

AMENDMENT SHEET

To be attached to the

**ENGROSSED BILL DRIVING CLEAN ENERGY AND OFFSHORE
WIND (see House, No. 5060).**

House, July 29, 2022.

Returned by His Excellency the Governor, under the provisions of Article LVI of the Amendments to the Constitution, with recommendation of amendment (for message, see House, No. 5141).

July 29, 2022,- Message read, and referred (on motion of Ms. Garlick of Needham) to the committee on Bills in the Third Reading.

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H5060

July 31, 2022,- Rule 47 suspended. The committee on Bills in the Third Reading reported recommending that the amendment recommended by the Governor be considered in the form approved by the committee; and the report was accepted.

Further amendment (Roy of Franklin) adopted (see text of Roy amendment below), thus precluding a vote on the amendment recommended by the Governor.

Amended by the House (Roy of Franklin) in section 8, by striking out subsection (b) [at "A"] and inserting in place thereof the following subsection:-

“(b) The center shall be governed and its corporate powers exercised by a board of directors consisting of 15 directors: 1 of whom shall be the secretary of energy and environmental affairs or their designee, who shall serve as a chair; 1 of whom shall be the secretary of housing and economic development or their designee; 1 of whom shall be the secretary of administration and finance or their designee; 1 of whom shall be the secretary of labor and workforce development or their designee; 1 of whom shall be the president of the University of Massachusetts or their designee; 1 of whom shall be the executive director of the Massachusetts Workforce Alliance, Inc.; 1 of whom shall be the commissioner of energy resources or their designee; and 8 of whom shall be appointed by the governor, 1 of whom shall be a venture capitalist or a chief executive officer of a Massachusetts-based clean energy corporation with expertise in clean energy technologies in the commonwealth, 1 of whom shall be the president of a Massachusetts community college or their designee, 2 of whom shall be the presidents of a Massachusetts private college or university or their designee, 1 of whom shall be a union representative selected from a list of 3 nominees submitted by the speaker of the house

of representatives, 1 of whom shall be the president of a Massachusetts state university or college selected from a list of 3 nominees submitted by the speaker of the house of representatives, 1 of whom shall have knowledge of electricity distribution, generation, supply or power or energy economics selected from a list of 3 nominees submitted by the president of the senate, and 1 of whom shall be selected from a list of 3 nominees submitted by the president of the senate. Each of the 8 directors appointed by the governor, shall serve for a term of 5 years. A director shall be eligible for reappointment. A director may be removed from their appointment by the governor for cause. A person appointed to fill a vacancy in the office of an appointed director of the board shall be appointed in a like manner and shall serve for only the unexpired term of the director.”;

in section 14 by striking out subsections (b) and (c) [at “B”] and inserting in place thereof the following 2 subsections:-

“(b) The center may, upon a majority vote of the board, certify an offshore wind company as a certified offshore wind company upon: (i) the timely receipt, as determined by the center, of a certification proposal supported by independently verifiable information, signed under the pains and penalties of perjury by a person expressly authorized to contract on behalf of the offshore wind company and shall include, but not be limited to, an estimate of the projected new state revenue the offshore wind company expects to generate during the period for which the company seeks certification, together with a plan that shall include, but not be limited to: (1) precise goals and objectives, by which the offshore wind company proposes to achieve the projected new state revenue; (2) an estimate of the number of permanent full-time employees to be hired or retained; (3) an estimate of the year in which the company expects to hire or retain the employees; (4) an estimate of the projected average salaries of said employees; (5) an estimate of the projected taxable income pursuant to chapter 62 generated by said employees; (6)

an estimate of the methods by which the company shall obtain new employees and pursue a diverse workforce; and (7) if applicable, an estimate of the company's planned capital investment in the commonwealth; and (ii) findings made by the center, based on the certification proposal, documents submitted therewith and any additional investigation by the center that shall be incorporated in its approval, that: (1) the offshore wind company is likely to contribute substantially to the manufacture, fabrication and assembly within the commonwealth of domestic supply chain components of the offshore wind industry; (2) the offshore wind company has a substantial likelihood of meeting all statutory requirements and any other criteria that the center, in consultation with the department of revenue, may prescribe including, but not limited to, criteria in the following areas: (A) leveraging additional funding or attracting additional resources to the commonwealth; (B) increasing the manufacture, fabrication and assembly within the commonwealth of domestic supply chain components of the offshore wind industry; and (C) creating employment in the commonwealth; and (3) the offshore wind company has a substantial likelihood of meeting its state revenue, employment growth and applicable capital investment projections, as specified in the certification proposal, over the period for which it receives benefits.

