

Power play: Green vs. greenbacks; Renewable energy options more costly to consumers

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Are electric customers willing to fork over extra green in order to call themselves green?

That's what Massachusetts Electric, Nstar and long-time supporters of renewable fuels are asking as the electric industry revs up efforts to promote alternative power sources across the state.

Both Mass Electric and Nstar have clearly reacted to regulatory pressure when they recently introduced new "green" options for their more than 2 million combined customers.

Last month, Mass Electric unveiled its voluntary "GreenUp" program that lets customers select a renewable fuel source to generate a portion of their electricity needs.

Earlier this month, Nstar countered with its own "Nstar Green" program, which gives customers the option to buy 25 percent of their power via slightly more expensive renewable energy sources.

Being environmentally correct will cost more, since renewable fuels - such as wind and solar - are more expensive than traditional fossil fuels.

Mass Electric's "GreenUp" program can cost a homeowner anywhere from \$6 to \$12 extra per month for the use of renewable fuels, depending on the package a customer selects.

Nstar says its "Nstar Green" program would tack on an extra \$7, or about 10 percent, to an average monthly bill.

In both cases, Mass Electric and Nstar contract with wind, solar and other renewable energy companies to provide the power. Customers pay Mass Electric and Nstar for the electricity, with the utilities passing the funds along to renewable energy companies.

The utilities have no choice but to push renewable energy.

Under Massachusetts' electricity restructuring law, 1 percent of power in 2003 has to come from so-called "new renewable" energy sources developed since 1998. In 2004, the requirement jumps to 1.5 percent. The percentage increases half a point each year through 2010.

But utilities say they're also responding to a greater demand by customers for use of renewable fuels - not just following regulatory dictates.

"It's a matter of faith," said the Rev. Peter Lovett, pastor of the First Parish, United Church of Christ in Westwood. "It's about loving the earth God has given us and helping the environment."

Lovett's church is one of 54 congregations across Eastern Massachusetts fueled by wood and trash sources developed well before 1998.

The key is to promote "new renewables" above and beyond those hydro and refuse energy sources. In Massachusetts, only about 0.5 percent of electrical power was generated in 2002 by renewable fuels developed since 1998, state officials say.

The use of wind and solar power is so small, it barely registers a blip on generation charts, officials add.

Seth Kaplan, a senior attorney at the Conservation Law Foundation, said the green market has to be given time before it takes hold. "It's the direction the industry is going," he said. "People are going to insist upon it."

Penni McLean-Conner, Nstar's vice president of customer care, said her company is hoping that 3 percent to 5 percent of its million Bay State customers sign up for its "Nstar Green" program in coming years.

The Rev. Stephen Smith, pastor of St. John's Episcopal Church in Westwood, another member of Massachusetts Interfaith Light and Power, said it's "critical" for everyone to get on board with renewable fuels.

"There's an economic component to this, as well as a moral component," he said.

Massachusetts utilities are responding to pressure to use more renewable energy sources for their electricity with customer plans that guarantee up to 25 percent will come from such sources as water, wind and solar generators. Source: ISO New England; Staff graphic by Jeff Walsh. See Boston Herald microfilm for complete graphic.