

**SENATE . . . . . No. 2190**

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The Commonwealth of Massachusetts

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**In the Year Two Thousand Twelve**  
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An Act relative to competitively priced electricity in the Commonwealth.

*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 18 of chapter 25 of the General Laws, as appearing in the 2010  
2 Official Edition, is hereby amended by striking out the fourth paragraph.

3           SECTION 2. Section 19 of chapter 25 of the General Laws, as so appearing, is hereby  
4 amended by adding the following subsection:-

5           (d) There shall be a voluntary accelerated rebate pilot program which shall be made  
6 available to the 5 largest electric users and 5 largest gas users in each utility service territory.  
7 Multiple locations of the same customer shall not be aggregated for purposes of meeting this  
8 threshold. Eligible customers electing to participate in the accelerated pilot program shall notify  
9 the appropriate program administrator on or before January 31, of each calendar year during the  
10 pilot program. Customers electing to participate shall be eligible for up to a 100% rebate for  
11 qualified energy efficiency measures as determined by the department. Total rebate levels for  
12 participating customers in any year of the pilot program shall not exceed 90% of the amount the  
13 customer was charged for energy efficiency programs for calendar year 2012. A customer that  
14 elects to participate by January 31, 2013 may aggregate rebates in amounts not to exceed 270%

15 of the amount charged to that customer for energy efficiency programs for calendar year 2012; a  
16 customer that elects to participate after January 31, 2013 but before January 31, 2014 may  
17 aggregate rebates in amounts not to exceed 180% of the amount charged to that customer for  
18 energy efficiency programs for calendar year 2012; provided, however, a participating  
19 customer may not aggregate a rebate from any year in which it does not participate in the pilot.  
20 Qualified energy efficiency measures shall include cost-effective energy efficiency program  
21 measures approved by the department of public utilities in accordance with section 21, provided,  
22 however, that up to 15% of any accelerated rebate may be used for other improvements that  
23 support energy efficiency improvements made in accordance with a program approved by the  
24 department of public utilities or emission reductions, including, but are not limited to  
25 infrastructure improvements, metering, circuit level technology and software. Customers opting  
26 to receive an accelerated rebate shall be ineligible for other energy efficiency program rebates  
27 pursuant to section 21 during the period in which they participate in the pilot program. All  
28 qualified installations must be substantially completed by the end of the program, and are subject  
29 to verification and review by the department.

30 SECTION 3. Paragraph 1 of subsection (b) of Section 21 of chapter 25 of the General  
31 Laws, as so appearing, is hereby amended by inserting the following sentence to the end  
32 thereof:-

33 No portion of monies expended under this section shall pay for compliance with federal  
34 or state building or energy codes applicable to participants.

35 SECTION 4. Said section 21 of said chapter 25, as so appearing, is hereby further  
36 amended by striking out, in lines 114 and 115, the words "Massachusetts Technology Park

37 Corporation” and inserting in place thereof the following words:- Massachusetts Clean Energy  
38 Technology Center.

39 SECTION 5. Section 22 of said chapter 25, as so appearing, is hereby amended by  
40 striking out, in line 9, “the words “and (11) the department of energy resources” and inserting in  
41 place thereof the following words:- (11) a representative from the Massachusetts Non-profit  
42 Network, (12) a city or town in Massachusetts, (13) real estate, (14) a business employing less  
43 than 10 persons located in Massachusetts that performs energy efficiency services, and (15) the  
44 department of energy resources.

45 SECTION 6. Section 2B of chapter 59 of the General Laws, as appearing in the 2010  
46 Official Edition, is hereby amended, in line 2, by inserting after the words “benefit of” the” the  
47 following words:- a governmental entity, including”

48 SECTION 7. Said section 2B of said chapter 59 of the General Laws, as so appearing, is  
49 hereby further amended, in line 37, by inserting after the word “public” the following words:- ,  
50 to leases for renewable generation facilities, defined as eligible under subsection (c) of section  
51 11F of chapter 25A, in which not less than 50 per cent of the energy output is assigned to either  
52 the municipality in which the facility is located or to the governmental entity that owns the land  
53 on which the facility is located,

54 SECTION 8. Section 5 of said chapter 59, as so appearing, is hereby amended by  
55 striking out the forty-fifth clause and inserting in place thereof the following clause:-

56 Forty-fifth, Any solar or wind powered system that is capable of producing not more than  
57 125 per cent of the annual energy needs of the property upon which it is located and is behind the  
58 meter serving the energy needs of that property. All other solar and wind powered systems shall

59 also be exempt provided that the owner has made to the city or town where the system is located  
60 a payment in lieu of taxes, equal to 5 per cent of the system's gross electricity sales, including  
61 receipt of net metering credits as defined in section 138 of chapter 164, in the preceding calendar  
62 year. For years 1 and 2, the payments shall be annualized based on gross estimated sales derived  
63 from a formula to be determined by the department of revenue, in consultation with the  
64 department of energy resources. An exemption under this clause shall be allowed only for a  
65 period of 20 years from the date of operation of such system.