(c)(1) Certification granted pursuant to subsection (b) shall be valid for 5 years starting with the tax year in which certification is granted. Each certified offshore wind company shall file an annual report with the center and the department of revenue certifying whether it has met the specific targets established in the proposal pursuant to clause (i) of subsection (b) and, if not, detailing its progress towards those targets.

(2) The certification of an offshore wind company may be revoked by the center after an investigation by the center, in consultation with the department of revenue, and a determination

that the certified offshore wind company is in material noncompliance with its certification proposal; provided, however, that the center shall review said certified offshore wind company at least annually. Revocation shall take effect on the first day of the tax year in which the center determines the certified offshore wind company to be in material noncompliance. The commissioner of revenue shall, as of the effective date of the revocation, disallow any credits, exemptions or other tax benefits allowed by the original certification of tax benefits under this section. The department of revenue shall issue regulations to establish a process to recapture the value of any credits, exemptions or other tax benefits allowed by the certification under this section. For the purposes of this paragraph, 'material noncompliance' shall mean the failure of a certified offshore wind company to substantially achieve the new state revenue, job growth and capital investment projections set forth in its certification proposal or any other act, omission or misrepresentation by the certified offshore wind company that frustrates the public purpose of the Massachusetts offshore wind industry investment program.

(3) Nothing in this subsection shall limit any legal remedies available to the commonwealth against any certified offshore wind company.”;

In section 14, in the second paragraph of subsection (d), by inserting after the word “center” [at “C”]“ the following words:- , in consultation with the department of revenue,.

In sections 18, 19, 41 and 61 by striking out, each time it appears, [at “D”] the words “federally and state recognized tribes” and inserting in place thereof, in each instance, the following words:- federally recognized and state acknowledged tribes.

In section 19, by inserting before the words “maximize energy efficiency and clean energy employment opportunities” [at “E”] the following words:- support clean energy community-based programs and .

In section 21, in subsection (b), by striking out the words “shall make expenditures from the fund” [at “F”] and inserting in place thereof the following words:- may make expenditures from the fund solely.

In section 21, by striking out, each time it appears, the words “federally recognized tribes” [at “G”] and inserting in place thereof, in each instance, the words:- federally recognized and state acknowledged tribes.

In section 21 by striking out [at “H”] subsection (c) and inserting in place thereof the following paragraph:-

“(c) In furtherance of the public purposes set forth in subsection (b), the center may expend monies from the fund to: (i) make grants, contracts, loans, equity investments, energy production credits, bill credits or rebates available to customers; (ii) provide financial or debt service obligation assistance; or (iii) take any other action, in such forms, under such terms and conditions and under such selection procedures as the center deems appropriate and otherwise in a manner consistent with good business practices; provided, that the center shall conduct, when practicable, competitive procurements; provided further, that the center shall endeavor to leverage the full range of resources, expertise and participation of other state and federal agencies and instrumentalities in the design and implementation of programs conducted pursuant to this section; and provided further, that the board shall determine and incorporate into the minutes of its proceedings a finding that any such action is calculated to advance the public

purpose and public interests set forth in this section. Qualified investment transactions undertaken by the center pursuant to this section shall not be subject to chapter 175 and shall not constitute a debt or pledge of the faith and credit of the commonwealth, the center or any subdivision of the commonwealth and shall be payable solely from the Clean Energy Investment Fund. The fund's activity shall be included in the annual report required by the second paragraph of section 5.”;

By striking out section 26 [at “I”] and inserting in place thereof the following section:-

