SENATE DOCKET, NO. 863 FILED ON: 1/18/2023

SENATE . . . . . No. 2091

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 reforming energy system planning for equity and climate transformation.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
Joanne M. Comerford	*Hampshire, Franklin and Worcester*	
Jack Patrick Lewis	*7th Middlesex*	*2/7/2023*
Jason M. Lewis	*Fifth Middlesex*	*4/14/2023*
Adam Gomez	*Hampden*	*4/20/2023*
Pavel Payano	*First Essex*	*11/9/2023*

SENATE DOCKET, NO. 863 FILED ON: 1/18/2023

SENATE . . . . . No. 2091

By Ms. Comerford, a petition (accompanied by bill, Senate, No. 2091) of Joanne M. Comerford and Jack Patrick Lewis for legislation to reform energy system planning for equity and climate transformation. Telecommunications, Utilities and Energy.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Third General Court
(2023-2024)

An Act reforming energy system planning for equity and climate transformation.

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

SECTION 1. The General Laws are hereby amended by inserting after chapter 25C the following chapter:-

Chapter 25D. DEPARTMENT OF ENERGY TRANSFORMATION PLANNING

Section 1. As used in this chapter the following words shall, unless the context clearly requires otherwise, have the following meanings:-

"Energy distribution system", the components of the electric grid, natural gas distribution network, geomicrogrid, or other utility-scale investment that collectively distribute electricity or thermal energy to consumers in the Commonwealth.

"Environmental burdens", as defined in section 62 of chapter 30, including any destruction, damage or impairment of natural resources that is not insignificant, resulting from intentional or reasonably foreseeable causes, including but not limited to, climate change, air

12 pollution, water pollution, improper sewage disposal, dumping of solid wastes and other noxious
13 substances, excessive noise, activities that limit access to natural resources and constructed
14 outdoor recreational facilities and venues, inadequate remediation of pollution, reduction of
15 ground water levels, impairment of water quality, increased flooding or storm water flows, and
16 damage to inland waterways and waterbodies, wetlands, marine shores and waters, forests, open
17 spaces, and playgrounds from private industrial, commercial or government operations or other
18 activity that contaminates or alters the quality of the environment and poses a risk to public
19 health.

20 "Environmental justice population", as defined in section 62 of chapter 30 of the General
21 Laws, including a neighborhood that meets 1 or more of the following criteria: (i) the annual
22 median household income is not more than 65 per cent of the statewide annual median
23 household income; (ii) minorities comprise 40 per cent or more of the population; (iii) 25 per
24 cent or more of households lack English language proficiency; or (iv) minorities comprise 25 per
25 cent or more of the population and the annual median household income of the municipality in
26 which the neighborhood is located does not exceed 150 per cent of the statewide annual median
27 household income; provided, however, that for a neighborhood that does not meet said criteria,
28 but a geographic portion of that neighborhood meets at least 1 criterion, the secretary may
29 designate that geographic portion as an environmental justice population upon the petition of at
30 least 10 residents of the geographic portion of that neighborhood meeting any such criteria;
31 provided further, that the secretary may determine that a neighborhood, including any geographic
32 portion thereof, shall not be designated an environmental justice population upon finding that:
33 (A) the annual median household income of that neighborhood is greater than 125 per cent of the
34 statewide median household income; (B) a majority of persons age 25 and older in that

35 neighborhood have a college education; (C) the neighborhood does not bear an unfair burden of
36 environmental pollution; and (D) the neighborhood has more than limited access to natural
37 resources, including open spaces and water resources, playgrounds and other constructed outdoor
38 recreational facilities and venues.

39 "Environmental justice principles", as defined in section 62 of chapter 30 of the General
40 Laws, including principles that support protection from environmental pollution and the ability
41 to live in and enjoy a clean and healthy environment, regardless of race, color, income, class,
42 handicap, gender identity, sexual orientation, national origin, ethnicity or ancestry, religious
43 belief or English language proficiency, which includes: (i) the meaningful involvement of all
44 people with respect to the development, implementation and enforcement of environmental laws,
45 regulations and policies, including climate change policies; and (ii) the equitable distribution of
46 energy and environmental benefits and environmental burdens.

47 "Long-term distribution system planning", comprehensive 10-year plan for the energy
48 distribution system to meet customers' energy, capacity, and thermal needs.

49 "Distributed energy resources", distributed renewable generation facilities, energy
50 efficiency, energy storage, electric vehicles, active demand management, and load management
51 technologies.