66 SECTION 9. Subsection (b) of section 38H of said chapter 59, as so appearing, is hereby  
67 amended in line 88, by inserting after the word "thereof" the following sentence:- For purposes  
68 of this section, a generation facility shall not include a facility powered by sun or wind to  
69 generate electricity.

70 SECTION 10. Section 1F of chapter 164 of the General Laws, as so appearing, is hereby  
71 amended by adding the following words:-

72 (10) Notwithstanding section 94 or any other general or special law to the contrary,  
73 whenever the department makes a determination upon an application for a general increase in  
74 rates pursuant to 220 CMR 5.00 et seq. which results in an increase of 10% or greater above the  
75 rate paid at the time the application was filed, the department shall allow for not more than a 7  
76 ½% increase in rates for the first calendar year in which the approved rates are to go into effect,  
77 and no more than a 7 ½% increase in any subsequent year necessary to fulfill the approved rate.  
78 When a non-residential ratepayer is subject to an increase in distribution costs that is 15% or  
79 more than the ratepayer was paying prior to a department approved rate increase that caused such  
80 increase, the ratepayer may file a petition within 20 days after the department approves the rate

81 increase for a phase-in of the ratepayers distribution cost increase over a period of years. The  
82 department shall order the phase-in upon a showing of the increased distribution costs of 15% or  
83 more, but the ordered phase-in shall be for not less than two calendar years and for no more than  
84 50 % of the increase in the first calendar year of the phase in period. Such petition shall be acted  
85 upon by the department within 30 days of its filing or prior to the rate becoming effective,  
86 whichever occurs sooner. Failure to act shall be deemed approval by the department of the  
87 petition for no more than 50% of the increase in year one and no more than 50% in year two. The  
88 department shall not approve any financing, carrying, or deferral charges or any other costs  
89 charged to rate payers in consideration for the provisions of this section.

90 SECTION 11. Section 94 of chapter 164 of the General Laws, as so appearing, is hereby  
91 amended by striking out the first paragraph and inserting in place thereof the following  
92 paragraph:-

93 Gas and electric companies shall file with the department schedules, no less frequently  
94 than every three years, in accordance with a filing schedule as prescribed by the department and  
95 in such form as the department shall from time to time prescribe, showing all rates, prices, and  
96 charges to be thereafter charged or collected within the commonwealth for the sale and  
97 distribution of gas or electricity, together with all forms of contracts thereafter to be used in  
98 connection therewith. Rates, prices and charges in such a schedule may, from time to time, be  
99 changed by any such company by filing a schedule setting forth the changed rates, prices and  
100 charges, but until the effective date of any such change no different rate, price or charge shall be  
101 charged, received or collected by the company filing such a schedule from those specified in the  
102 schedule then in effect; provided, that a company may continue to charge, receive and collect  
103 rates, prices and charges in accordance with a contract heretofore lawfully entered into, or, until

104 the department otherwise orders, after notice to the company and a public hearing and  
105 determination that public interest so requires, may sell and distribute gas or electricity under a  
106 special contract hereafter made at rates or prices differing from those contained in a schedule in  
107 effect, providing a copy of the contract in each instance is filed with the department, except that  
108 a contract of a company whose sole business in the commonwealth is the supply of electricity in  
109 bulk need not be filed except as may be required by the department. Whenever the department  
110 receives notice of any changes proposed to be made in any schedule filed under this chapter  
111 which represent a general increase in rates, prices and charges for gas or electric service, it shall  
112 notify the attorney general of the same forthwith, and shall thereafter hold a public hearing and  
113 make an investigation as to the propriety of such proposed changes after first causing notice of  
114 the time, place and the subject matter of such hearing to be published at least twenty-one days  
115 before such hearing in such local newspapers as the department may select. Unless the  
116 department otherwise authorizes, the rates, prices and charges set forth in such a schedule shall  
117 not become effective until the first day of the month next after the expiration of fourteen days  
118 from the filing thereof, provided that the department may not authorize rates filed pursuant to a  
119 proposed settlement agreement without a sufficient evidentiary basis, available to the public, for  
120 a determination that the proposed settlement is consistent with the public interest and results in  
121 just and reasonable rates. Such rates, prices and charges shall apply to the consumption shown by  
122 meter readings made after the effective date of such rates, prices and charges, unless the  
123 department otherwise orders. So much of said schedules shall be printed in such form and  
124 distributed and published in such manner as the department may require.

