

SENATE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Dylan A. Fernandes

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 advancing the clean energy transition.

PETITION OF:

NAME:

Dylan A. Fernandes

DISTRICT/ADDRESS:

Plymouth and Barnstable

SENATE No.

[Pin Slip]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Fourth General Court
(2025-2026)**

An Act advancing the clean energy transition.

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. Section 2 of chapter 25A of the General Laws, as appearing in the 2022
2 Official Edition, is hereby amended by striking the second paragraph and inserting in place
3 thereof the following paragraph:-

4 There shall be within the department: (i) a division of energy efficiency, which shall
5 work with the department of public utilities regarding energy efficiency programs; (ii) a division
6 of renewable and alternative energy development, which shall oversee and coordinate activities
7 that seek to maximize the installation of renewable and alternative energy generating sources that
8 will provide benefits to ratepayers, advance the production and use of biofuels and other
9 alternative fuels as the division may define by regulation and administer the renewable portfolio
10 standard and the alternative portfolio standard; (iii) a division of green communities, which shall
11 serve as the principal point of contact for local governments and other governmental bodies
12 concerning all matters under the jurisdiction of the department of energy resources, excluding
13 matters involving the siting and permitting of small clean energy infrastructure facilities; (iv) a

14 division of clean energy siting and permitting, which shall establish standard conditions, criteria
15 and requirements for the siting and permitting of small clean energy infrastructure facilities by
16 local governments and provide technical support and assistance to local governments, small
17 clean energy infrastructure facility project proponents and other stakeholders impacted by the
18 siting and permitting of small clean energy infrastructure facilities at the local government level;
19 and (v) a division of clean energy procurement, which shall develop resource solicitation plans,
20 administer procurements for clean energy generation and energy services and negotiate and
21 manage contracts with clean energy generation and energy service facilities as required by
22 section 21. Each division shall be headed by a director appointed by the commissioner and who
23 shall be a person of skill and experience in the field of energy efficiency, renewable energy or
24 alternative energy, energy regulation or policy and land use and planning, respectively. The
25 directors shall be the executive and administrative heads of their respective divisions and shall be
26 responsible for administering and enforcing the law relative to their division and to each
27 administrative unit thereof under the supervision, direction and control of the commissioner. The
28 directors shall serve at the pleasure of the commissioner, shall receive such salary as may be
29 determined by law and shall devote full time during regular business hours to the duties of the
30 office. In the case of an absence or vacancy in the office of a director or, in the case of disability
31 as determined by the commissioner, the commissioner may designate an acting director to serve
32 as director until the vacancy is filled or the absence or disability ceases. The acting director shall
33 have all the powers and duties of the director and shall have similar qualifications as the director.

34 SECTION 2. Section 6 of said chapter 25A is hereby amended by inserting after
35 subsection (14) the following subsection:

36 (15) develop resource solicitation plans, conduct procurements pursuant to such plans as
37 approved by the department of public utilities and negotiate and execute contracts with clean
38 energy generation and energy services providers pursuant to section 21.

39 SECTION 3. Section 21 of said chapter 25A is hereby further amended by repealing
40 subsections (k) through (o), inclusive.

41 SECTION 4. Said chapter 25A is hereby further amended by adding the following
42 section:-

43 Section 22. (a) As used in this section, the following words shall have the following
44 meanings unless the context clearly requires otherwise:

45 “Clean energy generation”, electrical energy output, or that portion of the electrical
46 energy output, excluding any electrical energy utilized for parasitic load of a clean existing
47 generation unit, that qualifies under clean energy standard regulations established pursuant to
48 subsection (c) of section 3 of chapter 21N.

49 “Clean energy solicitation”, a competitive solicitation for clean energy associated
50 environmental attributes or energy services completed by the department conducted pursuant to
51 this section.

52 “Distribution company”, a distribution company as defined in section 1 of chapter 164.

53 “Energy services”, operation of infrastructure that increases the deliverability or
54 reliability of clean energy generation or reduces the cost of clean energy generation, including,
55 but not limited to, transmission, energy storage and demand response technologies.

