

COMMONWEALTH OF MASSACHUSETTS EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS

DEPARTMENT OF ENERGY RESOURCES

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May 20, 2025 BY F-MAII

Chair Michael J. Barrett Joint Committee on Telecommunications, Utilities & Energy Room 109-D

Chair Michael J. Rodrigues Senate Committee on Ways and Means Room 212

Mr. Michael D. Hurley Senate Clerk Room 335

Elyother Mahon

Chair Mark Cusack Joint Committee on Telecommunications, Utilities & Energy Room 34

Chair Aaron Michlewitz House Committee on Ways and Means Room 243

Mr. Timothy Carroll House Clerk Room 145

Dear Chairs Barrett, Cusack, Rodrigues, Michlewitz, Mr. Hurley and Mr. Carroll,

Under the provisions of Section 5 of Chapter 25A of the General Laws, the Department of Energy Resources is submitting an annual report to the Joint Committee on Telecommunications, Utilities & Energy, the Senate Committee on Ways and Means, and the House Committee on Ways and Means for review.

Sincerely,

Department of Energy Resources



Chapter 25A Annual Report

2024

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Executive Summary

Pursuant to G.L. c. 25A, § 5

The commissioner shall file an annual report with the clerks of the senate and the house of representatives, the joint committee on telecommunications, utilities and energy and the senate and house committees on ways and means: (a) listing the number of employees of the department of energy resources, the salaries and titles of each employee, the source of funding for the salaries of said employees and the projected date when federal funds for such positions are expected to terminate; (b) listing and describing grant programs of the department funded by the federal government, including the amount of funding by grant; (c) listing and describing other programs of the department, including the amount and source of funding by program; and (d) describing the energy audit, energy conservation and alternative energy bond programs by categories of projects, prospective grantees under each category, if known, and amounts to be spent by category and grantee. Such reports shall be filed annually on or before December thirty-first and shall refer to activities planned for the subsequent calendar year.

The commissioner shall also file with said committees an annual report detailing all expenditures under each program administered by the division, including the energy audit, energy conservation and alternative energy bond programs, identified by categories of projects and grantees under each category, together with all available documentation of energy savings resulting from such expenditures. Such reports shall be filed on or before March first of each year and shall refer to activities in the preceding calendar year.

This Report includes the reporting requirements above and describes the work completed by the Department of Energy Resources (DOER) in 2024 and planning for work to be completed in 2025. Additionally, DOER provides in this report an overview of DOER's divisions and organization.

Achieving the Commonwealth's energy goals requires dedicated effort by DOER, in coordination with other Administration agencies and external partners. DOER's work includes grant administration, regulatory implementation, technical assistance, federal compliance, policy development, data reporting and analysis, and more. As much of the department's work involves the disbursement of grants and funds, DOER has a focus on program design and state procurement. The DOER staff includes analysts, program coordinators, legal counsel, planners, architects, engineers, administrators, and managers. DOER strives to complete all work with an eye towards equity and with robust public engagement including the Commonwealth's environmental justice communities.



1. Department Information

Mission: The Department of Energy Resources' (DOER) mission is to create a clean, affordable, resilient, and equitable energy future for all in the Commonwealth.

Who We Are: As the State Energy Office under the Executive Office of Energy and Environmental Affairs (EEA), DOER is the primary energy policy agency for the Commonwealth. DOER supports the Commonwealth's clean energy goals as part of a comprehensive Administration-wide response to the threat of climate change. DOER focuses on transitioning our energy supply to lower emissions and costs, reducing and shaping energy demand, and improving our energy system infrastructure.

1.1. General Description of Department Activities

What We Do: To meet our objectives, DOER connects and collaborates with energy stakeholders to develop effective policy. DOER implements this policy through planning, regulation, and providing funding. DOER provides tools to individuals, organizations, and communities to support their clean energy goals. DOER is committed to transparency and education, supporting the accessible access to energy information and knowledge.

