



THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE DEPARTMENT

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MITT ROMNEY
GOVERNOR

KERRY HEALEY
LIEUTENANT GOVERNOR

August 10, 2006

To the Honorable Senate and House of Representatives:

Pursuant to Article LVI of the Constitution of the Commonwealth, as amended by Article XC, Section 3 of the Amendments to the Constitution of the Commonwealth, I am returning to you for amendment House Bill No. 5090, "An Act Relative to the Renewable Energy Portfolio Standard."

In 1997, the Electricity Restructuring Act created the Renewable Portfolio Standard (RPS) to encourage new renewable generation technologies through market-based financial incentives. Section 1 of House Bill No. 5090 would undermine the incentives for new renewable energy generation by flooding the market with additional supplies. Without a robust market for renewable energy, new developers will have little incentive to build new, clean renewable facilities. My proposed amendment will promote new renewable energy resources by ensuring that only new renewable energy generating sources that began operation after December 31, 1997, or that increase generating capacity, are eligible for such incentives.

Section 2 would impact the siting of new liquefied natural gas (LNG) terminals in the Commonwealth. In particular, this section effectively stops the development of a facility at Weaver's Cove in the City of Fall River. As I have stated in the past, I do not support the Weaver's Cove project because it is not wise to construct new facilities in close proximity to residential neighborhoods. Therefore, I am retaining section 2 with a minor technical change.

However, section 3 would adversely affect, and possibly close, an existing LNG facility. This would seriously jeopardize the Commonwealth's energy supply, increase costs to consumers and disrupt lives and businesses. While I am opposed to siting new LNG facilities near residential areas, I cannot responsibly permit the closure of a facility that is so critical to the supply and distribution of natural gas to Massachusetts. Based upon this concern, I am proposing to strike section 3 in its entirety.

By striking out section 1 in its entirety and inserting in place thereof the following:-

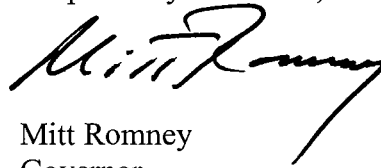
“SECTION 1. Subsection (b) of section 11F of chapter 25A of the General Laws, as appearing in the 2004 Official Edition is hereby amended by striking out clause (viii) in its entirety and inserting in place thereof the following:-

(viii) low-emission, advanced biomass power conversion technologies, including low-emission stoker combustion and gasification using such biomass fuels as wood, agricultural, or food wastes, energy crops, biogas, biodiesel, or organic refuse-derived fuel;”

By striking out in the last sentence of section 2 the words “or expanded”.

By striking sections 3 and 4 in their entirety.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mitt Romney". The signature is written in a cursive, flowing style with a long, sweeping tail that extends downwards and to the right.

Mitt Romney
Governor