56 “Environmental attributes”, all present and future attributes under any and all
57 international, federal, regional, state or other law or market, including, but not limited to, all
58 credits or certificates that are associated, either now or by future action, with unit specific clean
59 energy generation, including, but not limited to, those provided for in regulations promulgated
60 pursuant to subsection (c) of section 3 of chapter 21N and sections 11F and 17.

61 “Long-term contract” a contract for a period of not more than 20 years.

62 (b) Notwithstanding any general or special law to the contrary, in order to maximize the
63 commonwealth’s ability to achieve compliance with limits and sublimits established pursuant to
64 sections 3 and 3A of chapter 21N, the department shall investigate the necessity, benefits and
65 risks of solicitations for environmental attributes or energy services, competitively solicit for
66 environmental attributes or energy services established pursuant to said sections 3 and 3A of said
67 chapter 21N and may negotiate and enter into long-term contracts for such environmental
68 attributes or energy services.

69 (c) Not less than every 3 years, the department shall publish a resource solicitation plan,
70 which shall include, but not be limited to: (i) a description of the clean energy generation needs
71 sufficient to maximize the commonwealth’s ability to achieve compliance with limits and
72 sublimits established pursuant to sections 3 and 3A of chapter 21N, including resource
73 generation type, nameplate capacity amounts and commercial operation dates for new resources;
74 (ii) a schedule recommendation for clean energy solicitations that the department will conduct
75 within the next 3 years; (iii) economic development objectives and requirements for the clean
76 energy solicitations; (iv) a mechanism for the distribution companies to recover the costs
77 associated with long-term contracts for clean energy associated environmental attributes or

78 energy services entered into by the department under this section, including any administrative
79 costs to support the department's requirements under this section; and (v) a review of the
80 previous clean energy solicitations, if applicable. The department shall consult with the
81 department of public utilities and attorney general's office in the development of this resource
82 plan in advance of publishing it. Any ex parte rules established by the department of public
83 utilities shall not apply to this consultation process.

84 (d) The department shall file the resource solicitation plan and its recommendations with
85 the department of public utilities. The department of public utilities shall review the resource
86 solicitation plan and recommendations to determine whether the resource solicitation plan is a
87 reasonable, appropriate and cost-effective mechanism to achieve the goals of this section. The
88 department of public utilities shall approve, approve with modifications or reject the plan within
89 7 months of submission. Upon approval of the resource solicitation plan, the department of
90 public utilities shall require the distribution companies to jointly propose tariffs consistent with
91 the approved resource solicitation plan to recover costs associated with all contracts pursuant to
92 this section not later than 3 months following the approval; provided, however, that the
93 distribution companies shall not receive any remuneration, benefit or fee to compensate for costs
94 associated with such contracts. The tariffs shall apportion costs associated with the contracts to
95 be recovered from ratepayers among the distribution companies.

96 (e) The method for the clean energy solicitations shall be proposed by the department and
97 shall utilize a competitive bidding process. The department shall consult with the attorney
98 general regarding the choice of solicitation methods. The department may coordinate any
99 solicitation under this section with other states, municipal light plants or other governmental and
100 non-governmental organizations; provided, however, that the department shall describe any

101 impacts coordination may have on the solicitation, including any impacts to nameplate capacity
102 amounts or quantities of clean energy generation attributes sought in its solicitation. After notice
103 and the opportunity for public comment, the department shall proceed with the clean energy
104 solicitation. The department may competitively solicit proposals for long-term contracts for: (i)
105 environmental attributes from clean energy generation; or (ii) energy services contracts. The
106 department may consult with other states, federal agencies and regional organizations, including,
107 but not limited to, ISO New England Inc. or its successor; provided, however, that reasonable
108 proposals have been received, the department shall make or cause to be made filings as necessary
109 through the appropriate jurisdictional mechanism and enter into long-term contracts that are
110 consistent with the roadmap plans published pursuant to chapter 21N.

111 (f) The department shall propose draft contracts and take all reasonable actions to
112 structure the contracts, pricing or administration of the products purchased under this section to
113 contribute towards achieving compliance with limits and sublimits established pursuant to
114 sections 3 and 3A of chapter 21N in a cost-effective manner that minimizes rate-payer impacts.