1.2. Department Reporting Structure

The Department Head is the Commissioner who is appointed by the Governor and operates under the general oversight of the Secretary of EEA. The Commissioner develops and communicates DOER policy goals that are consistent with the broader energy and decarbonization policies of the Administration. Senior Staff Directors report to the Commissioner and attend regular meetings to ensure consistency across the Department.

1.3. Department Organization

DOER is organized into nine Divisions. Each Division Director, the Chief of Staff, the Chief Financial Officer, the General Counsel, and the Deputy Commissioner report directly to the Commissioner.

- Division of Clean Energy Siting & Permitting
- Division of Energy Efficiency
- Division of Green Communities
- Division of Leading by Example
- Division of Policy, Planning, and Analysis
- Division of Renewable and Alternative Energy
- Chief Financial Officer and Finance & Operations Division
- Coordination & Engagement Division
- General Counsel and Legal Division



2. Key DOER Work Products for 2024

DOER successfully advanced the energy and climate goals of the Department and the Commonwealth in 2024 through a number of policies and programs. Described below are some of the key work products accomplished in 2024. Additional detail on the roles and responsibilities of each Division, including a description of recurring or ongoing responsibilities, can be found in Section 5.

2.1. Regulations

Throughout 2024, DOER progressed three important sets of regulations related to energy efficiency and building decarbonization: Large Building Energy Reporting Regulations and revisions to the 225 CMR 22.00 and 225 CMR 23.00 Building Energy Code Regulations. These regulations are important pieces of the puzzle for building decarbonization in the Commonwealth by helping gather necessary data and promoting energy efficient codes that will crush heating load to reduce building electrification impacts on the grid. DOER promulgated these regulations in early 2025.

DOER completed three emergency rulemakings on the <u>225 CMR 21.00</u>: Clean Peak Energy Portfolio Standard (CPS) to reduce ratepayer costs and spur the financing of energy storage in Massachusetts. These rulemakings had a potential for over \$73 million in savings for ratepayers and resulted in 9 new projects totaling 50 MW proposed to the program in early 2025.

Finally, DOER focused on the stakeholder engagement, drafting, and planning for new SMART program regulations - Massachusetts' solar incentive program. The Renewable and Alternative Energy Division held 15 stakeholder meetings to inform the development of a SMART straw proposal. Four of these meetings included Technical Sessions where DOER facilitated small group discussions on the proposed regulatory changes to collect valuable stakeholder feedback. Several hundred stakeholders attended the sessions. A follow-on technical session held in December focused on an updated land-use proposal to respond to stakeholder concerns and feedback. DOER plans to promulgate these regulations in 2025.

A full list of DOER's regulations can be found here.

2.2. Grants and Funding Opportunities

Much of DOER's work involves grant funding and administration. 2024 was a banner year for DOER grants. On the local front, DOER awarded \$15.2 million Green Communities grants (press releases here and here and here) to 94 municipalities to support local clean energy initiatives. The grants provide financial support for energy efficiency and renewable energy projects that further the designated communities' clean energy goals and are awarded to existing Green Communities that have successfully invested their initial designation grants and previous competitive grant awards. Once completed, these projects will reduce greenhouse gas emissions by 3,300 metric tons and are estimated to save cities and towns over \$1.1 million annually. With the announcement of the September competitive grants, DOER has awarded



more than \$185 million to Green Communities in Designation Grants and Competitive Grants since 2010.

The Green Communities Division also awarded Municipal Energy Technical Assistance (META) grants to 17 municipalities (\$15,000-\$25,000) to fund third-party experts to complete local clean energy projects. And from federal funds, the division successfully awarded \$1,754,000 of Energy Efficiency and Conservation Block Grants (EECBG) to 45 recipients. DOER grants from this U.S. Department of Energy (DOE) program were designated for municipalities with a population below 35,000. Funds will be used toward building envelope improvements, regional energy managers, building decarbonization engineering and design, and clean energy community campaigns. Several projects are already in construction.