“SECTION 26. The first sentence of paragraph (2) of subsection (b) of said section 21 of said chapter 25, as most recently amended by said section 24 of said chapter 8, is hereby further amended by adding the following 4 clauses:- ; (xi) no spending on incentives, programs or support for systems, equipment, workforce development or training as they relate to new fossil fuel equipment unless such spending is for low-income households, emergency facilities, hospitals, a backup thermal energy source for a heat pump, or hard to electrify uses, such as industrial processes; (xii) consideration of historic and present program participation by low and moderate-income households, including households that rent; (xiii) strategies and investments that the programs will undertake to achieve equitable access and reduce or eliminate any disparities in program uptake; and (xiv) a method for capturing the following data to assess the plan's services to low-income ratepayers: (A) the total number of ratepayers per municipality served; (B) the total energy efficiency surcharge dollars paid by ratepayers as part of their utility bills per municipality served; and (C) the total incentives provided by the program administrators by municipality served, delineated by utility and sector, including residential, residential low-income, commercial and industrial.”;

In section 31, by striking out subsection (d) [at "J"] and inserting in place thereof the following subsection:-

“(d) The electric and natural gas distribution companies and municipal aggregators shall provide quarterly reports to the council on the implementation of their respective plans. The reports shall include: (i) a description of the program administrator’s progress in implementing the plan; (ii) a summary of the savings secured to date; (iii) a quantification of the degree to which the activities undertaken pursuant to each plan contribute to meeting all greenhouse gas emission limits and sublimits imposed by law or regulation; and (iv) such other information as the council shall determine. Annually, as part of a quarterly report, the electric and natural gas distribution companies and municipal aggregators, in order to assess the plan’s services to low-income ratepayers, shall provide, consistent with the method approved by the department: (i) the total number of ratepayers per municipality served; (ii) the total energy efficiency surcharge dollars paid by ratepayers as part of their utility bills per municipality served; and (iii) the total incentives provided by the program administrators by municipality served, delineated by utility and sector, including residential, residential low-income, commercial and industrial. The council shall provide an annual report to the department and the joint committee on telecommunications, utilities and energy on the implementation of the plan. The annual report shall include descriptions of the programs, expenditures, cost-effectiveness and savings and other benefits during the previous year and a quantification of the degree to which the activities undertaken pursuant to each plan contribute to meeting all greenhouse gas emission limits and sublimits imposed by law or regulation. The quarterly and annual reports shall be made available to the public.”

By striking out section 37 [at "K"] and inserting in place thereof the following section:-

“SECTION 37. Section 14 of said chapter 25A, as so appearing, is hereby amended by striking out subsection (a) and inserting in place thereof the following subsection:-

(a) A state agency, building authority, local governmental body or the judiciary may contract for energy conservation projects that have a total project cost of \$300,000 or less, directly and without further solicitation, with electric and gas utilities, their subcontractors and other providers of such energy conservation projects authorized under sections 19 and 21 of chapter 25 and section 11G. For the purposes of this section, “energy conservation projects” shall mean projects to promote energy conservation including, but not limited to: (i) energy conserving modification to windows and doors; (ii) caulking and weatherstripping; (iii) insulation; (iv) automatic energy control systems; (v) hot water systems; (vi) equipment required to operate variable steam, hydraulic and ventilating systems; (vii) plant and distribution system modifications; (viii) devices for modifying fuel openings; (ix) electrical or mechanical furnace ignition systems; (x) utility plant system conversions; (xi) replacement or modification of lighting fixtures; (xii) energy recovery systems; (xiii) on-site electrical generation equipment using new renewable energy generating sources as defined in section 11F; (xiv) decarbonization activities; and (xv) cogeneration systems.”;

And amend the bill, in section 41 [at “K.1”], by striking out subsection (i) and inserting in place thereof the following subsection:✓

“(i) Nothing in this section shall prohibit the enforcement of large building reporting requirements previously established by the city of Boston or the city of Cambridge and further amendments or improvement thereto that exceed those reporting requirements established pursuant to this section.”;

In section 47 by striking out subsection (a) of section 12 [at "L"] and inserting in place thereof the following subsection:-