125 SECTION 12. Section 94G1/2 of chapter 164 is hereby repealed.

126 SECTION 13. Chapter 164 of the General Laws, as so appearing, is hereby amended by  
127 striking out section 96, and inserting in place thereof the following section:-

128 Section 96. (a) For purposes of this section, the following words shall have the following  
129 meanings.

130 "Control," the possession of the power, through direct or indirect ownership of a majority  
131 of the voting securities of a gas or electric company or a holding company, to direct or cause the  
132 direction of the management and policies of a gas or electric company or a holding company or  
133 the ability to effect a change in the composition of its board of directors or otherwise, provided,  
134 control shall not be deemed to arise solely from a revocable proxy or consent given to a person in  
135 response to a public proxy or consent solicitation made pursuant to and in accordance with the  
136 applicable rules and regulations of the Securities Exchange Act of 1934 unless a participant in  
137 said solicitation has announced an intention to effect a merger or consolidation with,  
138 reorganization, or other business combination or extraordinary transaction involving the gas or  
139 electric company or the holding company.

140 "Foreign electric company," an electric company with a domicile, principal place of  
141 business, headquarters, or place of incorporation the locus of which is outside of the borders of  
142 the commonwealth.

143 "Foreign gas company," a gas company with a domicile, principal place of business,  
144 headquarters, or place of incorporation the locus of which is outside of the borders of the  
145 commonwealth.

146 "Holding company," any corporation, association, partnership, trust or similar  
147 organization, or person which, regardless of the locus of the domicile, principal place of

148 business, headquarters, or place of incorporation of such entity, either alone or in conjunction  
149 and pursuant to an arrangement or understanding with one or more other corporations,  
150 associations, partnerships, trusts or similar organizations, or persons, directly or indirectly,  
151 controls, or seeks to acquire control over, a gas or electric company."

152 (b) Companies, except steam distribution companies, subject to this chapter, or holding  
153 companies may, notwithstanding any other provisions of this chapter or of any general or special  
154 law, consolidate or merge with one another or may sell and convey their properties to another of  
155 such companies or to a wholesale generation company, and such companies, holding companies,  
156 or wholesale generation companies may purchase such properties if such purchase, sale,  
157 consolidation or merger, and the terms thereof, have been approved, at meetings called therefor,  
158 by vote of the holders of at least two-thirds of each class of stock outstanding and entitled to vote  
159 on the question of each of the contracting companies, and that the department, after notice and a  
160 public hearing, has determined that such purchase and sale or consolidation or merger, and the  
161 terms thereof, are consistent with the public interest; provided, however, that in making such a  
162 determination the department shall at a minimum consider: potential rate changes, if any; the  
163 long term strategies that will assure a reliable, cost effective energy delivery system; any  
164 anticipated interruptions in service; or other factors which may negatively impact customer  
165 service; and provided further, that the purchase or sale of properties by, or the consolidation or  
166 merger of, wholesale generation companies shall not require departmental approval except as  
167 otherwise provided herein.

168 (c) No gas, electric, or holding company, subject to this chapter, shall enter into any  
169 transaction or otherwise take any action which would result in a change of its control over any  
170 gas, electric, or holding company, or foreign gas or electric company unless the terms thereof,

171 have been approved, at meetings called therefor, by vote of the holders of at least two-thirds of  
172 each class of stock outstanding and entitled to vote on the question of each of the contracting  
173 companies, and the department, after notice and a public hearing, has determined that such  
174 transaction or action, and the terms thereof, are consistent with the public interest; provided,  
175 however, that in making such a determination the department shall at a minimum consider:  
176 potential rate changes, if any; the long term strategies that will assure a reliable, cost effective  
177 energy delivery system; any anticipated interruptions in service; or other factors which may  
178 negatively impact customer service."