52 Section 2. There shall be within the executive office of energy and environmental affairs
53 a department called the department of energy transformation planning, under the supervision of a
54 commissioner of energy transformation planning, hereinafter the commissioner. The duties given
55 to the commissioner in this chapter and in any other general or special law shall be exercised and
56 discharged subject to the direction, control and supervision of the secretary of energy and

57 environmental affairs. The commissioner shall be appointed by the secretary of energy and
58 environmental affairs, with the approval of the governor, and may, with like approval, be
59 removed. The commissioner shall be a person of skill and experience in the field of energy
60 regulation or policy and shall serve a term coterminous with that of the governor. The position of
61 commissioner shall be classified in accordance with section 45 of chapter 30 and the salary shall
62 be determined in accordance with section 46C of said chapter 30. The commissioner shall devote
63 full time during business hours to the duties of the office. In the case of an absence or vacancy in
64 the office of the commissioner, or in the case of disability as determined by the secretary, the
65 secretary may designate an acting commissioner to serve as commissioner until the vacancy is
66 filled or the absence or disability ceases. The acting commissioner shall have all the powers and
67 duties of the commissioner and shall have similar qualifications as the commissioner.

68 Section 3. The commissioner shall be the executive and administrative head of the
69 department of energy transformation planning and shall be responsible for administering and
70 enforcing the provisions of law relative to the division and to each administrative unit thereof.

71 The department shall advance the commonwealth's public interest by conducting
72 statewide long-term distribution system planning. The department's long-term distribution
73 planning shall meet the goals and objectives outlined in section 5.

74 The commissioner may, from time to time, subject to appropriation, establish within the
75 department such administrative units as may be necessary for the efficient and economical
76 administration of the department and, when necessary for such purpose, may abolish any such
77 administrative unit, or may merge any 2 or more of them, as the commissioner deems advisable.
78 The commissioner shall prepare and keep current a statement of the organization of the

79 department, of the assignment of its functions to its various administrative units, offices and
80 employees, and of the places at which and the methods whereby the public may receive
81 information or make requests. Such statement shall be known as the department's description of
82 organization. A current copy of the description of organization shall be kept on file in the office
83 of the secretary of state and in the office of the secretary of administration.

84 Section 4. Subject to appropriation, the commissioner of energy transformation planning
85 with the approval of the governor may appoint such persons as they shall deem necessary to
86 perform the functions of the department and his office, provided that the provisions of chapter 31
87 and section 9A of chapter 30 shall not apply to any person holding any such appointment. Every
88 person so appointed to any position in his office shall have experience and skill in the field of
89 such position. So far as practicable in the judgment of the commissioner, appointments to such
90 positions in their office shall be made by promoting or transferring employees of the
91 commonwealth serving in positions which are classified under chapter 31, and such
92 appointments shall at all times reflect the professional needs of the department or division
93 affected. If an employee serving in a position which is classified under chapter 31 or in which an
94 employee has tenure by reason of section 9A of chapter 30 shall be appointed to a position
95 within this office which is not subject to the provisions of chapter 31, the employee shall upon
96 termination of his service in such position be restored to the position which they held
97 immediately prior to such appointment; provided, however, that their service in such position
98 shall be determined by the civil service commission in accordance with the standards applied by
99 said commission in administering chapter 31. Such restoration shall be made without impairment
100 of their civil service status or tenure under section 9A of chapter 30 and without loss of seniority,
101 retirement or other rights to which uninterrupted service in such prior position would have

102 entitled him. During the period of such appointment, each person so appointed from a position in
103 the classified civil service shall be eligible to take any competitive promotional examination for
104 which the person would otherwise have been eligible. The general court shall appropriate
105 funding necessary to fully implement the long-term distribution system planning provisions of
106 this chapter.

107 Section 5. (a) The department shall, in consultation with the department of energy
108 resources and the department of public utilities, develop and implement long-term distribution
109 system plans to assist in the transition to a clean, affordable, and reliable electric grid and
110 restructured natural gas distribution system in a cost-effective manner. No later than December
111 31, 2023 and every 3 years thereafter, the shall issue a 10-year plan for the energy distribution
112 system to enable the cost-effective achievement of statewide greenhouse gas emissions limits
113 and other climate policies pursuant to chapter 21N. The plan shall examine the energy
114 distribution system's relationship to the regional grid, to identify cost-effective solutions to
115 improve reliability and resiliency, and to achieve greenhouse gas reductions.