“(a) The division shall establish a program to reduce greenhouse gas emissions from transportation network vehicles. To the extent permitted under federal law, the program shall establish requirements for transportation network companies including, but not limited to, vehicle electrification and greenhouse gas emissions requirements. Such requirements shall include, but not be limited to, a requirement for said companies to submit biennial plans to gradually increase zero-emission transportation network vehicles and reduce greenhouse gas emissions to meet goals set by the executive office of energy and environmental affairs. If the division determines that vehicle electrification requirements alone would be sufficient to achieve the greenhouse gas emissions goals set by the executive office of energy and environmental affairs, then it may establish requirements for vehicle electrification without establishing separate requirements for greenhouse gas emissions. The division shall, to the extent practicable, minimize any negative impacts of the program on drivers from neighborhoods and municipalities that have an annual median household income of not more than 65 per cent of the statewide annual median household income.”;

By striking out section 53 [at "M"] and inserting in place thereof the following section:-

“SECTION 53. Said chapter 164 is hereby further amended by inserting after section 92A the following 2 sections:-

Section 92B. (a) The department shall direct each electric company to develop an electric-sector modernization plan to proactively upgrade the distribution and, where applicable, transmission systems to: (i) improve grid reliability, communications and resiliency; (ii) enable

increased, timely adoption of renewable energy and distributed energy resources; (iii) promote energy storage and electrification technologies necessary to decarbonize the environment and economy; (iv) prepare for future climate-driven impacts on the transmission and distribution systems; (v) accommodate increased transportation electrification, increased building electrification and other potential future demands on distribution and, where applicable, transmission systems; and (vi) minimize or mitigate impacts on the ratepayers of the commonwealth, thereby helping the commonwealth realize its statewide greenhouse gas emissions limits and sublimits under chapter 21N.

(b) An electric-sector modernization plan developed pursuant to subsection (a) shall describe in detail each of the following elements: (i) improvements to the electric distribution system to increase reliability and strengthen system resiliency to address potential weather-related and disaster-related risks; (ii) the availability and suitability of new technologies including, but not limited to, smart inverters, advanced metering and telemetry and energy storage technology for meeting forecasted reliability and resiliency needs, as applicable; (iii) patterns and forecasts of distributed energy resource adoption in the company's territory and upgrades that might facilitate or inhibit increased adoption of such technologies; (iv) improvements to the distribution system that will enable customers to express preferences for access to renewable energy resources; (v) improvements to the distribution system that will facilitate transportation or building electrification; (vi) improvements to the transmission or distribution system to facilitate achievement of the statewide greenhouse gas emissions limits under chapter 21N; (vii) opportunities to deploy energy storage technologies to improve renewable energy utilization and avoid curtailment; (viii) alternatives to proposed investments, including changes in rate design, load management and other methods for reducing demand,

enabling flexible demand and supporting dispatchable demand response; and (ix) alternative approaches to financing proposed investments, including, but not limited to, cost allocation arrangements between developers and ratepayers and, with respect to any proposed investments in transmission systems, cost allocation arrangements and methods that allow for the equitable allocation of costs to, and the equitable sharing of costs with, other states and populations and interests within other states that are likely to benefit from said investments. For all proposed investments and alternative approaches, each electric company shall identify customer benefits associated with the investments and alternatives including, but not limited to, safety, grid reliability and resiliency, facilitation of the electrification of buildings and transportation, integration of distributed energy resources, avoided renewable energy curtailment, reduced greenhouse gas emissions and air pollutants, avoided land use impacts and minimization or mitigation of impacts on the ratepayers of the commonwealth.

(c) In developing a plan pursuant to subsection (a), an electric company shall:

(i) prepare and use 3 planning horizons for electric demand, including a 5-year forecast, a 10-year forecast and a demand assessment through 2050 to account for future trends, including, but not limited to, future trends in the adoption of renewable energy, distributed energy resources and energy storage and electrification technologies necessary to achieve the statewide greenhouse gas emission limits and sublimits under chapter 21N;

(ii) consider and include a summary of all proposed and related investments, alternatives to these investments and alternative approaches to financing these investments that have been reviewed, are under consideration or have been approved by the department previously; and

(iii) solicit input, such as planning scenarios and modeling, from the Grid Modernization Advisory Council established in section 92C, respond to information and document requests from said council and conduct technical conferences and a minimum of 2 stakeholder meetings to inform the public, appropriate state and federal agencies and companies engaged in the development and installation of distributed generation, energy storage, vehicle electrification systems and building electrification systems.

