# **SENATE . . . . . . . . . . . . . . . . No. 2100**

## The Commonwealth of Massachusetts

PRESENTED BY:

### Cynthia Stone Creem

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 relative to electric utility climate resilience and microgrids.

#### PETITION OF:

NAME:	DISTRICT/ADDRESS:	
Cynthia Stone Creem	Norfolk and Middlesex	
Rebecca L. Rausch	Norfolk, Worcester and Middlesex	3/30/2023
Joanne M. Comerford	Hampshire, Franklin and Worcester	4/10/2023
Marc R. Pacheco	Third Bristol and Plymouth	4/12/2023
Pavel M. Payano	First Essex	11/8/2023

## **SENATE . . . . . . . . . . . . . . . . No. 2100**

By Ms. Creem, a petition (accompanied by bill, Senate, No. 2100) of Cynthia Stone Creem for legislation relative to electric utility climate resilience and microgrids. Telecommunications, Utilities and Energy.

### The Commonwealth of Alassachusetts

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

An Act relative to electric utility climate resilience and microgrids.

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. Chapter 25 of the General Laws is hereby amended by inserting after
- 2 Section 23 the following section:

- 3 Section 24. (a) The department of public utilities shall require electric distribution and
- 4 transmission companies to prepare and file a climate vulnerability and resilience plan by
- 5 December 31, 2024, and at least once every 5 years thereafter based on best available data.
- 6 Climate vulnerability and resilience plans shall both identify existing vulnerabilities in the
- 7 system that must be adapted to climate change-induced threats as well as plan proactively for
- 8 future climate conditions to ensure the system can absorb and withstand impacts. Climate
- 9 vulnerability and resilience plans shall prioritize, to the maximum extent practicable, adaptation
- measures that: (i) promote the preservation, protection, restoration, and enhancement of the
- commonwealth's natural infrastructure through nature-based solutions, as defined in section 1 of
- chapter 21N; and (ii) account for the existing natural, built and economic characteristics of the

commonwealth's most vulnerable areas and human populations. Adaptation measures that include the use of hard-engineered, hardscape, or gray infrastructure features shall be supported by evidence that the measures will not cause or exacerbate negative environmental impacts and that alternative green or green and gray hybrid solutions are not feasible.

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

- (b) Climate vulnerability and resilience plans shall include, at a minimum: (i) an evaluation of the climate science and projected extreme weather and other climate-related risks for the service territory including changes in temperature extremes, humidity, precipitation, sea level rise, and extreme storms; (ii) an evaluation and risk assessment of potential impacts of climate change on existing operation, planning, and physical assets, including any design and construction standards or maintenance and operations practices that require changes to address current and future climate conditions as it relates to reliability and resilience of the grid; (iii) an evaluation of the vulnerability of existing infrastructure based on location and whether and when certain facilities may require retrofitting or relocation; (iv) identification and prioritization of adaptation options to increase asset and system-wide resilience over time; (v) an evaluation of costs and benefits against a range of possible future scenarios and adaptation options; and (vi) an implementation timeline, including benchmarks over time, for making changes in line with the findings of the study such as modifying design and construction standards, modifying operations and planning processes, and upgrades to existing infrastructure to ensure reliability and resilience of the grid.
- (c) Climate vulnerability and resilience plans shall be prepared in collaboration with communities most impacted by the effects of climate change within the company's service area, including environmental justice populations, as defined in section 30 of chapter 62, and shall include a community engagement plan that includes, at a minimum: (i) identification and

description of any environmental justice populations in the service area, and any community based environmental justice organizations in the service area; (ii) outreach goals and targets, including at least two public meetings planned in collaboration with representatives from identified environmental justice populations and community based organizations; (iii) assessment of past engagement goals shortfalls or deficiencies; and (iv) updates and remedies to ensure shortfalls or deficiencies are not repeated.

- (d) The department of public utilities shall require, in any ratemaking proceeding pursuant to sections 76, 93, and 94 of chapter 164, that electric companies identify in priority order the climate risks to its facilities that will arise over the projected useful life of such facilities or thirty years, whichever is greater, in accordance with climate vulnerability and resilience plans as required by subsection (a). The companies shall present evidence documenting their evaluation of climate risks and measures addressing such climate risks based on the best available climate science, data and other evidence in the record before the agency and shall identify how their operating and capital budgets address such climate risks. The companies shall also: (i) consider and present evidence addressing likely climate change risks scenarios for its utility infrastructure in relation to the infrastructure's criticality and risk tolerance; and (ii) disclose in all design engineering, architectural, or other drawings and analyses the climate assumptions used in evaluating and addressing climate risks.
- (e) In adjudicating ratemaking proceedings pursuant to sections 76, 93, and 94 of chapter 164, the department of public utilities shall determine whether the applicant's costs proposed or incurred for capital investment projects include consideration and minimization of climate risks for the useful life of the proposed investment or 30 years, whichever is greater. In considering climate risks, the department of public utilities shall consult the most recent climate vulnerability

and resilience plan on file for the applicant and projected climate change risk based on best available data. The department of public utilities may take into consideration whether the applicant has made progress in implementing its climate vulnerability and resilience plan and whether the applicant's costs proposed or incurred for capital investment projects are consistent with the plan. The department of public utilities shall conclude in writing that the applicant's costs are appropriate based on the risk tolerance of the project or facility. Any electric company failing to file its climate vulnerability and resilience plan may be fined \$500 for each day during which such failure continues. The fines levied by the department shall be returned to ratepayers through distribution rates.

- (f) The department of public utilities shall promulgate such rules and regulations as are necessary to promptly and effectively enforce the provisions of this section.
- SECTION 2. Subsection (a) of section 85B of chapter 164 of the General Laws is hereby amended by striking out paragraphs (7) and (8) and inserting in place thereof the following:
- (7) identification of additional supplies and equipment needed during an emergency and the means of obtaining additional supplies and equipment;
- (8) designation of a call center in the commonwealth for service assistance for the duration of an emergency or until full service is restored, whichever occurs first. The call center shall be staffed continuously for the duration of the emergency and to ensure sufficient staffing levels to handle all customer calls; and
- (9) a description of how the company is implementing its climate vulnerability and resilience plan in its response to emergency events and in its efforts to minimize the effects of

extreme weather on the company's infrastructure and operations, including disruptions to service.

SECTION 3. Chapter 164 of the General Laws is hereby amended by inserting after section 1K the following section:

Section 1L. For the purposes of climate resiliency and mitigation, reliability, and encouragement of installation of distributed electricity generation and storage capacity, no right to exclusive service or franchise established within Section 1B or elsewhere in this chapter shall prevent a municipality, or agencies of the commonwealth or private electric customers in coordination with a municipality, within an electric or gas company's service territory, from: (a) establishing an energy microgrid or district energy system; (b) sharing electric generation or storage resources among facilities that are contiguous and owned by the same utility customer, irrespective of the number of electric meters installed at such facilities; or (c) using public rights of way to conduct electrical conduit or other energy resources point to point where the municipality deems there is benefit from sharing energy resources.