

**SENATE . . . . . No. 1932**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

***Joanne M. Comerford***

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act promoting local energy investment and infrastructure modernization.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Joanne M. Comerford</i>	<i>Hampshire, Franklin and Worcester</i>	
<i>William N. Brownsberger</i>	<i>Second Suffolk and Middlesex</i>	<i>1/27/2019</i>
<i>Mike Connolly</i>	<i>26th Middlesex</i>	<i>1/27/2019</i>
<i>Jennifer E. Benson</i>	<i>37th Middlesex</i>	<i>1/30/2019</i>
<i>Mindy Domb</i>	<i>3rd Hampshire</i>	<i>1/31/2019</i>
<i>Jack Patrick Lewis</i>	<i>7th Middlesex</i>	<i>2/1/2019</i>
<i>Rebecca L. Rausch</i>	<i>Norfolk, Bristol and Middlesex</i>	<i>2/1/2019</i>
<i>Carlos González</i>	<i>10th Hampden</i>	<i>2/3/2019</i>
<i>Maria Duaine Robinson</i>	<i>6th Middlesex</i>	<i>2/7/2019</i>

**SENATE . . . . . No. 1932**

By Ms. Comerford, a petition (accompanied by bill, Senate, No. 1932) of Joanne M. Comerford, William N. Brownsberger, Mike Connolly, Jennifer E. Benson and other members of the General Court for legislation to promote local energy investment and infrastructure modernization. Telecommunications, Utilities and Energy.

**The Commonwealth of Massachusetts**

**In the One Hundred and Ninety-First General Court  
(2019-2020)**

An Act promoting local energy investment and infrastructure modernization.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1: The first sentence of subsection (b) of section 146 of chapter 164 of the  
2 General Laws, as inserted by section 18 of chapter 227 of the acts of 2018, is hereby amended by  
3 striking out the word “may” and inserting in place thereof the following words:- shall annually.

4 SECTION 2: Said section 146 of said chapter 164, as so inserted, is hereby further  
5 amended by adding the following subsection:-

6 (d) Corporate affiliates of the electric distribution companies shall not be eligible for  
7 competitive solicitations described in subsection (b).

8 SECTION 3. Chapter 164 of the General Laws is hereby amended by inserting after  
9 section 147, inserted by section 19 of chapter 227 of the acts of 2018, the following section:-

10 Section 148. (a) As used in this section, the following words shall, unless the context  
11 clearly requires otherwise, have the following meanings:

12 “Board,” the Grid Modernization Consumer Board.

13 “Distributed renewable generation facility,” a facility producing electrical energy from  
14 any source that qualifies as a renewable energy generating source under section 11F of chapter  
15 25A and is interconnected to a distribution company.

16 “Local energy resources,” distributed renewable generation facilities, energy efficiency,  
17 energy storage, electric vehicles, active demand management, and load management  
18 technologies.

19 (b) The department shall commence a proceeding by no later than July 31, 2019 that  
20 establishes procedures for each distribution company of the commonwealth to create and file  
21 with the department by October 1, 2020 its subsequent Grid Modernization Plan, as described in  
22 subsection (c).

23 (1) This proceeding shall also establish specific metrics and related performance  
24 incentives to evaluate the progress of the distribution companies toward establishing a grid  
25 planning system to utilize and integrate local energy resources to meet customers’ energy needs.  
26 Said metrics may include, but are not limited to: reducing the impact of outages, optimizing  
27 system performance, interconnecting and integrating local energy resources, improving  
28 workforce and asset management, and beneficial electrification;

29 (2) This proceeding shall also create protections for low-income consumers including, but  
30 not limited to, (i) remote shutoff protection, (ii) restrictions and conditions on pre-paid service,  
31 service limiters, and similar technologies and programs, and (iii) exemption from special grid  
32 modernization cost recovery mechanisms.

33 (c) Every 3 years, on or before July 1, each electric distribution company shall prepare a  
34 Grid Modernization Plan. Each plan shall comply with the requirements set forth by the  
35 department in the proceeding described in subsection (b), or as modified by the department, and  
36 shall be prepared in coordination with the Grid Modernization Consumer Board established by  
37 subsection (f). Each plan shall:

38 (1) Evaluate locational benefits and costs of local energy resources currently located on  
39 the system and identify optimal locations for local energy resources over the next 10 years. This  
40 evaluation shall be based on reductions or increases in local generation capacity and demand,  
41 avoided or increased investments in transmission and distribution infrastructure, safety benefits,  
42 reliability benefits, and any other savings the local energy resources provide to the electric grid  
43 or avoided costs to ratepayers;

44 (2) Provide information about the interconnection of distributed renewable generation  
45 facilities in publicly accessible hosting capacity maps that are updated on a continual basis;

46 (3) Include updated interconnection procedures for distributed renewable generation  
47 facilities, including (i) measures to equitably allocate the costs of system upgrades that benefit  
48 multiple generation facilities and all ratepayers and (ii) prompt disclosure of timelines and  
49 reasonable interconnection fees;

50 (4) Propose or identify locational based incentives and other mechanisms for the  
51 deployment of cost-effective local energy resources that satisfy planning objectives;

52 (5) Propose a rollout of advanced metering functionality to be completed by December  
53 31, 2026.