(d) An electric company shall submit its first plan for review, input and recommendations to the Grid Modernization Advisory Council established in section 92C by September 1, 2023, and thereafter once every 5 years in accordance with a schedule determined by the department; provided, however, that the plan shall be submitted to the Grid Modernization Advisory Council not later than 150 days before the electric company files the plan with the department; and provided further, that the Grid Modernization Advisory Council shall return the plan to the company with recommendations not later than 70 days before the company files the plan with the department.

An electric company shall submit its electric-sector modernization plan, together with a demonstration of the Grid Modernization Advisory Council's review, input and recommendations, including, but not limited to, a list of each individual recommendation, the status of each recommendation and an explanation of whether and why each recommendation was adopted, adopted as modified or rejected, along with a statement of any unresolved issues, to the department in accordance with a schedule determined by the department. The electric company shall be permitted to include in base electric distribution rates all prudently incurred plant additions that are used and are useful. The department shall promptly consider the plan and shall provide an opportunity for interested parties to be heard in a public hearing. The department

shall approve, approve with modifications or reject the plan within 7 months of submittal. In order to be approved, a plan shall provide net benefits for customers and meet the criteria enumerated in clauses (i) to (vi), inclusive, of subsection (a).

(e) An electric-sector modernization plan developed by an electric company pursuant to subsection (a) shall propose discrete, specific, enumerated investments to the distribution and, where applicable, transmission systems, alternatives to such investments and alternative approaches to financing such investments, that facilitate grid modernization, greater reliability, communications and resiliency, increased enablement of distributed energy resources, increased transportation electrification, increased building electrification and the minimization or mitigation of ratepayer impacts, in order to meet the statewide greenhouse gas emissions limits and sublimits under chapter 21N. An electric company shall submit 2 reports per year to the department and the joint committee on telecommunications, utilities and energy on the deployment of approved investments in accordance with any performance metrics included in the approved plans.

Section 92C. (a) There shall be a Grid Modernization Advisory Council to consist of the commissioner of energy resources, or a designee, who shall serve as chair; the attorney general, or a designee; the executive director of the Massachusetts clean energy technology center, or a designee; 13 members to be appointed by the governor, 1 of whom shall be a representative of middle-income and low-income residential consumers, 1 of whom shall be a representative from a local agency administering the low-income weatherization assistance program, 1 of whom shall be a representative of the environmental advocacy community, 1 of whom shall be a representative of an environmental justice community organization, 1 of whom shall be a representative of the transmission scale renewable energy industry with expertise in projects of

greater than 20 megawatts, 1 of whom shall be a representative of the distributed generation scale renewable energy industry with expertise in projects of less than 5 megawatts, 1 of whom shall be a representative of the energy storage industry, 1 of whom shall be a representative of the electric vehicle industry, 1 of whom shall be a representative of the building electrification industry, 1 of whom shall be a representative of municipal or regional interests, 1 of whom shall have technical and engineering expertise in interconnecting clean energy, 1 of whom shall be a representative of businesses, including large commercial and industrial end-use customers and 1 member from each electric company operating in the commonwealth who shall serve as non-voting members. Members shall serve for terms of 5 years and may be reappointed.

(b) The council shall seek to encourage least-cost investments in the electric distribution systems, alternatives to the investments or alternative approaches to financing investments that will facilitate the achievement of the statewide greenhouse gas emission limits and sublimits under chapter 21N and increase transparency and stakeholder engagement in the grid planning process. The council shall review and provide recommendations on electric-sector modernization plans developed pursuant to subsection (a) of section 92B that maximize net customer benefits and demonstrate cost-effective investments in the distribution grid, including investments to enable interconnection of, and communication with, distributed energy resources and transmission-scale renewable energy resources, facilitate electrification of buildings, transportation and other sectors, improve grid reliability and resiliency, minimize or mitigate impacts on ratepayers throughout the commonwealth and reduce impacts on and provide benefits to low-income ratepayers throughout the commonwealth. The council shall cooperate and coordinate with the clean energy transmission working group.

