



Senator Mike Barrett
Representative Jeffrey Roy

Senator Cindy Creem
Representative Tackey Chan

Senator Bruce Tarr
Representative Brad Jones

May 20, 2022

RE: 2022 Climate Bill

Dear Chairs Barrett and Roy, Senators Creem and Tarr, and Representatives Chan and Jones;

Thank you for your leadership in championing the Climate Roadmap bill that Governor Baker signed into law at the beginning of January 2021. This groundbreaking law sets an ambitious and feasible schedule for the greenhouse gas (GHG) emissions reductions in the Commonwealth that are needed to avoid the worst impacts of climate change. Green Energy Consumers Alliance is a local non-profit organization with a mission to harness the power of energy consumers to speed the transition to a low carbon future. Our programmatic and advocacy efforts are laser-focused on enabling the 50% reduction in economy-wide GHG emissions by 2030 required by the Roadmap bill. We are pleased to see the legislature now take on the challenge of achieving the reductions called for in last year's bill via S.2842, *An Act driving climate policy forward* and H.4515, *An Act advancing offshore wind and clean energy*. As the conference committee begins to reconcile these two bills, we offer the following recommendations in three sectors: electricity, buildings, and transportation.

Electricity

1. Expand offshore wind development such that economic, environmental, and consumer benefits are brought to Massachusetts as quickly as possible.

Offshore wind is the key to powering Massachusetts with clean, affordable electricity. It further promises to bring jobs and economic development to our state. Green Energy Consumers commends both the House and the Senate for proposing legislative language that would accelerate the development of offshore wind.

In particular, Green Energy Consumers urges the conference committee to adopt final legislative language that will ensure that municipal aggregations and other non-utility entities benefit from offshore wind. H.4524 would amend Chapter 23J (9A-b-10) to enable MassCEC to develop a program that allows aggregations to receive Renewable Energy Certificates (RECs) and electricity from offshore wind. It also gives preference to an offshore wind development proposal that has a municipal aggregation component.

2. To reduce the cost of electricity to consumers, Massachusetts should bar new or renewed competitive supply contracts for residential customers (other than those involving municipal aggregations).

Green Energy Consumers strongly supports the provision in Section 43 of S.2819 that would eliminate residential competitive supply contracts going forward (exempting municipal aggregation contracts). The Attorney General has produced three reports proving that competitive suppliers have charged



residential customers much higher rates than customers on utility Basic Service. Furthermore, customers who were most likely to be harmed by these higher rates tended to low-income and/or people of color.

Competitive supply contracts are an especially bad deal when compared with municipal aggregation participation. Here at Green Energy Consumers, we compared the rates of about forty (40) communities with municipal aggregations that included more Class I renewable energy than required by the Renewable Portfolio Standard and found that the rates charged by aggregations were 1.3 cents per kilowatt hours less than Basic Service over the length of the contract periods. If we extrapolate this analysis to all residential consumers in Massachusetts served by investor-owned utilities, we find that consumers could save \$208 million while adding 1.6 million megawatt hours of wind power to the grid if all residential customers were part of aggregations.

The legislature must ban residential competitive supply as soon as possible to protect consumers from predatory, expensive electric contracts. Further, the Department of Public Utilities should be doing far more to support municipal aggregation.

Transportation

The transportation sector is the largest source of GHG emissions in the Commonwealth, in addition to causing incredible harm to public health across the state via the production of particulate matter, ground-level ozone, and other local air pollution. To reduce these emissions, Massachusetts must pursue a dual strategy of reducing vehicle-miles-traveled by supporting walking, biking, public transit, and shared mobility AND replacing vehicles powered by fossil fuels as quickly as possible. The Commonwealth's ability to meet its 2030 GHG emissions requirement depends in large part on its ability to significantly reduce emissions in this sector.

- 1. The latest draft of the 2030 Clean Energy & Climate Plan calls for 900,000 electric vehicles (EVs) on the road in Massachusetts by 2030 in order to achieve 50% GHG reductions economy-wide. Key provisions in S.2842 can help get us there.**

Specifically, we support codifying the phase-out of new gas-powered cars starting in 2035; the creation of an \$100 million EV Adoption Incentive Trust Fund that makes incentives available for new and used vehicles under \$50,000, for personal and commercial purchases, and for light-duty (LDV) as well as medium- and heavy-duty vehicles (MHDVs); the provision to offer a higher rebate for consumers trading in a gas-powered car or those who qualify as low- or moderate-income; the amendment that calls for linguistically diverse and culturally competent education and outreach; and the call for electric distribution companies to offer off-peak charging rebates that fully account for *all* of the benefits for charging off-peak (see attached explanation). All of these measures will not only accelerate the rate of EV adoption in the Commonwealth but also make EVs more accessible for diverse communities across the state. We encourage the conference committee to retain all of these provisions in the final climate bill.



2. We cannot electrify the transportation sector without a plan for charging infrastructure. Inter-agency coordination is critical.