179 SECTION 14. Section 83 of chapter 169 of the acts of 2008 is hereby amended by  
180 striking out the first paragraph and inserting in place thereof the following paragraph:-

181 Commencing on July 1, 2009, and continuing until December 31, 2012, each distribution  
182 company, as defined in section 1 of chapter 164 of the General Laws, shall be required twice in  
183 that time period to solicit proposals from renewable energy developers and provided reasonable  
184 proposals have been received, enter into cost-effective long-term contracts to facilitate the  
185 financing of renewable energy generation. The timetable and method for solicitation and  
186 execution of such contracts shall be proposed by the distribution company in consultation with  
187 the department of energy resources and shall be subject to review and approval by the  
188 department of public utilities. This long-term contracting obligation shall be separate and  
189 distinct from the electric distribution companies' obligation to meet applicable annual renewable  
190 portfolio standard, hereinafter referred to as RPS, requirements, set forth in section 11F of  
191 chapter 25A of the General Laws.

192 SECTION 15. Chapter 169 of the acts of 2008 is hereby amended by inserting after  
193 section 83 the following section:-

194 Section 83A. Commencing on January 1, 2013, and continuing until December 31, 2016,  
195 each distribution company, as defined in section 1 of chapter 164 of the General Laws, shall be  
196 required twice in that time period to solicit additional proposals from renewable energy  
197 developers and, provided reasonable proposals have been received, enter into additional cost-  
198 effective long-term contracts to facilitate the financing of renewable energy generation. The  
199 timetable and method for solicitation and execution of such contracts shall be proposed by the  
200 distribution company in consultation with the department of energy resources and shall be  
201 subject to review and approval by the department of public utilities. This long-term contracting  
202 obligation shall be separate and distinct from the electric distribution companies' obligation to  
203 meet applicable annual renewable portfolio standard, hereinafter referred to as RPS,  
204 requirements, set forth in section 11F of chapter 25A of the General Laws.

205 For purposes of this section, a long term contract is defined as a contract with a term of  
206 15 to 20 years. In developing the provisions of proposed long term contracts, the distribution  
207 company shall consider multiple contracting methods, including long-term contracts for  
208 renewable energy certificates, hereinafter referred to as RECs, for energy, and for a combination  
209 of both RECs and energy. Commencing January 1, 2013, the electric company shall select a  
210 reasonable method of soliciting proposals from renewable energy developers using a competitive  
211 bidding process only. Electric companies are authorized, but not required, to use timetables and  
212 methods for the solicitation of competitively bid long-term contracts approved by the department  
213 of public utilities prior to January 1, 2013. The distribution company may decline to consider  
214 contract proposals having terms and conditions that it determines would require the contract

215 obligation to place an unreasonable burden on the distribution company's balance sheet. The  
216 distribution company shall consult with the department of energy resources regarding its choice  
217 of contracting methods and solicitation methods. All proposed contracts shall be subject to the  
218 review and approval of the department of public utilities.

219           The department of public utilities and the department of energy resources each shall  
220 adopt regulations consistent with this section. The regulations shall: (a) allow renewable energy  
221 developers to submit proposals for long-term contracts conforming to the contracting methods  
222 specified in the third paragraph; (b) require that contracts executed by the distribution company  
223 under such proposals are filed with, and approved by, the department of public utilities before  
224 they become effective; (c) provide for an annual remuneration for the contracting distribution  
225 company equal to the actual cost to the company for accepting the financial obligation of the  
226 long-term contract, but in no case shall such remuneration exceed 1 per cent of the annual  
227 payments under the contract, such provision to be acted upon by the department of public  
228 utilities at the time of contract approval; and (d) require that the renewable energy generating  
229 source to be used by a developer under the proposal meet the following criteria: (1) have a  
230 commercial operation date, as verified by the department of energy resources, on or after January  
231 1, 2008; (2) be qualified by the department of energy resources as eligible to participate in the  
232 RPS program, under said section 11F of chapter 25A, and to sell RECs under the program; and  
233 (3) be determined by the department of public utilities to: (i) provide enhanced electricity  
234 reliability within the commonwealth; (ii) contribute to moderating system peak load  
235 requirements; (iii) be cost effective to Massachusetts electric ratepayers over the term of the  
236 contract; and (iv) where feasible, create additional employment and economic development in  
237 the commonwealth. As part of its approval process, the department of public utilities shall

238 consider the attorney general's recommendations, which shall be submitted to the department of  
239 public utilities within 45 days following the filing of such contracts with the department of  
240 public utilities. The department of public utilities shall take into consideration both the potential  
241 costs and benefits of such contracts, and shall approve a contract only upon a finding that it is a  
242 cost effective mechanism for procuring low cost renewable energy on a long-term basis taking  
243 into account the factors outlined in this section.