116 (b) The department shall be responsible for the following functions and duties:

117 (i) enhanced load forecasting that reflects end-use electrification and distributed energy
118 resources, in coordination with electric distribution companies;

119 (ii) coordinating with utilities to ensure data adequacy, accuracy, consistency, and
120 transparency;

121 (iii) coordinating with relevant executive offices charged with energy policy to
122 incorporate other public policy programs and objectives, including equitable access to the
123 benefits of distributed energy resources; and

124 (iv) development of related metrics for monitoring incremental progress toward planning
125 goals pursuant to section 5, including for the purposes of evaluating electric or natural gas
126 distribution company service pursuant to section 5.

127 (c) The department shall conduct its long-term distribution system planning in a fully
128 transparent and accessible way and shall allow for rigorous stakeholder input. The department
129 shall run technical conferences and stakeholder workshops before the plans are developed to
130 define requirements and inform inputs, assumptions, methodologies, and tools that will assist the
131 department in determining what actions it shall direct an electric transmission and distribution
132 company to take. An electric transmission and distribution company shall ensure to the greatest
133 extent practicable that any information requested by the department is provided in a form
134 accessible to interested parties and all relevant data and distribution planning modeling tools are
135 available to stakeholders subject to commercial non-disclosure, confidential energy
136 infrastructure, codes of conduct and other commercial, department of public utilities, and FERC
137 requirements.

138 Plans shall include, but not be limited to: (i) forecasts of projected load that accounts for
139 factors including projected end-use electrification, state climate mandates, energy efficiency and
140 distributed energy resources;

141 (ii) baseline energy supply data and assessment, including but not limited to energy
142 generation additions including renewable energy, and energy storage installations;

143 (iii) hosting capacity analysis including locational benefits of distributed energy resources
144 and areas of existing or potential system congestion;

145 (iv) analysis of available and emerging technologies necessary to enable load
146 management and flexibility;

147 (v) an assessment of the environmental burdens and impact upon environmental justice
148 populations of integrated distribution plans;

149 (vi) an assessment of consumer cost impacts and protections for low-income
150 communities;

151 (vii) a 3-year action plan to optimize near-term grid investments and operations; and

152 (viii) pathways that address the strategic wind-down of the natural gas system, including
153 whether components of the gas distribution system should be safely decommissioned, replaced,
154 repaired, or repurposed to meet customer needs, including the possibility of using networked
155 geothermal systems that use non-emitting renewable thermal infrastructure.

156 Section 6. (a) The department shall conduct the long-term distribution system planning
157 for the technologies and services that are required to meet statewide greenhouse gas emissions
158 limits pursuant to chapter 21N. The department shall conduct long-term system planning so that
159 the commonwealth can mitigate and equitably adapt to climate change while minimizing
160 stranded costs.

161 (b) Each plan shall prioritize alleviating and mitigating energy burdens experienced by
162 environmental justice populations and shall equitably allocate costs.

163 (c) The department shall integrate and utilize distributed and local energy resources to
164 meet customers' energy, capacity, and thermal needs and shall maximize customer benefits while
165 attempting to minimize costs. The department shall consider the costs of climate change impacts,

166 including societal impacts and impacts to the distribution system itself, when evaluating alternate
167 pathways for meeting distribution system needs.

168 (d) The distribution system plans shall ensure energy system safety, reliability, and
169 affordability.

170 Section 7. The department may at any time, if it determines it is necessary, revise an
171 energy distribution system plan to address any deficiencies. The department of public utilities
172 may order an electric or natural gas distribution company to take any reasonable actions to align
173 its business, programs, operations, and investments with the plan.

174 Section 8. (a) The department shall conduct open and competitive procurement processes
175 to solicit proposals to fill the system needs identified in the energy distribution system plan. The
176 department shall oversee open markets to solicit and to select projects that meet the grid,
177 consumer, environmental justice principles, and climate objectives outlined in section 5.

178 (b) The department shall determine which distribution assets may provide consumer and
179 grid benefits by remaining under monopoly ownership and control and shall assign those needs
180 directly to the electric distribution company who shall incorporate them in their next rate case or
181 grid modernization proceeding before the department of public utilities.

182 SECTION 2. The secretary of energy and environmental affairs, in consultation with the
183 department of public utilities, shall promulgate regulations for the implementation,
184 administration and enforcement of this chapter.

185 SECTION 3. No later than 90 days after the effective date of this act, the secretary of
186 energy and environmental affairs shall submit a report to the clerks of the senate and the house of

187 representatives, joint committee on telecommunications, utilities, and energy, the house and
188 senate committees on ways and means, that includes an assessment of staffing and resources that
189 may be necessary to implement the long-term distribution planning provisions of chapter 25D of
190 the General Laws, as inserted by this act.