Regarding the build-out of charging infrastructure, we are glad to see S.2842 amend building codes to require EV-ready charging spots and a directive to the Department of Transportation (DOT) to install charging stations at service plazas, commuter rail stations, and subway stations across the state. We particularly support the creation of an interagency council to “assess and report on strategies and plans necessary to deploy electric vehicle charging infrastructure to establish an equitable, interconnected, accessible and reliable electric vehicle charging network” and a \$50 million Charging Infrastructure Deployment Fund. Right now, the build-out of charging infrastructure is not coordinated or guided by the 50% GHG reduction requirement for 2030, but rather by the plans of electric utilities and private charging companies. Managing this build-out requires all agencies to coordinate efforts and measure success around a central goal of enabling EV adoption to the levels needed to meet this 2030 goal. Therefore, we recommend:

- Broadening the scope of the inter-agency council to not just consider strategies to deploy charging infrastructure so that it is equitable, interconnected, accessible, and reliable but also *adequate* to support the adoption of EVs needed to **meet the 2030 goal** as well as the fleet electrification timelines discussed below. We would like to see a non-binding goal of 2030 by which all new cars registered would be electric, but we understand that might be outside the scope of the conference committee.

3. Fleet electrification must be prioritized.

S.2842 sets a schedule for the electrification of MBTA buses and commuter rail, in addition to directing DOT to provide support to Regional Transit Authorities (RTAs) to electrify. In addition, it calls for a report on school bus electrification. Green Energy Consumers strongly supports the electrification of all of these modes, as diesel vehicles – such as transit buses, school buses, and commuter rail trains – contribute disproportionately to both GHG emission and the localized air pollution that harms people’s health. We laud the Senate for setting these clear timelines and for the provision to direct the state to set GHG requirements for transportation network companies (TNCs). To strengthen these existing provisions in S.2842, we encourage the conference committee to incorporate the following:

- A requirement for public fleet electrification: S.2842 sets timelines for passenger vehicles, TNCs, transit buses, and commuter rail; however, it does not include any requirements for other public vehicles. Massachusetts should at least adopt the timeline of President Biden’s Executive Order,¹ which calls for all public LDV acquisitions to be electric starting in 2027 and all public vehicle acquisitions of all types to be electric by 2035.
- Funding: Electrifying transit buses, school buses, and commuter rail trains – and building out the needed charging infrastructure for these vehicles - will require significant funding. In order to

¹ Available at: <https://www.whitehouse.gov/briefing-room/statements-releases/2021/12/08/fact-sheet-president-biden-signs-executive-order-catalyzing-americas-clean-energy-economy-through-federal-sustainability/>



meet the timelines set forth in S.2842, which we support, the MBTA and RTAs will require additional funds to defray upfront costs. However, we are confident that the lifetime cost of electrified transit is lower than that of diesel-powered buses and trains. From our viewpoint, the issue is a matter of public finance that can be resolved with determination and bonding.

- Flexibility in MOR-EV: When the Department of Energy Resources set up MOR-EV Truck, the state's incentive program for MHDV electrification, they took great care to size the incentives appropriately for different classes of MHDVs based on current market conditions. S.2842, as it currently reads, limits the largest incentive to \$6,000 for MHDVs. Given current prices for electric MHDVs, this price limit will effectively render the program unable to support MHDV electrification, and we encourage the conference committee to amend this language to allow for MHDV support.

Finally, though we have focused our comments in the transportation sector on electrification, we urge the conference committee to recognize the full value of public transportation in meeting the Commonwealth's climate goals. The MBTA and our RTAs consistently struggle to secure the funding needed to maintain and expand safe, accessible, affordable transit. The legislature must find a long-term solution to provide consistent operational support in addition to capital funding to make mobility affordable and safe across the Commonwealth. The health and livelihood of the residents of the Commonwealth depend upon it, as does our ability to meet our 2030 GHG requirements.

Buildings

We urge the legislature to pass **large building energy reporting** (adopted as Amendment 7 to S.2819). Building energy reporting is a necessary first step towards ratcheting down emissions from existing buildings. On its own, building energy reporting can help building owners, managers, and tenants identify inefficiencies, save money on energy bills, and choose more efficient buildings. This data will also help towns and state agencies develop stronger energy programs. Looking ahead, we will need **building performance standards**, which set periodic goals of energy reduction for large buildings, to ensure that Massachusetts' existing building stock is reducing emissions in line with our climate goals. Energy reporting is the necessary foundation for performance standards; it has demonstrated to be an effective way of collecting data and reducing emissions in the jurisdictions that already have it, including Boston, New York City, Montgomery County, MD, and more.

Thank you again for your leadership and for consideration of these comments. We will soon be sending another letter to the House and Senate urging approval of some complementary items that are not within the purview of the conference committee. We hope that together, these efforts will put Massachusetts on track to meet our 2030 requirements.

Sincerely,

A handwritten signature in black ink that reads 'Larry Chretien'.

Larry Chretien, Executive Director