244           Distribution companies shall not be obligated to enter into long-term contracts under this  
245 section that would, in the aggregate, exceed 4 per cent of the total energy demand from all  
246 distribution customers in the service territory of the distribution company. Ten (10) percent of  
247 the aggregate level of long term contracts shall be reserved for newly developed, small,  
248 emerging, or diverse renewable energy distributed generation facilities that are located within  
249 each distribution company's service territory. Distributed generation projects shall have a  
250 nameplate capacity no larger than 6MW, but shall not qualify as a class I, II, or III net metering  
251 facility as defined in section 138 of chapter 164 of the General Laws unless the project is located  
252 within the service territory of a company where qualifying net metering facility development has  
253 been maximized under subsection (f) of section 139 of Chapter 164 of the General Laws, long  
254 term contracts for distributed generation technology shall not be awarded to any technology  
255 eligible for solar renewable energy credits at the time of solicitation. The department shall not  
256 approve contracts for distributed generation if the energy price proposed in the contract exceeds  
257 the sum of the distribution company's residential (i) default service kilowatt-hour charge in the  
258 ISO-NE load zone where the customer is located; (ii) distribution kilowatt-hour charge; (iii)  
259 transmission kilowatt-hour charge; and (iv) transition kilowatt-hour charge at the time of  
260 solicitation. As long as the electric distribution company has entered into long term contracts in

261 compliance with this section, it shall not be required by regulation or order to enter into contracts  
262 with terms of more than 3 years in meeting its applicable annual RPS requirements set forth in  
263 said section 11F of said chapter 25A, unless the department of public utilities finds that such  
264 contracts are in the best interest of customers; provided, however, that the electric distribution  
265 company may execute such contracts voluntarily, subject to the department of public utilities'  
266 approval.

267         An electric distribution company may elect to use any energy purchased under such  
268 contracts for resale to its customers, and may elect to retain RECs for the purpose of meeting the  
269 applicable annual RPS requirements set forth in said section 11F of said chapter 25A. If the  
270 energy and RECs are not so used, such companies shall sell such purchased energy into the  
271 wholesale spot market and shall sell such purchased RECs through a competitive bid process.  
272 Notwithstanding the foregoing, the department of energy resources shall conduct periodic  
273 reviews to determine the impact on the energy and REC markets of the disposition of energy and  
274 RECs hereunder, and may issue reports recommending legislative changes if it determines that  
275 actions are being taken that will adversely affect the energy and REC markets.

276         If the distribution company sells the purchased energy into the wholesale spot market and  
277 auctions the RECs as described in the fifth paragraph, the distribution company shall net the cost  
278 of payments made to projects under the long-term contracts against the proceeds obtained from  
279 the sale of energy and RECs, and the difference shall be credited or charged to all distribution  
280 customers through a uniform fully reconciling annual factor in distribution rates, subject to  
281 review and approval of the department of public utilities. The reconciliation process shall be  
282 designed so that the distribution company recovers all costs incurred under such contracts.

283           If the RPS requirements of said section 11F of said chapter 25A should ever terminate,  
284 the obligation to continue periodic solicitations to enter into long term contracts shall cease, but  
285 contracts already executed and approved by the department of public utilities shall remain in full  
286 force and effect.

287           On or before July 1, 2010 , and annually until the long-term contracting requirement  
288 expires, the department of energy resources shall assess whether the long-term contracting  
289 requirements set forth in this section reasonably support the renewable energy goals of the  
290 commonwealth as set forth in said section 11F of said chapter 25A, and whether the alternative  
291 compliance rate established under said section 11F should be adjusted accordingly.

292           The provisions of this section shall not limit consideration of other contracts for RECs or  
293 power submitted by a distribution company for review and approval by the department of public  
294 utilities.

295           If any provision of this section is subject to a judicial challenge, the department of public  
296 utilities may suspend the applicability of the challenged provision during the pendency of the  
297 judicial action until final resolution of the challenge and any appeals, and shall issue such orders  
298 and take such other actions as are necessary to ensure that the provisions that are not challenged  
299 are implemented expeditiously to achieve the public purposes of this provision.