54 (6) Propose cost-effective methods of effectively coordinating existing programs,  
55 incentives, and tariffs to maximize the locational benefits and minimize the incremental costs of  
56 local energy resources;

57 (7) Identify any additional spending by the distribution company necessary to integrate  
58 cost-effective local energy resources into distribution planning consistent with the goal of  
59 yielding net benefits to ratepayers; and

60 (8) Identify any additional barriers to the deployment of local energy resources.

61 (d) Any distribution infrastructure necessary to accomplish the Grid Modernization Plan  
62 is eligible for pre-authorization by the department, through a review of the company's proposed  
63 investments and cost estimates, as supported by a business case that includes benefit-cost  
64 analysis.

65 (e) Each Grid Modernization Plan prepared under subsection (c) shall be submitted for  
66 approval and comment by the Grid Modernization Consumer Board every 3 years, on or before  
67 July 1.

68 (1) The electric distribution companies shall provide any additional information requested  
69 by the board that is relevant to the consideration of the plan. The board shall review the plan and  
70 any additional information and submit its approval or comments to the electric distribution  
71 companies not later than 3 months after the submission of the plan. The electric distribution  
72 companies may make any changes or revisions to reflect the input of the board.

73 (2) The electric distribution companies shall submit their plans, together with the board's  
74 approval or comments and a statement of any unresolved issues, to the Department every 3

75 years, on or before October 1. The department shall consider the plans and shall provide an  
76 opportunity for interested parties to be heard in a public hearing.

77 (3) Not later than 120 days after submission of a plan, the department shall issue a  
78 decision on the plan which ensures that the electric distribution companies have satisfied the  
79 criteria set forth by the department and shall approve, modify and approve, or reject and require  
80 the resubmission of the plan accordingly.

81 (4) Each Grid Modernization Plan shall be in effect for 3 years.

82 (f) There shall be a Grid Modernization Consumer Board to consist of the commissioner  
83 of the department of energy resources, or a designee, who shall serve as chair, and 8 members  
84 including the attorney general, or a designee, the commissioner of the department of  
85 environmental protection, or a designee, and additional members appointed by the Governor: 1  
86 shall be a representative of residential consumers, 1 shall be a representative of the low-income  
87 weatherization and fuel assistance program network, 1 shall be a representative of the  
88 environmental community, 1 shall be a representative of the clean energy technology industry, 1  
89 shall be a representative of municipal interests or a regional public entity, and 1 shall be a  
90 representative of businesses, including large commercial and industrial end users. Interested  
91 parties shall apply to the governor for designation. Members shall serve for terms of 6 years and  
92 may be reappointed. There shall be 1 non-voting ex-officio member from each of the electric  
93 distribution companies.

94 (1) The board shall, as part of the approval process by the department outlined in  
95 subsection (e), seek to maximize net benefits through use of distributed energy resources and  
96 achieve transmission, reliability, climate and environmental goals. The board shall review and

97 approve Grid Modernization Plans and budgets, and work with electric distribution companies in  
98 preparing resource assessments. Approval of Grid Modernization Plans and budgets shall  
99 require a two-thirds majority vote.

100 (2) The board may retain expert consultants, provided, however that such consultants  
101 shall not have any contractual relationship with an electric distribution company doing business  
102 in the commonwealth or any affiliate of such company. The board shall annually submit to the  
103 department a proposal regarding the level of funding required for the retention of expert  
104 consultants and reasonable administrative costs. The proposal shall be approved by the  
105 department either as submitted or as modified by the department. The department shall allocate  
106 funds sufficient for these purposes from the Grid Modernization Plan budgets.

107 (3) The electric distribution companies shall provide quarterly reports to the board on the  
108 implementation of their respective plans. The reports shall include a description of progress in  
109 implementing the plan, an evaluation of the metrics identified by the department in the  
110 proceeding described in subsection (c), and such other information or data as the board shall  
111 determine. The board shall provide an annual report to the department and the joint committee  
112 on telecommunications, utilities and energy on the implementation of the plan which includes  
113 descriptions of the programs, investments, cost-effectiveness, and savings and benefits during the  
114 previous year.