(c) The council shall annually submit to the department a proposal regarding the level of funding required for the retention of expert consultants and reasonable administrative costs. The proposal shall be approved by the department either as submitted or as modified by the department. The department shall allocate funds sufficient for these purposes from the natural gas and electric efficiency funding authorized under section 19 of chapter 25; provided, however, that such allocation shall not exceed 1 per cent of such funding on an annual basis. The consultants used under this section shall be experts in energy distribution and transmission, energy efficiency or energy finance, and shall be independent.”;

By striking out section 55 [at “N”] and inserting in place thereof the following section:-

“SECTION 55. Said section 139 of said chapter 164, as so amended, is hereby further amended by adding the following subsection:-

(l) A Class I, Class II or Class III solar net metering facility shall be eligible to, or shall continue to, receive net metering credits as otherwise provided by this section if such facility is on the same parcel as any number of other such solar net metering facilities and if: (i) the net metering facilities are placed on a government-owned parcel; provided, however, that all facilities on the single parcel do not exceed an aggregate limit of 10 megawatts; (ii) the net metering facilities are placed on a single parcel of land where all buildings on that parcel comprise low or moderate income housing as defined in section 20 of chapter 40B; provided, however, that all facilities on the single parcel do not exceed an aggregate limit of 10 megawatts; (iii) each net metering facility is placed on a separate and distinct rooftop where no 2 systems occupy the same rooftop; provided, however, that all facilities on the single parcel do not exceed an aggregate limit of 2 megawatts; (iv) each net metering facility installed on the same rooftop is interconnected behind a meter of a separate customer; provided, however, that all the facilities on

the single parcel do not exceed an aggregate limit of 10 megawatts; or (v) the additional net metering facilities are installed not less than 1 year after any previously installed facility was placed into service; provided, however, that all facilities on the single parcel do not exceed an aggregate limit of 2 megawatts. If all the net metering facilities located on a single parcel are net metering facilities of a municipality, the aggregate limit shall be 10 megawatts per single parcel. For purposes of this subsection, a solar net metering facility installed as a canopy over a parking area shall be considered to be installed on a rooftop.”;

In section 61, by striking out subsection (a) [at “O”] and inserting in place thereof the following subsection:-

“(a) To facilitate the financing of offshore wind energy generation resources in the commonwealth, every distribution company shall, in coordination with the department of energy resources, jointly and competitively solicit proposals for offshore wind energy generation; and provided, that reasonable proposals have been received, shall enter into cost-effective long-term contracts.”

In section 61, in paragraph (2) of subsection (e), [at “P”] by striking out the words “(e)(2) A proposed long-term contract shall be subject to the review and approval of the department of public utilities” and inserting in place thereof the following words:- (2) A proposed long-term contract shall be subject to the review and approval of the department of public utilities and shall be apportioned among the distribution companies.

In section 63, by striking out section 11A [at “Q”] and inserting in place thereof the following section:-

“Section 11A. The department of energy resources shall promulgate regulations to include in the solar incentive program established in section 11 and in any successor solar incentive program requirements for pollinator-friendly solar installations for ground mounted solar installations that remove vegetation as part of such installations. The department of energy resources shall develop criteria for such installations and require that pollinator-friendly solar installations be certified by a recognized pollinator-friendly solar photovoltaic certification program at a higher education institution in the commonwealth or that have obtained another equivalent certification as determined by said department.

The department of energy resources shall offer a rebate for reasonable certification program costs to comply with pollinator-friendly requirements. Said rebate shall be approved by the department of public utilities and recoverable from distribution company ratepayers. Eligibility for such rebates shall include, but not be limited to, solar tariff generation units that, as of December 30, 2021, had received from the department of energy resources a preliminary statement of qualification or were on hold for such statement of qualification pending expansion of the capacity of the department’s solar incentive program and are now otherwise eligible for said rebates.”;

In section 68, in the second sentence, by striking out the words “October 1, 2022” [at “R”] and inserting in place thereof the following words:- 30 days after the effective date of this act.;

In section 70, in subsection (c), by striking out the words “September 31, 2023” [at “S”] and inserting in place thereof the following words:- September 30, 2023.

