2021-2022 Massachusetts Policy Priorities

The Alliance for Clean Energy Solutions (ACES) is a "coalition of coalitions" composed of business groups, clean energy companies, environmental organizations, labor, health, transportation, and consumer advocates dedicated to advancing clean energy for Massachusetts. The following consensus priorities underscore the supporting organizations' commitment to ensuring Massachusetts continues to be a leader in the quick and equitable transition to a clean economy. As we build upon the promises of the Next Generation Climate Roadmap statute and the 2030 Clean Energy and Climate Plan, the Commonwealth must set a path that commits us to addressing the climate crisis at an economy-wide level, ushers in a clean energy transition, centers equity and justice, and ensures that environmental and public health. Please note that while the below are specific policy asks, they must be accompanied by significantly increased funding for mitigation, adaptation, and resiliency in every sector. We urge the Legislature to take swift action to address these imperatives as soon as possible in 2021.

Clean Energy Deployment

Set Ambitious Clean Energy Targets. And Deliver on Them.

As a fitting companion to the 2050 Net-Zero standard of the Climate Roadmap statute, the Commonwealth should establish a 100% Clean Energy Target to serve as a guidepost in a decarbonized economy. Doing so will keep pace with leading states and is consistent with the ambitions of the Federal Government. Creating a 100% target with sufficient flexibility for a diversified set of zero-carbon energy systems allows for innovation, competition and economic development. **Supported bills include:**

- **S.2136/H.3288 (Boncore/Decker):** Requires 100% clean electricity by 2035, 100% clean heating by 2045, and 100% clean transportation by 2045

Environmental Justice Protections

Build on the advances of the Next Generation Climate Roadmap law to fully achieve the systemic changes required to address unequal climate and environmental burdens on environmental justice populations and realign our energy systems and economy with our natural systems. Center equity and justice through engagement with the communities most vulnerable to the effects of climate change and most at risk from pollution, displacement, energy burden, health impacts, and other systemic inequities. **Supported bills include:**

- **S.1447/H.2230 (Jehlen/Barber & Connolly):** Expands air quality monitoring in pollution hotspots, and sets ambitious air quality targets for 2030 and 2035

- **S.2135/H.3336 (Boncore/Madaro):** Integrates environmental justice, public health, and climate considerations into energy facility siting and adds an indigenous representative and environmental justice representative to the EFSB

The Electric Sector

A Modern, Clean, and Resilient Grid – Prioritize a future with widespread local energy resources, including solar, storage, and demand response, with improvements to the timeliness and fairness of interconnection processes, smarter electricity rates, improved net metering, enhanced access for low and moderate income (LMI) customers, with increased stakeholder input and regulatory accountability for meeting climate goals. **Supported bills include:**

- **S.2144/H.3261 (Comerford/Blais):** Requires local distribution utilities to file Grid Modernization Plans and Fossil Fuel Phase-Out and Electrification Plans and establishes a Grid Modernization Consumer Board

Create Viable Pathways to Clean Energy Deployment – Bold climate and clean energy targets alone are not sufficient to drive the transition to a decarbonized economy. Policies that drive timely, specific actions are the means to supporting the framework of GHG emissions reduction targets including 100% clean energy. To achieve these results, we must ensure increasing levels of deployment of responsibly sited offshore and onshore wind, large and small scale solar, energy storage, and other clean resources in ways that provide access to all populations and ensure that environmental health, and other impacts of energy generation and transmission are appropriately avoided, minimized, and mitigated. Refined procurements, improved net metering policies, climate- and justice-centered utility regulation, and opened markets are essential to building momentum toward a no- or very low-carbon electricity system. **Supported bills include:**

- **H.3313 (Golden)**: Establishes a right to distributed generation interconnection. Institutes timelines for interconnection and caps fees. Creates an interconnection working group. Requires grid upgrade plans to be filed by the EDCs.

- **S.2169/H.3319 (Eldridge/Haddad):** This bill would eliminate the net metering cap and establish a statewide solar target of 25% by 2030. Also sets the alternative compliance payments at 50 dollars per megawatt hour for compliance year 2003 and is adjusted each year by the previous year's consumer price index. Allows for energy storage facilities to receive Class I, Class II, and Class III net metering credits

Improved Renewable Energy Procurement Mechanisms – With additional state and regional procurements for offshore wind, storage, and other RPS Class I renewable energy resources, the Commonwealth should guard against conflicts of interest in project evaluation and selection, require climate benefits for all selected projects, enable new procurement mechanisms and funding sources to empower businesses and communities, and ensure that environmental, health, and other impacts of electricity generation and transmission are appropriately avoided, minimized, and mitigated. **Supported bills include:**

- **S2158/H.3302 (Cyr/Fernandes):** Calls for additional procurement of offshore wind resources, removes the price cap, ends remuneration in contracts, and requires other various reforms to the procurement process

- **S.2153/H.3301 (Cyr/Fernandes):** Allows municipalities the ability to enter into long-term renewable energy contracts and provides financing for such projects

- **S.2155/H.3314 (Cyr/Golden):** Requires distribution companies to jointly and competitively solicit proposals for both existing energy storage peak renewable power and new energy storage peak renewable power to match the offshore wind solicitations. Calls for contracts to use storage to shift 4,800 GWh of renewable power to periods of high demand