In addition, the Green Communities Division in 2024 designed and launched a new \$60 million certification and grant program, called Climate Leader Communities, focused on ambitious emissions reductions actions. This new program will support and encourage municipalities to adopt clean energy policies and goals aimed at eliminating the use of onsite fossil fuels and decarbonize buildings. Once certified, Climate Leader Communities will be eligible for additional funding for renewable energy and decarbonization projects. The deadline for applications for the first cohort of Climate Leader Community certifications was December 31, 2024 - DOER received 19 applications for the first cohort.

The Leading by Example (LBE) Division launched several new grant programs including the \$2.45 million federally funded LBE Equipment Decarbonization Grant Program focused on electrifying heating systems, landscaping and maintenance equipment, water heating, and commercial kitchen equipment; the \$25 million LBE Solar-Decarbonization Grant Program for state facilities to support new solar PV deployment, battery energy storage, EV charging, and decarbonization projects across the state portfolio; and the \$5 million Restoration Grant Program for state-owned solar and decarbonized systems to fund repair projects that increase the amount of active solar PV capacity at state facilities and help them avoid the use of backup fossil fuel heating systems. LBE also awarded \$750K in funding through the LBE Integrated Solar Grant Program, ultimately resulting in the construction of over 1 MW of solar canopies and 10 EV charging ports at state facilities.

LBE played a leadership role in the development of new policies and funding for EV charging including \$1.5 million in fleet EV charging station grants that will result in 87 charging ports and 31 "EV-ready" parking spaces through the Leading by Example Clean Energy Grant Program for Fleet Electric Vehicle Supply Equipment (EVSE) Deployment. This funding will help state fleets be better prepared for the conversion to electric vehicles in accordance with Executive Order 594 and state transportation goals. Through MOR-EV, the Commonwealth's electric vehicle rebate program, DOER issued more than 18,000 light-duty EV rebates totaling more than \$64.6 million in 2024, double the number of rebates from the previous year. Through the end of 2024, more than 1,200 income-eligible customers were issued rebates for electric vehicles.

DOER's Affordable Housing Decarbonization Grant Program, designed and administered by the Energy Efficiency Division, provides funding for the decarbonization and retrofits of



existing low- or moderate-income residential buildings. Projects must implement energy efficiency measures and decarbonize heating, cooling, and/or hot water systems while demonstrating a long-term commitment to providing affordable housing to low or moderate-income residents. Since its launch in 2023, the Energy Efficiency Division has awarded \$50 million in grants to support the deep energy retrofits of over 1,300 affordable housing decarbonization units across the Commonwealth. Indeed, the first units opened in Brighton in December. DOER posted the notice in December 2024 to solicit a third round of applications, with additional \$40 million of funding from DOER and MassDEP. To ensure greatest impact and benefits, DOER also hired a technical consultant to support project developers in seeking grant funding.

Through its management of the Merrimack Valley Renewal Fund (MVRF), created to benefit the city and towns directly impacted by the 2018 Columbia Gas explosions, DOER celebrated the opening of Stone Mill in Lawrence, which was funded by a \$2.8 million MVRF grant. With this grant funding, this affordable housing project integrates high-performance air sealing, insulation, and mechanical/electric/plumbing systems that eliminate fossil fuels and avoid greenhouse gas emissions, serving as a model for new and innovative approaches for historic preservation and high-performance adaptive re-use. MVRF will also fund a new \$15.9 million program focused on energy efficiency for low- and moderate-income residents, which will launch in 2025. In support of this new program, the local program administrator opened an office in Lawrence which will provide information, outreach, and help enroll customers.

In the fall of 2024, DOER launched the Clean Energy and Environment Legacy Transition Initiative (CELT). Inspired by Governor Healey's visit to an energy, climate, and marine research center at University College Cork, CELT is a partnership between the Administration, UMass Lowell, and Boston University to advance the clean energy transition, aid cities and towns in their decarbonization efforts, and grow and foster a diverse clean energy workforce. DOER provided funding for the broader program and will itself be focused on supporting efforts to collect data and to provide technical assistance by embedding graduate student fellows in municipalities.