In section 81 by striking out the first paragraph of subsection (a) [at "T"] and inserting in place thereof the following paragraph:-

“There shall be within the executive office of energy and environmental affairs, but not subject to the control of the office, an intergovernmental coordinating council to implement an electric vehicle charging infrastructure deployment plan. The council shall consist of the following 11 members: the secretary of energy and environmental affairs or designee, who shall designate the chair of the council; the commissioner of environmental protection or designee; the commissioner of energy resources or designee; the secretary of the Massachusetts Department of Transportation or designee; the general manager of the Massachusetts Bay Transportation Authority or designee; the secretary of housing and economic development or designee; the secretary of administration and finance or designee; the executive director of a regional planning agency or designee, who shall be appointed by the governor; the commissioner of public utilities or designee; and the chairs of the joint committee on telecommunications, utilities and energy or their designees, who shall serve as non-voting members with respect to any spending matter. The council shall 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. The deployment plan shall facilitate: (i) compliance with the greenhouse gas emissions limits and sublimits set pursuant to sections 3 and 3A of chapter 21N of the General Laws, with emphasis on compliance with the emissions limits and sublimits set for 2025 and 2030; (ii) attainment of the numerical benchmarks for electric vehicles and electric vehicle charging stations set pursuant to section 5 of said chapter 21N; (iii) cessation, by December 31, 2035, of in-state sales of non-zero-emission vehicles; and (iv) advancement of access to, and affordability of, electric vehicle charging and fueling.”;

In section 81 by striking out subsections (e) and (f) [at “U”] and inserting in place thereof the following subsection:-

“(e) There is hereby established and set up on the books of the commonwealth a separate fund to be known as the Charging Infrastructure Deployment Fund for the purpose of ensuring a holistic, coordinated and comprehensive deployment of electric vehicle charging infrastructure. The fund shall be credited with: (i) revenue from appropriations or other money authorized by the general court and specifically designated to be credited to the fund; (ii) interest earned on such revenue; and (iii) funds from public and private sources and other gifts, grants and donations. All amounts credited to the fund shall be expended solely for activities and expenditures consistent with the purposes of this section, including the ordinary and necessary expenses of administration and operation of the fund; provided, however, that no expenditure made from the fund shall cause the fund to become deficient at any point during the fiscal year. Any money remaining in the fund at the end of a fiscal year shall not revert to the General Fund.”;

By striking out section 84 [at “V”] and inserting in place thereof the following section:-

“SECTION 84. (a) For the purposes of this section, the following terms shall have the following meanings unless the context clearly requires otherwise:

‘Fossil fuel-free’, as defined by a city or town to include, but not be limited to, an entire building or entire condominium unit that does not, in support of its operation after construction, utilize coal, oil, natural gas, other fuel hydrocarbons, including synthetic equivalents, or other fossil fuels.

'Local approval', by a majority vote of the: (i) city council with the approval of the mayor in the case of a city with a mayor elected to serve as the chief executive officer of the city; (ii) city council in every other city; (iii) annual town meeting or a special town meeting called for that purpose in the case of a municipality with a town meeting form of government; or (iv) town council in the case of a municipality with a town council form of government.

(b) The department of energy resources shall establish a demonstration project in which cities and towns may, notwithstanding chapter 40A of the General Laws, section 13 of chapter 142 of the General Laws and chapter 164 of the General Laws or any other general or special law to the contrary, adopt and amend general or zoning ordinances or by-laws that require new building construction or major renovation projects to be fossil fuel-free, and enforce restrictions and prohibitions on new building construction and major renovation projects that are not fossil fuel-free, including through the withholding or conditioning of building permits; provided, that said restrictions and prohibitions shall not apply to research laboratories for scientific or medical research, or to hospitals or medical offices regulated by the department of public health as a health care facility.

