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01/30/2020

New England States Seek to Restore Competition to Broken Energy Transmission System, Save Ratepayer Dollars

ISO-NE has Labeled All 30 Ongoing Transmission Projects an "Emergency" to Skirt Competitive Process

(Hartford, CT) – Connecticut, Massachusetts and Maine are urging federal energy regulators to require ISO-NE to allow competition in transmission work, as required by law—a move that could dramatically drive down costs and save ratepayers millions of dollars.

"Connecticut is plagued with some of the highest energy costs in the nation, and families and businesses simply cannot afford these bloated contracts. Restoring competition to this broken system could save ratepayers millions of dollars while also opening doors to improved energy efficiency and use of renewable technologies. ISO-NE has evaded the competitive bidding process, and this practice needs to end." **said Attorney General William Tong.**

"For too long, ISO-New England has avoided competitive bidding for building new transmission lines, driving up costs for our families and businesses. Allowing for competition, will help support our transition to a cleaner, reliable energy system and could save ratepayers millions of dollars on their bills," **said Massachusetts Attorney General Maura Healey.**

"Competitive processes could save Connecticut's ratepayers millions of dollars, and could also enable the incorporation of new technologies to provide a more efficient and resilient grid," **said Katie S. Dykes, Commissioner of the Connecticut Department of Energy and Environmental Protection.** "Ratepayers have been waiting for years to get the benefit of a competitive process. It's time for ISO-NE to move that forward."

"As the working families of this state know all too well, the electricity rates paid by Connecticut consumers are among the highest in the nation," **said Acting Consumer Counsel Richard E. Sobolewski.** "Allowing a competitive process for transmission projects in ISO-NE has the potential to save ratepayers a substantial amount of money on their electricity costs."

"Maine is particularly concerned regarding the impact of the proposed exclusion of Non Wires Alternatives from the ISO-NE process. NWAs, such as targeted efficiency, storage or distributed generation projects, have the potential to address reliability needs more cost effectively than traditional transmission infrastructure," **said Maine Public Advocate Barry Hobbins.**

In a [letter to the Federal Energy Regulatory Commission](#) , Connecticut Attorney General William Tong, Connecticut Department of Energy and Environmental Protection, the Connecticut Office of Consumer Counsel, Massachusetts Office of the Attorney General and the Maine Office of the Public Advocate identify long-standing practices by regional grid operator ISO-NE that avoid competitive bidding and drive up costs for consumers.

In 2011, the Federal Energy Regulatory Commission issued an order to bolster competition for transmission projects. Despite that order, there has not been a single competitive transmission project built in New England. ISO-NE, the region's electric grid operator, has systematically skirted the federal order by identifying all 30 projects built since 2011 as an "emergency," thus allowing work to be automatically awarded to incumbent transmission owners. Additionally, by blocking competitive bids, ISO-NE has closed its doors to proposals from alternative technologies, including more efficient or renewable options.

Transmission accounts for approximately 20 percent of the cost of running our electric grid. Significant investment of approximately \$1.3 billion is planned for the near future. There are 67 various projects planned, proposed or under construction currently.

Competition could lower costs by 20-30 percent, and save ratepayers millions of dollars. Analysts have shown that competition in transmission projects elsewhere has resulted in winning bids 40 percent below initial cost estimates, while non-competitive bids were completed at 34 percent above initial estimates. Non-competitive transmission projects at ISO-NE have a poor track record of cost overruns of up to 70 percent.

Assistant Attorney General Robert Snook and Assistant Attorney General Matt Levine, Head of the Environment Department, assisted the Attorney General in this matter.

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