300           SECTION 16. Clause (2) of section 116 of said chapter 169 of the acts of 2008 is hereby  
301 amended by adding the following words:- , including hydroelectric power, regardless of whether  
302 that power is eligible under the renewable energy portfolio standard contained in section 11F of  
303 chapter 25A.

304 SECTION 17. Chapter 169 of the acts of 2008 is hereby amended by inserting after  
305 section 116 the following section:-

306 SECTION 116A. The Executive Office of Energy and Environmental Affairs shall report  
307 the estimated or actual ratepayer cost and benefits of any program required under Chapter 169 of  
308 the Acts of 2008 every three years to the joint committee on telecommunications, utilities and  
309 energy, unless said programs are separately itemized on a ratepayer's bill. Said reporting shall be  
310 submitted to the committee by January 31 of each reporting year. Whenever possible, the  
311 reported costs shall be presented on a volumetric basis, by customer class.

312 SECTION 18. The department of energy resources shall conduct a study of the  
313 greenhouse gas emissions reduction potential and viability, fiscal impact, statutory and  
314 regulatory barriers and anticipated long-term results of establishing a clean energy performance  
315 standard consistent with the greenhouse gas emission reduction requirements of chapter 21N of  
316 the General Laws, including all interim greenhouse gas limits adopted by the secretary pursuant  
317 thereto. The study shall consider how such a clean energy performance standard could be  
318 designed so as to advance the deployment of electricity generation and storage technologies that  
319 have low or no greenhouse gas emissions and that are not eligible pursuant to sections 11F or  
320 11F ½ of chapter 25A of the General Laws, nor eligible as part of any energy efficiency program  
321 pursuant to section 19 of chapter 20 of the General Laws. The study shall be based on the best  
322 available scientific, technical and economic analysis, and specifically shall consider, but shall not  
323 be limited to, (a) market-based frameworks designed to encourage lower production of  
324 greenhouse gas emissions per megawatt-hour of electricity delivered; (b) mechanisms to make  
325 such a greenhouse gas emissions performance standard more stringent over time; (c) categories  
326 of low- or no-emissions technologies that should be eligible pursuant to a clean energy

327 performance standard, including but not limited to hydropower facilities having a nameplate  
328 capacity greater than 25 megawatts, large-capacity electric storage technologies, and related  
329 smart grid technologies that may enable achievement of the Commonwealth's clean energy  
330 goals; (d) mechanisms for encouraging the displacement of electricity produced by generating  
331 facilities having high emissions of greenhouse gases per megawatt-hour of electricity delivered  
332 with lower-emissions resources; (e) the extent to which various types of low- and no-emissions  
333 technologies have reached technological maturity and the associated degree of need, or not, for  
334 incentives to encourage deployment on a commercial basis; (f) economic benefits and impacts  
335 for the Commonwealth, including but not limited to electric ratepayer benefits and impacts as  
336 well as employment and other economic development opportunities over the short term and long  
337 term; (g) tracking mechanisms; (h) allowing tradability among suppliers, including distribution  
338 companies; (i) incentives for reducing criteria and hazardous pollutants coincident with  
339 reductions in greenhouse gas emissions; (j) eligibility criteria for electricity generation and  
340 storage technologies directed toward avoiding undue impacts on the environment or public  
341 welfare; (k) policies adopted or considered by other jurisdictions, including other states, federal  
342 government entities or foreign nations, to advance objectives similar to those identified herein.

343         SECTION 19. The department of public utilities shall undertake a study into the low-  
344 income electric and gas programs. Such a study shall identify the cost to each electric and gas  
345 distribution company of the existing program and shall include consideration of adopting a  
346 statewide low income program to eliminate individual distribution companies from management  
347 of said programs. In addition, said study shall identify and make recommendations as to cost-  
348 saving efficiencies that increase accountability. The study shall be complete by January 1, 2013.

349 SECTION 20. The department of energy resources shall study what legislative or  
350 regulatory steps would serve to reduce reliance on alternative compliance payments in meeting  
351 Class II renewable energy generating sources, as defined by section 11F of chapter 164, and  
352 report to the joint committee on telecommunications, utilities and energy its recommendations by  
353 January 1, 2013.

354 SECTION 21. The pilot program created in section 2 shall begin in calendar year 2013.

355 SECTION 22. The first report required under section 17 shall be completed by January  
356 31, 2013.