- **H.3367 (Rogers):** Ends conflicts of interest in the evaluation and selection process used for procuring clean energy and ensures climate change benefits from selected projects outside of New England

<u>The Transportation Sector</u>

Transportation Climate Policy and Equitable Clean Transportation Investment – Implement the Transportation and Climate Initiative in a timely manner, with proceeds to be invested to reduce transportation pollution and provide access to clean transportation for all, including communities with the least access to clean, reliable mobility options. **Supported bills include:**

- **S.2138/H.3264 (Boncore/Blais):** Requires an equitable implementation of TCI-P by directing at least 70% of proceeds toward EJ communities

Zero Emission Vehicles and EV Charging – Facilitate beneficial electrification of transportation and eliminate barriers to ownership and mobility choice for all consumers by promoting zero-emission fleets and transit, providing for sustained funding for consumer rebate programs and income-qualified incentives, increasing access to new charging stations, and integrating EVs into utility planning and smarter rates. **Supported bills include:**

- **S.2139/H.3255 (Boncore/Barber & Meschino):** Requires the development of a transition to an electric motor vehicle fleet program and regulations to require: 50% electric motor vehicle fleets by 2025, 75% by 2030; and 100% by 2035

- **S.2292/H.3559 (Crighton/Owens):** Requires the MBTA to implement fully electrified bus and commuter rail fleets by 2030 and 2035, respectively, and requires EJ prioritization on bus routes

- **S.1832/H.3044 (Crighton/Rogers):** Creates a sales tax exemption for the first fifty thousand dollars of the retail sale of a qualifying zero-emission vehicle

- **H.3541 (Meschino)**: Requires a phase-out of the internal combustion engine for light-duty vehicles by 2035

- **S.2151/H.3347 (Crighton/Meschino):** Requires MOR-EV rebate programs to focus on equitable electric mobility options, develops process to identify high priority targets for public electric vehicle charging stations, and sets requirements for parking spaces to be electric-vehicle ready

The Building Sector

Energy Efficiency – Leverage energy efficiency as a primary decarbonization strategy in buildings by removing incentives that perpetuate fossil fuel use and redirecting dollars to support increased access to weatherization, efficient hot water heating, and heating and cooling, especially for moderate income customers, renters, and language isolated residents. Enable Massachusetts to set the pace for energy efficiency by expanding the scope of clean energy technologies participating in state programs, improving energy performance standards for all buildings, and fully implementing statutes enacted in 2018 and 2021.

Clean and Efficient Heating – Encourage beneficial electrification of heating, including efficient electric heat pumps, direct thermal renewables and other clean advanced technologies, through market development and customer education to reduce pollution and avoid unnecessary investment in fossil fuel infrastructure, and, where appropriate, require non-fossil heating and cooling in new buildings.

Natural and Working Lands Carbon

Harnessing the power of natural climate solutions – To reach net zero greenhouse gas emissions targets, Massachusetts needs to protect, restore, and better manage natural and working lands (NWL), such as forests, farms, and wetlands. Such actions reduce and remove carbon emissions while increasing communities' resilience to the effects of climate change. The state should develop partnerships, policies, programs, and funding mechanisms including: incentives for private landowners to permanently conserve NWLs and adopt carbon-friendly management practices; No Net Loss of conservation land; programs that increase urban tree canopy and greenspace; and developing green jobs, workforce development, and training.
Supported bills include:

- **S.1880 (Hinds):** Would create a new forest resilience program under Chapter 61 that would provide grants to landowners who enroll for 20 years to carry out carbon-friendly practices

Enhance and Expand Funding and Financing Opportunities

Invest in Climate Solutions – The Commonwealth needs to enhance and expand funding and financing to meet the goals of our ambitious and newly enacted Next Generation RoadMap law and the strategies proposed in the draft 2030 Clean Energy and Climate Plan. We support committing funds to: achieve progress on climate commitments for municipalities, incentivize deployment of renewable energy, support efforts to build back better with workforce

development leading to diverse hiring into quality jobs, and ensure that drivers of the clean economy, such as the Massachusetts Clean Energy Center, are able to continue successful efforts. **Supported bills include:**

- **S.2167/H.3294 (Eldridge/Dykema):** Establishes within MassCEC a program to support public entities, municipalities and their residents in partnering with private entities to develop, pilot, and deploy solutions to decarbonize communities, buildings, homes, businesses, and vehicles. Creates a 14.65 mill per therm charge for all natural gas customers and raises the mandatory charge 0.5 mill per kilowatt-hour for all electricity consumers to 1.5.

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ACES is committed to ensuring that those charged with shaping Massachusetts' energy policies have the most rigorous, current data on the benefits and costs of clean energy. Our goal is to ensure that the Commonwealth can attain a cost-effective, reliable and diverse energy supply to power its businesses, communities and households, which will reduce our reliance on fossil fuels, create a stable and prosperous business environment and meet the Commonwealth's greenhouse gas emissions requirements.

ACES is coordinated by Acadia Center and the Northeast Clean Energy Council (NECEC) and includes support from the following organizations: