how electricity transmitted over Northern Pass will not be used for the region's power generation capacity requirements. The project's fatally flawed and incomplete analysis cannot be relied upon to show the price benefits the project sponsors have long trumpeted. These findings raise the question, if New Hampshire will not receive the promised lower electricity prices, is it worth the cost?

NEPGA also highlights how even if Northern Pass were able to overcome the challenges it faces to participate in the region's Forward Capacity Market, a power plant of equivalent size would have to be retired in New Hampshire and/or Maine, creating massive losses of employment and economic revenue for the state and host communities. All this for an elective project, not needed for reliability, seeking subsidies through massive out-of-market contracts in Massachusetts.

Commenting on the brief, Dan Dolan, NEPGA President said, "Since this project was proposed nearly 8 years ago the energy market has changed dramatically, prices have dropped to historic lows and the costs of Northern Pass have risen by nearly 50%. In short, the economics of the project have collapsed along with its electricity market justification. Power plant owners in New Hampshire and across New England are investing billions of dollars today to continue to meet consumer electricity needs reliably, at historically-low competitive levels and meeting some of the strictest emissions requirements in the country."

Dolan added, "Rigorous economic analysis demonstrates that there are not likely to be any material electricity market savings to ratepayers. While the details of the economics of this controversial project can be complex, it comes down to a question of whether Northern Pass will qualify for electricity capacity payments to provide critical reliability services for the region. Our conclusion, based on expert review and testimony, is that it will not. "

Dolan concluded, "New Hampshire in the past has fallen victim to the Eversource 'too big to fail' narrative on projects like the Merrimack scrubber and the Berlin Biomass plant, which have cost ratepayers nearly a billion dollars in stranded costs. The Site Evaluation Committee now has the chance to rise above these past errors and we are hopeful they will do so here."

***NEPGA's mission is to support competitive wholesale electricity markets in New England. We believe that open markets guided by stable public policies are the best means to provide reliable and competitively-priced electricity for consumers. A sensible, market-based approach furthers economic development, jobs and balanced environmental policy for the region.***

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