(c) The department shall approve not more than 10 applications for participation in the demonstration project under this section. No city or town shall apply for acceptance into the demonstration project until it has received local approval and has submitted a home rule petition to the general court on the subject matter of this section; provided, that the department shall issue approvals under this section to not more than 10 applications in the order in which cities and towns have submitted or submit home rule petitions to the general court; provided further, that the department shall, in the interest of increasing housing production in the commonwealth, withhold approval of an application by a city or town applying to participate in the

demonstration project until such time as said city or town has: (i) met the 10 per cent housing affordability threshold set under chapter 40B of the General Laws or has been granted safe harbor status through an approved Housing Production Plan by the department of housing and community development; or (ii) has approved a zoning ordinance or by-law that provides for at least 1 district of reasonable size in which multi-family housing is permitted as of right; provided, that such multi-family housing shall be without age restrictions and shall be suitable for families with children; provided further, that a city or town that met the 10 per cent affordability threshold as of December 21, 2020, shall be deemed to have satisfied the requirements of this paragraph. For the purposes of this section, multi-family housing shall be a building with 3 or more residential dwelling units or 2 or more buildings on the same lot with more than 1 residential dwelling unit in each building and a district of reasonable size shall have a minimum gross density of 15 units per acre, subject to any further limitations imposed by section 40 of chapter 131 of the General Laws and title 5 of the state environmental code established pursuant to section 13 of chapter 21A of the General Laws. If said city or town fails to: (i) meet the 10 per cent housing affordability threshold or receive safe harbor status within 18 months of the effective date of this act; or (ii) approve such a multifamily zoning ordinance or by-law within 18 months of the effective date of this act, said application shall expire and be deemed void, at which time the department shall, in lieu of approving said application, approve a substitute application from a city or town that has met the 10 per cent housing affordability threshold or received safe harbor status or has a zoning ordinance or by-law that complies with this section; provided, that the department may act on substitute applications without respect to the order of submission of home rule petitions to the general court; provided further, that the

total number of communities approved for participation in the demonstration project shall at no point exceed 10.

(d) Nothing in this section shall inhibit or interfere with the department's obligation to promulgate a municipal opt-in specialized stretch energy code that includes, but shall not be limited to, net-zero building performance standards and a definition of net-zero building under section 31 of chapter 8 of the acts of 2021 nor shall anything in this section limit the ability for any community to opt in to such specialized code following its promulgation; provided, however, that nothing in this section shall interfere with the department's authority to set restrictions or limitations on fossil fuel construction necessary to meet the department's obligation to promulgate the specialized stretch energy code's net-zero building performance standards and definition of net-zero building designed to achieve compliance with the commonwealth's statewide greenhouse gas emission limits and sublimits established pursuant to chapter 21N of the General Laws.

(e) The department shall collect data from cities and towns approved under this section to monitor impacts of the ordinances and by-laws authorized by this section on emissions, building costs, operating costs, the number of building permits issued and other criteria as set by the department in consultation with participating cities and towns and the secretary of housing and economic development. Not later than September 30, 2024, and every year thereafter, the electric and gas distribution companies shall collect and annually report to the department, in a form approved by the department, the anonymized monthly totals of electricity and gas consumed, and corresponding electricity and gas bill amount, for each consumer: (i) residing in a newly constructed building or major renovation project subject to the demonstration in each municipality participating in the demonstration; and (ii) residing in a newly constructed building

or major renovation project in a number of comparable municipalities, as selected by the department, not participating in the demonstration. The department shall make said data available in an anonymized and aggregated manner that protects against potential unmasking of customer data on its website in a machine-readable format and shall annually update the data for the duration of the demonstration. Not later than September 30, 2025, and every 2 years thereafter, the department shall compile a report to be filed not later than September 30 for the 2 previous calendar years with the senate and house committees on ways and means, the joint committee on housing and the joint committee on telecommunications, utilities and energy. The report shall summarize the data required to be collected under this paragraph and shall include, but not be limited to, an analysis of the net reduction in emissions: (i) for each newly constructed building or major renovation project subject to the demonstration in each municipality participating in the demonstration; and (ii) for each comparable newly constructed building or major renovation project in a number of comparable municipalities, as selected by the department, not participating in the demonstration. The report shall also analyze impacts on: housing production, if any; housing affordability, if any, including electric bills, heating bills and other operating costs; housing affordability for persons of low and moderate income, if any, including electric bills, heating bills and other operating costs; and any other matters set forth by the department after consultation with municipalities and with individuals, organizations and institutions knowledgeable about issues of housing and emissions reductions. The report shall also include recommendations for the continuation or termination of the demonstration project.

(f) The department of energy resources, in consultation with the executive office of energy and environmental affairs and the executive office of housing and economic