115 (g) Long-term contracts executed pursuant to this section shall be subject to the approval
116 of the department of public utilities. The department of public utilities shall consider the
117 potential costs and benefits of the proposed long-term contract and shall approve a long-term
118 contract if the department finds that the contract is cost-effective and consistent with the
119 roadmap plans published pursuant to chapter 21N, taking into account the factors outlined in this
120 section, consistency with the approved resource solicitation plan and the department's
121 recommendations. The department of public utilities shall complete its review of long-term
122 contracts submitted for its approval not later than 90 days after the contracts are filed by the
123 department of energy resources.

124 (h) The department may retire any environmental attributes purchased pursuant to
125 approved long-term contracts under this section on behalf of the commonwealth to be used
126 toward satisfying compliance with the limits and sublimits established pursuant to sections 3 and
127 3A of chapter 21N and any regulations or programs established pursuant to sections 3 and 6 of
128 said chapter 21N or sections 11F and 17. If any retired environmental attributes are eligible
129 under a clean, renewable, clean peak or other energy portfolio standard established by the
130 department or the department of environmental protection, the portfolio standard minimum
131 obligations of suppliers subject to such standards may be reduced in proportion to any eligible
132 environmental attributes retired pursuant to this section, subject to the discretion of the
133 department and the department of environmental protection.

134 (i) There shall be a separate, non-budgeted special revenue fund known as the central
135 procurement fund, which shall be administered by the department, without further appropriation,
136 for funding long-term contracts consistent with this section. The fund shall be credited with: (i)
137 funds or revenue collected by distribution companies pursuant to a tariff approved by the
138 department of public utilities in furtherance of the objectives and requirements of this section;
139 (ii) revenue from appropriations or other money authorized by the general court and specifically
140 designated to be credited to the fund; (iii) interest earned on such funds or revenues; (iv) bid fees
141 collected by the department from participants in clean energy solicitations conducted pursuant to
142 this section; (v) other revenue from public and private sources, including gifts, grants and
143 donations; and (vi) any funds provided from other sources. All amounts credited to the fund shall
144 be used solely for activities and expenditures consistent with the public purposes of this section,
145 including the ordinary and necessary administrative and personnel expenses of the department
146 related to the administration and operation of the fund and performance of the duties established

147 by this section. Revenues deposited in the fund that are unexpended at the end of a fiscal year
148 shall not revert to the General Fund and shall be available for expenditure in the following fiscal
149 year. No expenditure made from the fund shall cause the fund to be in deficit at any point.

150 (j) A request for proposal or solicitation under this section shall include:

151 (i) documentation reflecting the applicant's demonstrated commitment to workforce or
152 economic development within the commonwealth;

153 (ii) a statement of intent concerning efforts that the applicant and its contractors and
154 subcontractors will make to promote workforce or economic development through the project;

155 (iii) documentation reflecting the applicant's demonstrated commitment to expand
156 workforce diversity, equity and inclusion in its past projects within the commonwealth;

157 (iv) documentation as to whether the applicant and its contractors and subcontractors
158 participate in a state or federally certified apprenticeship program and the number of apprentices
159 the apprenticeship program has trained to completion for each of the last 5 years;

160 (v) a statement of intent concerning how or if the applicant and its contractors and
161 subcontractors intend to utilize apprentices on the project;

162 (vi) documentation relative to the applicant and its contractors and subcontractors
163 regarding their history of compliance with chapters 149, 151, 151A, 151B and 152, 29 U.S.C. §
164 201, et seq. and applicable federal antidiscrimination laws;

165 (vii) documentation that the applicant and its contractors and subcontractors are currently,
166 and will remain, in compliance with chapters 149, 151, 151A, 151B, and 152, 29 U.S.C. § 201,
167 et seq. and applicable federal anti-discrimination laws for the duration of the project;

168 (viii) documentation of the applicant's history with picketing, work stoppages, boycotts
169 or other economic actions against the applicant and a description or plan on how the applicant
170 intends to prevent or address such actions; and

171 (ix) documentation relative to whether the applicant and its contractors have been found
172 in violation of state or federal safety regulations in the previous 10 years.

173 The department may require a wage bond or other comparable form of insurance in an
174 amount to be set by the department to ensure compliance with law, certifications or department
175 obligations.

