Local Energy Investment & Infrastructure Modernization

HD 1497 (Rep. Benson) – SD 1371 (Sen. Pacheco)

In Massachusetts and across the country, the energy system is evolving rapidly as new technologies offer the promise of a clean, flexible, and consumer-centered grid. However, reforms are required to move beyond the historic model of centralized power stations and large utility infrastructure to a 21st century energy system that takes full advantage of smart and efficient appliances, electric vehicles and other storage, and rooftop solar. These reforms can:

- Improve planning for a future of clean local energy resources;
- Facilitate needed investments in local infrastructure with better stakeholder review;
- Promote good paying, local energy jobs and support the green economy;
- Protect consumers and use smarter pricing to improve incentives for energy management;
- Enhance reliability and resiliency;
- Choose local energy resources when cheaper than traditional transmission for reliability;
- Lower overall costs to ratepayers while moving away from polluting fuel sources.

An Act relative to Local Energy Investment and Infrastructure Modernization (HD 1497/SD 1371) seeks to achieve these objectives in four parts:

1) Grid Modernization 2.0: Planning for Local Energy Resources

- Establish a new approach to grid planning that utilizes clean, local energy resources to meet system needs by requiring statewide grid modernization plans, stakeholder participation, and information to accelerate the integration of renewable energy
- Protections for consumers, including protecting low-income consumers from remote shutoff and special cost recovery mechanisms

2) Fair Consideration of Local Energy Resources vs. Utility Infrastructure

- Before approval of significant expenditures, require comparison of utility infrastructure to lower-cost and environmentally-preferable local energy resources

3) Cap Residential Fixed Charges to Preserve Clean Energy Incentives and Protect Low-Income Consumers

- These types of charges limit consumer control over energy bills, undermine incentives to save and self-generate energy, and disproportionately impact low-income consumers

4) Improve Consumer Incentives with Opt-In Time of Use Rates

- Enable consumers with solar, electric vehicles, or flexible energy demands to benefit from producing energy at times of greatest need or consuming energy when it is cheapest, while improving the overall efficiency of the grid

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