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ACADIA CENTER APPLAUDS Massachusetts Lawmakers and Governor Healey for Passage of Vital Climate Bill, Inclusion of Key Provisions Regarding Siting, Gas Reform, and More

After-session breakthrough yields robust package of common-sense climate provisions delivering benefits to families and businesses; Key reforms to siting and permitting modernize processes for infrastructure approvals while preserving communities' voice and standing to participate; Gas system provisions carry through on vision from DPU 20-80-B Order, initiate managed gas system wind-down

BOSTON — Today, the Massachusetts Legislature enacted a momentous piece of climate legislation that reforms the siting and permitting of clean energy projects, limits natural gas expansion, sets ambitious electric vehicle charging standards, makes needed changes to clean energy procurement, and contains many other reforms that will help drive the Commonwealth forward on decarbonization. Acadia Center applauds the Legislature and the Governor for the leadership demonstrated in shepherding this impactful package of laws to enactment, and urges the Governor to sign this critical legislation as soon as possible. Through the bill package, the Legislature and the Healey-Driscoll Administration are taking tangible steps to drive the Commonwealth's clean energy future forward in the wake of the federal Election outcome.

Acadia Center is proud to have played an advocacy role in helping build support for a strong package while simultaneously holding the line on the need for a broader bill rather than a narrow package focused only on siting/permitting. The organization stands ready and willing to work with agencies and stakeholders to implement the legislation's directives, with an emphasis on protecting those who may be most affected by these elements of the broader energy and climate transition. This includes low-income and environmental justice communities, as well as the Commonwealth's important gas workforce, all of whom deserve a just and equitable transition through the subsequent steps that will now unfold. With these protections identified and prioritized, Acadia Center believes this legislation presents bold yet thoughtful and common-sense changes that will maintain the Commonwealth's leadership on climate.

Daniel Sosland, President at Acadia Center, said, "The climate crisis has shown itself to be unrelenting in 2024, leaving no room for inaction on policy at the local and state level. Thankfully, legislative leaders in Massachusetts answered the call, ensuring that the Commonwealth will remain a leader on clean energy and retain the momentum of reforms in key areas like infrastructure siting, gas system transition, and beyond. Acadia Center congratulates

Chairs Michael Barrett and Jeffrey Roy, along with Governor Maura Healey, for reaching this week's historic agreement, and we applaud the persistence and creativity shown in working towards a strong final package after the formal end of session. As the focus now shifts to implementation and regulatory action, residents and businesses across the Commonwealth—and even around the region—will begin to see tangible, quality-of-life benefits flowing from improvements to affordability, energy security, grid strengthening, extreme weather resilience, air quality and public health, and job creation and economic development."

Kyle Murray, Director, State Program Implementation at Acadia Center, said, "Today's agreement is a major win for the Commonwealth, for ratepayers, public health, climate resiliency, and for our clean energy future. These improvements to modernize siting and permitting processes will help deliver the infrastructure necessary for our electrified and zero-emission future in a way that preserves meaningful community standing and input. Further, the common-sense provisions to limit the growth of the sprawling natural gas system will provide the Department of Public Utilities (DPU) with the needed tools to save ratepayers money on imprudent investments, stranded assets, and leaky pipes. Both branches deserve tremendous credit for a visionary agreement that charts a responsible path forward."

Acadia Center and other advocates were initially deeply troubled when the legislature failed to come to an accord on a climate omnibus before the July 31st deadline for formal sessions. However, we were encouraged by information that the conference committee remained hard at work. Today's outcome shows that faith has been rewarded with a powerful and balanced bill.

In the legislative agreement reached, the Legislature and Governor came together on a number of directives that will now shape the Commonwealth's decarbonization pathways, including the following highlights:

Siting and Permitting:

- Expands/updates Energy Facilities Siting Board (EFSB) authority, including setting a fixed time limit on decision appeals;
- o Ensures a smoother path to approval for clean energy projects with a streamlined process;
- o Adds a significant definition for cumulative impact analysis; and
- Creates an EFSB and DPU Intervenor Support Fund to provide citizens resources to intervene in these proceedings.

• Gas System Transition:

- o Reforms the state's Gas System Enhancement Plan (GSEP) process to allow for the retirement of pipes instead of simple repair or replacement.
- Ends the unilateral obligation to provide gas service and allows for alternatives to be considered;
- Allows the DPU to consider emissions when reviewing petitions to expand gas company territory;
- Changes the legal definition of a natural gas utility to give them license to deliver geothermal power, a possible first step in changing the business model of natural gas utilities; and

o Requires gas utilities to quantify the costs of potential stranded assets and the benefits of avoiding exposure to such assets.

Grid-Enhancing Technologies (GETs) and Advanced Transmission Technologies (ATTs)

- o Includes suite of provisions to advance the adoption of GETs and ATTs such as dynamic line ratings (DLR) on the Massachusetts power grid
- o Incorporates ATTs/GETs into updated definition for transmission/distribution infrastructure under revised siting and permitting/EFSB regime
- o Requires utilities to conduct analyses and develop timetables for the adoption of costeffective GETs/ATT investments, and permits them to propose performance incentive mechanisms (PIMs) to reward progress on these investments.
- o Incorporates ATTs/GETs into the prudence requirement utilities must meet for all Electric Sector Modernization Plan (ESMP) investments
- o Directs the DPU and DOER to initiate an independent investigation of GETs/ATTs to monitor industry developments and clarify open jurisdictional questions.

Procurement of Energy Storage, Offshore Wind, and Nuclear:

- o Includes language promoting the development of battery storage facilities;
- o Tweaks the current regulatory process for procuring offshore wind;
- Allows the state to negotiate power contracts lasting 30 years instead of the current 20 years for offshore wind and battery storage projects;
- Redefines clean energy under Massachusetts law to include power from existing New England nuclear plants – Millstone, based in Waterford, Connecticut, and Seabrook Station, in Seabrook, New Hampshire; and
- o Extends renewable energy eligibility to fusion energy if and when it becomes a reality.

EV Charging:

- Sets EV charger efficiency standards;
- Makes significant changes to the Electric Vehicle Infrastructure Coordinating Council (EVICC), including adding responsibilities for medium- and heavy-duty vehicles providing overall EV leadership/direction;
- Requires the DPU to investigate pole-mounted chargers to implement them more broadly;
 and
- o Removes barriers to EV chargers in condo associations.

• MassPort Charter:

o Changes the MassPort charter to require consideration of greenhouse gas emissions and environmental justice.

While this legislation takes a number of meaningful steps forward, unfortunately the branches were unable to come to a compromise on some key issues that were in either the House or Senate versions of the bill.

• Other important climate/environment elements not included:

- o Retail electric supplier ban as a measure for consumer protection
- o Expansion of the state's bottle deposit law
- o Commuter rail electrification
- Removing biomass from the Municipal Light Plant Clean Energy Standard

Acadia Center looks ahead with excitement to the opportunity to carry this important work forward and implement the provisions of this historic legislation in keeping with the imperatives of climate, affordability, equity, safety and reliability, and beyond. The organization offers its gratitude to legislative and executive branch officials for their leadership in reaching this important conclusion.

