

Dedicated to Growth ... Committed to Action

December 28, 2017

Judith Judson Commissioner Massachusetts Department of Energy Resources 100 Cambridge Street Suite 1020 Boston, MA 02114

Dear Commissioner Judson,

As you consider additional supply transmission projects that will deliver renewable energy pursuant to Section 83D of Chapter 188 of the Acts of 2016, *An Act to Promote Energy Diversity*, the Massachusetts High Technology Council urges the Department of Energy Resources (the "Department") to give the highest priority to considerations of cost and anticipated economic impact on electricity ratepayers.

The Massachusetts High Technology Council (the "Council") is the oldest and only cross-sector association of technology, professional services, and higher education CEOs and senior executives in Massachusetts. For more than 40 years, the Council has lead advocacy efforts in support of public policies and programs that create and maintain a healthy and competitive business climate for the technology sector in Massachusetts.

Current and historic data, including key metrics tracked in the <u>Massachusetts Technology, Talent and</u> <u>Economic Reporting System (MATTERS)</u>, the Council's 50-state competiveness dashboard, show that energy costs in Massachusetts are consistently among the highest in the nation. For example, the average retail price of electricity Massachusetts is currently the 5th highest in the nation and ratepayers continue to see regular increases in base rates.

Overall, the high cost of doing business in Massachusetts is a competitive disadvantage for the state. In the just-concluded <u>Fall 2017 MATTERS Executive Competitiveness Insight Survey</u>, 77% of respondents cited the high cost of doing business as a top risk facing their business.

The Council supports the Commonwealth's efforts to be a national leader in renewable energy, but costs matter and we must all be mindful of the impact of energy costs on job creation and our reputation as a leader in the innovation economy. As the Department deliberates on the best projects for Massachusetts' clean energy future, it is imperative that you give the strongest of consideration to potential impacts on our ability to meet the needs of our growing economy.

The Council also asks that you continue to consider the evolution of energy technologies and the growing impacts energy efficiency, smart grids, smart buildings, demand response, microgrids, batteries, and solar technologies are having on overall energy production and distribution.

Following the 2016 enactment of an *Act Relative to Energy Diversity*, Governor Baker and legislators repeatedly and wisely urged that only the most cost-effective projects should be considered in the clean energy RFP process and the affordability of each proposal must be given the highest priority. We call on the Department and all involved in the procurement process to heed those calls.

Please do not hesitate to contact me should you have any questions or require further information and thank you for your consideration of our recommendations.

Best regards,

Mark J. Gallagher Executive Vice President Public Policy and Communications Massachusetts High Technology Council