176 (k) A proposal or solicitation issued by the department shall notify applicants that
177 applicants shall be disqualified from the project if the applicant has been debarred by the federal
178 government or commonwealth for the entire term of the debarment.

179 (l) An applicant shall, in a timely manner, provide documentation and certifications as
180 required by law or otherwise directed by the department. Incomplete or inaccurate information
181 may be grounds for disqualification, dismissal or other action deemed appropriate by the
182 department.

183 (m) Applicants that demonstrate compliance with sections 26 to 27F, inclusive, of chapter
184 149 and the use of state or federally certified apprenticeship programs, shall receive added
185 weight in clean energy solicitations under subsection (e).

186 SECTION 5. Said Chapter 25A is hereby amended by inserting after Section 17 a new
187 section as follows:

188 Section 17A: (a) The department of energy resources may develop a statewide energy
189 storage incentive program to encourage the continued development of energy storage resources
190 connected to the electric distribution system throughout the commonwealth. The department
191 shall, after notice and the opportunity for public comment, promulgate rules and regulations
192 implementing an energy storage incentive program which: (i) promotes the orderly transition to a
193 stable and self-sustaining energy storage market at a reasonable cost to ratepayers; (ii) considers
194 underlying system costs, including but not limited to storage costs, balance of system costs,
195 installation costs and soft costs; (iii) takes into account any federal or state incentives; (iv)
196 minimizes direct and indirect program costs and barriers; (v) considers environmental benefits,
197 energy demand reduction, distribution system benefits and other avoided costs provided by
198 energy storage resources; (vi) encourages energy storage resource deployment where it can
199 provide benefits to the distribution system; (vii) ensures that the costs of the program are shared
200 collectively among all ratepayers of the distribution companies; and (viii) promotes stakeholder
201 confidence through long-term incentive revenue certainty and market stability.

202 (b) Attributes, as defined by the department of energy resources, of the energy storage
203 resources receiving incentives pursuant to this section shall be eligible for use by retail electric
204 suppliers pursuant to their obligations pursuant to said section 17 of said chapter 25A.

205 (c) The department may hire additional staff to implement said energy storage incentive
206 program. These positions may be funded from one or more sources including but not limited to
207 the following: (i) appropriation, (ii) grants, or (iii) receipts of alternative compliance payments
208 made pursuant to section 17 of chapter 25A of the general laws.

209 SECTION 6. Chapter 25A of the General Laws, as appearing in the 2022 Official
210 Edition, is hereby amended by adding the following section:

211 Section 23. The department shall utilize programs established pursuant to section 11 of
212 Chapter 75 of the Acts of 2016 and authority granted under Section 4 of this Act to achieve a
213 minimum goal of 10 gigawatts (GW) of solar measured in alternating current (AC) deployed in
214 the commonwealth by 2035. The secretary shall ensure that annual solar deployment in the
215 commonwealth increases at a pace sufficient to meet the 2050 statewide emissions limit of net
216 zero greenhouse gas emissions established by the secretary on December 21, 2022.

217 SECTION 7: Section 92B of Chapter 164 of the General Laws is hereby amended by
218 inserting the following subsection after subsection (e):

219 (f) Any submission to the department of a capital investment project proposal under the
220 provisional program, as established by the department in 2021 and extended by the department in
221 its electric sector modernization plan approval in 2024, shall be approved, denied, or approved
222 with modifications by the department within 120 days of its submission.

223 SECTION 8. Chapter 164 of the General Laws is hereby amended by inserting after
224 section 92C the following section:

225 Section 92D. (a) The department shall establish an office of a distributed generation and
226 clean energy ombudsperson to, at a minimum, facilitate the efficient interconnection of
227 distributed generation and implementation of proactive long-term system planning and cost
228 allocation for interconnection of distributed generation. The office of the ombudsperson shall be
229 staffed by a distributed generation and clean energy ombudsperson, a deputy ombudsperson, and
230 two or more individuals, one of whom shall be an expert in the standards for interconnection of

231 distributed generation tariff and related department precedent and one of whom shall be an
232 expert in technical solutions and standards for interconnecting distributed generation customers.
233 The department shall develop a table of civil penalties that the ombudsperson may recommend
234 that the department impose upon a finding that a distribution company has intentionally or
235 negligently violated a rule, regulation or tariff provision, or that the company has exhibited a
236 pattern or history of violating such rule, regulation or tariff provisions. In considering penalties
237 under this section, the ombudsperson and the department shall consider the severity of the
238 violation, the financial impact upon the distribution customer or customers, the distribution
239 company's history of violations, the sufficiency of the distribution company's customer service
240 relevant to the dispute, and other relevant factors at the discretion of the ombudsperson. The
241 department may direct that all or a portion of a penalty take the form of restitution to be paid to
242 an affected distribution customer.

