Talking points on Section 65 of the Senate's Drive Act (S. 2842) Prepared by a consortium of Massachusetts towns and cities

What is Section 65?

 Section 65 creates a municipal opt-in building electrification demonstration program administered by DOER. Ten municipalities can participate, with priority given to those who have passed local legislation banning fossil fuel infrastructure in **new or substantially renovated construction**. It is responsive to a growing number of gas ban home rule petitions (so far Arlington, Brookline, Lexington, Acton, Concord, Cambridge, and Newton).

Why is Section 65 important?

- The State has a legal obligation to reduce emissions 50% by 2030 and to be 100% net zero by 2050. And the State Legislature has a moral, climate, and fiscal obligation to enable communities who have expressed – with overwhelming support – their desire to meet their own climate targets.
- The State has documented that it is impossible to meet our climate mandates without widespread building electrification and decarbonization. See <u>Massachusetts 2050 Decarbonization Roadmap</u> (pages 44-54)
- According to a <u>new report</u>, utility, real estate and fossil fuel companies continue to be the primary lobbyists delaying necessary climate action.

What are the benefits of all-electric construction?

It's less expensive

- <u>The costs of all-electric construction</u> are comparable to the costs of conventional fossil fuel construction.
- Operationally, all-electric new construction is also on a par or less expensive to heat than gas fueled buildings, including single family homes in cold climates.
- Heat pumps provide both heating and cooling in one system not two separate ones and are also more efficient at cooling than conventional air conditioners.
- As a consequence, air conditioning utilizing heat pumps is less expensive, requires less electric load and produces fewer emissions.
- According to DOER, all-electric buildings have a lower life-cycle cost than gas fueled buildings - up to 9% better – across all project types when compared with gas. (See the <u>DOER Straw Proposal virtual meeting</u> presentation - register to listen.)
- Fossil fuel prices are unstable and are projected to continue to increase, leaving people vulnerable to unpredictable future prices, while the cost of renewable energy has been consistently and dramatically dropping for several decades. A

- rapid green energy transition will likely result in overall net savings of many trillions of dollars.
- Anything built with gas today will require costly retrofits to meet the
 Commonwealth's Climate Energy and Climate Plan (CECP) for 2030, which
 estimates that one million homes and hundreds of thousands of square feet of
 commercial space need to be retrofitted with heat pumps in only eight years to
 meet the Commonwealth's emission reduction targets

It's healthier

- All-electric construction improves indoor and outdoor air quality, <u>reducing</u> <u>exposure to air pollution</u>, and improving health outcomes.
- Gas stoves emit high amounts of pollutants including nitrogen dioxide, particulate matter, and carbon monoxide, often exceeding EPA outdoor air standards.
 Cooking with gas is associated with a 42% increased rate of current asthma in children, an increased risk comparable to having a smoker in the home. A recent Stanford University study found that gas stoves have health and climate impacts greater than previously thought, emitting harmful toxins even while stoves and ovens are not in use.

It's needed for the climate

- In our current climate crisis, we know that <u>time is of the essence</u>, every year is critical, and every delay that moves us further away from meeting our climate goals even by just one year is an untenable path. The UN Secretary-General António Guterres said the climate crisis is "a code red for humanity."
- All-electric heating is NOT your parent's (or grandparent's) inefficient electric resistance heating. Today's all-electric buildings employ heat pump technology which is 2-5 times more efficient than conventional fossil fuel systems and is in widespread use all over the world, including many millions of square feet built in Massachusetts.
- Heat pumps operate efficiently down to <u>-15 degrees F</u> and have been <u>proven by MassCEC</u> not to need fossil fuel backup systems.
- Non-carbon emitting energy sources already make up 52% percent of our state electricity supply. And this is mandated to increase every year. Many communities have a Community Choice Electricity program (including many of the communities who have filed this legislation) with an even higher base mix of renewable energy and an option to go 100% renewable.
- The most efficient fossil fuel systems are less than .95% efficient, so in other words far less efficient than heat pumps, and by definition can never be low carbon.

• We can't try one approach at a time, we need to try to do EVERYTHING.

Responses to Common Misperceptions

Section 65 does not conflict with the DOER Stretch Code process

- Fossil fuel free prohibitions are designed to be complementary to the DOER Stretch Code. By supporting ten communities that want to move forward immediately in order to meet their own climate goals, we can get started in a way that aligns with a future net zero stretch code, not conflicts with it.
- These communities ALSO WANT a statewide Net Zero Stretch code and will opt-in to it once it is available. We value innovation in the Commonwealth, and section 65 allows a few communities the opportunity to do so while providing useful information to other communities before they move forward.
- We can't try one approach at a time, and cross our fingers and hope that it will all
 work out. We are well past that point. We need to try to do EVERYTHING.

Fossil Fuel Free mandates in only some communities is not "confusing" to building professionals

- Building new or major construction without fossil fuels is common practice.
 Contractors simply utilize heat pumps instead of conventional fossil fuel systems, and install electric appliances instead of gas ones.
- Local regulations and zoning codes already vary widely throughout
 Massachusetts (including regulations that mandate certain energy standards as
 well as fossil fuel free construction), and are easily navigated by building
 professionals.
- Contractors and architects are well-accustomed to complying with regulations from community to community.

Section 65 reduces costs and air pollution burden in environmental justice (EJ) and low and middle-income (LMI) communities

- Massachusetts is currently allowing fossil fuel construction in EJ and LMI communities knowing that this construction will need to be retrofitted to all-electric in the very near future -- before the life-spans of new appliances are reached. Retrofits are more expensive and complex and can cause people to be displaced during the process.
- Burdening EJ and LMI communities with retrofit costs that low and middle income households will be the least able to afford is not fair, equitable or just.
- EJ and LMI communities also stand to gain the most from efficient, all-electric buildings because they are less expensive to operate and lower exposure to indoor and outdoor air pollution levels.

- People of color are exposed to more health harming air pollution than white people are. Reduced air pollution is associated with lower asthma incidence, fewer asthma symptoms and emergency department visits, as well as other health benefits. This is of particular concern in Massachusetts where 1 in 8 children have an asthma diagnosis. These rates are even higher in environmental justice communities.
- The City of Boston already requires low-income housing funded by the City to comply <u>with zero emissions standards</u>. In many communities in Massachusetts, Affordable Housing is already leading the way.
- Section 65 applies only to new construction and major renovations in ten municipalities out of 351 in the entire state. For the seven communities who have already filed this legislation, less than 1% of their buildings would be affected annually. Thus, even if this proposal were to be enacted state-wide, it would likely not have any impact on utility rates due to the small number of buildings affected.
- Lastly this bill could easily be expanded to enable any and all gateway communities to move forward with this legislation, such as was recently proposed in the Senate's Friedman Amendment. <u>Amendment 89</u> (malegislature.gov)

IN SUMMARY, PLEASE SUPPORT Section 65 of the Senate's Drive Act (S. 2842)