



FOR IMMEDIATE RELEASE

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**Statement by Carl Gustin, President
The New England Energy Alliance
In Response to Projected Summer Electricity Demand**

Boston, MA – 4/26/06 – A report today of record electricity demand this summer and the possible use of emergency measures to avoid shortages should be taken as another among many calls for action to address the lack of new energy resources in the region. The report was released by ISO New England, the organization responsible for operating New England's electricity transmission system.

While there may be adequate supplies this summer under normal weather conditions, the time for action is already upon us. Detailed analyses have shown that the situation is likely to get substantially worse without new investment in power plants and transmission as well as approval of new liquefied natural gas facilities in the region. Regional policy makers and decision makers should heed the warning from ISO New England that "New England could soon be consuming more electricity than it can produce or buy from its neighbors." The same is true for natural gas, which has become the fuel of choice for electricity generating plants.

Once investors begin to invest again in new power plants, which is expected as wholesale market rules are clarified, those plants will mostly burn natural gas. As a result, it is vital to the region's economic well-being that progress be made now to approve applications for LNG facilities while continuing to encourage investment in power plants. In the meantime, it is just as important that the region take steps to increase energy efficiency and reduce demand, especially during peak periods, while ensuring that existing power plants continue to operate.

The New England Energy Alliance is a coalition of energy providers, business and trade organizations and others concerned about future energy supplies.

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