243 (b) Distributed generation interconnection working groups, for the purpose of considering
244 improvements to interconnection tariffs and interconnection technical standards and processes,
245 are essential to meeting the Commonwealth's clean energy goals. To facilitate effective
246 utilization of distributed generation interconnection working groups, the office of the
247 ombudsperson shall develop a detailed process for stakeholder working groups in the
248 Commonwealth dedicated to the interconnection of distributed generation to submit to the
249 department and have considered consensus and non-consensus findings. This process shall
250 include an expedited track for consensus findings. The department or the office of the
251 ombudsperson shall act on each submission within six months.

252 (c) The department shall direct the distribution companies to contract with a third-party to
253 assist in administrative facilitation of stakeholder working groups in the Commonwealth

254 dedicated to the interconnection of distributed generation. The hiring process shall be conducted
255 by the Chairs and Vice Chairs of the working groups. The facilitator shall assist the working
256 groups with agendas, meeting minutes, website maintenance, establishing and revising operating
257 procedures and bylaws, coordinating written information exchanges and developing summary
258 informational packages for submission to the department. The contract with the third-party
259 facilitator must clearly indicate that the relationship of the facilitator with the working groups
260 shall be managed by the Chairs and Vice Chairs of the working groups.

261 (d) The department shall provide a process for working groups in the Commonwealth
262 dedicated to the interconnection of distributed generation to fund the engagement of consultants
263 for support discussion of substantive topics.

264 (e) To support interconnection of distributed energy resources by diminishing the risk to
265 interconnecting customers of multi-year interest carrying costs associated with interconnection
266 deposits and in furtherance of the Commonwealth's clean energy mandates, effective
267 immediately, the electric distribution companies shall accept a surety bond or letter of credit in
268 lieu of cash, at the discretion of the interconnecting customer, for common system modification
269 payments required under an interconnection service agreement to commence construction of
270 required electric power system upgrades.

271 (f) Flexible interconnection is a process by which an electric distribution company
272 provides an alternative interconnection solution to a distributed generation facility allowing for
273 interconnection based on an agreed upon curtailment schedule. In recognition that flexible
274 interconnection is likely to provide opportunity for reduced interconnection costs, expedited
275 interconnection process, and increased network utilization, the department shall direct the

276 electric distribution companies to develop a proposal for a flexible interconnection program to be
277 established in the Commonwealth. The electric distribution companies shall file a proposed
278 model tariff provision or tariff revision with the department to implement a uniform program for
279 flexible interconnection within six months of the effective date of this act. The department shall
280 conduct a proceeding to investigate the flexible interconnection proposal, and within one year of
281 the effective date of this act issue an order establishing a uniform flexible interconnection
282 program.

283 (g) The electric distribution companies shall take the following procedural steps prior to
284 filing a flexible interconnection program proposal with the department:

285 i. Convene a flexible interconnection stakeholder working group facilitated by one
286 distributed generation industry member and one electric distribution company member and
287 including (a) two representatives from each electric distribution company, (b) one or more
288 representatives from each of the department of energy resources and the office of the attorney
289 general, and (c) six representatives from the distributed generation industry.

290 ii. Attend and participate in bimonthly working group meetings.

291 iii. Present a draft joint model tariff provision or tariff revisions to the working group
292 within three months of the effective date of this act.

293 iv. Accept written and oral comments on that draft and allow stakeholders to submit
294 alternative language or proposed modifications.

295 v. Develop consensus language among that group, to the extent possible.

296 vi. Include in their filing with the Department any alternative proposal which is supported
297 by six or more group members along with a summary and explanation of that proposal prepared
298 by supportive group members.