As the U.S. Department of Energy (DOE) and the Environmental Protection Agency (EPA) continued to release opportunities for billions of dollars through the Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA), DOER continued its success in developing new processes for applications and compliance to ensure the highest possible funding levels to support DOER policies and priorities. DOER submitted or was partner on 19 applications, 13 of which were awarded in 2024 and 1 of which was still pending at the end of the year. As a result of these awarded applications, over \$714 million will flow to Massachusetts through DOER. This includes \$156.12 million under the EPA's Solar for All program, which DOER secured to support solar serving low-income and disadvantaged communities, \$389 million to the New England states' Power Up New England proposal under DOE's competitive Grid Innovation Program, as well as \$146+ million in funding through DOE's Home Electrification Appliance Rebate (HEAR) and Home Efficiency Rebate (HER) programs to support building decarbonization.



2.3. Green Community Designations and Building Energy Code Adoption

Launched in 2009, the Green Communities Designation program supports Massachusetts cities and towns to pursue energy efficiency, clean energy initiatives, and greenhouse gas emissions reductions. DOER designated seven new Green Communities in 2024, including Boxborough, Gosnold, Leyden, Newbury, Sandwich, and South Hadley. There are 297 designated Green Communities in Massachusetts. Boxborough is the first community designated under the expanded program pursuant to Chapter 179 of the Act of 2022, An Act Driving Clean Energy and Offshore Wind, which allowed the participation of multi-jurisdictional Municipal Light Plant (MLP) communities.

Green Communities are eligible for grant funding for clean energy and efficiency projects upon designation and may also apply for competitive grants. Green Communities commit to reduce municipal energy consumption by 20 percent within 5 years and are required to adopt the Stretch Energy Code. The Stretch Code improves the energy performance of around 90% of the new homes built in MA each year and impacts major renovations over 1,000 square feet.

Green Communities Division Regional Coordinators also support the local adoption of the Specialized Opt-In Energy Code, a nation-leading, higher-tier code developed by DOER's Energy Efficiency Division, which will be a requirement for the Climate Leader Communities program. In 2024, Regional Coordinators supported the local adoption of the Specialized Opt-In Energy Code by 17 communities, bringing the total to 48.¹ In addition to the development of the codes, the Energy Efficiency Division plays an important role in education and stakeholder support for the energy codes, including leadership on the Board of Building Regulations and Standards (BBRS) and offering resources and supporting trainings for local officials such as building inspectors to ensure improved code implementation across the Commonwealth.

2.4. Councils and Reports

Following 18 months of planning and negotiations, DOER led the Energy Efficiency Advisory Council in supporting the development of the 2025-2027 Three Year Energy Efficiency Plan, culminating in a unanimous Council resolution in support of the Plan. The groundbreaking Plan prioritizes decarbonization, equity, and customer experience and will reduce greenhouse gas emissions by 1 million metric tons. The Plan invests nearly \$5 billion in Massachusetts buildings and will deliver \$13 billion in total benefits to customers. A historic \$1.9 billion is dedicated to equity-related initiatives, including for low- and moderate-income customers, renters, and the expansion of Community First Partnerships (CFP). Customers

¹ Specialized code communities include Acton, Amherst, Aquinnah, Arlington, Ashfield, Ashland, Bedford, Belmont, Boston, Brookline, Cambridge, Carlisle, Chelmsford, Concord, Dedham, Eastham, Easthampton, Harvard, Hopkinton, Lexington, Lincoln, Maynard, Medford, Melrose, Milton, Natick, Needham, Newburyport, Newton, Northampton, Norwood, Pelham, Salem, Sharon, Sherborn, Somerville, Stow, Swampscott, Truro, Wakefield, Watertown, Wayland, Wellesley, Welffleet, West Tisbury, Weston, Winchester, and Worcester.



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should notice an improved experience through the new multi-lingual statewide Contact Center, virtual decarbonization audits, and pre-approved heat pump rebates.

DOER led the <u>Interagency Rates Working Group (IRWG)</u> through an extensive stakeholder input process to develop a study and a set of recommendations for both short- and long-term changes to electric rates to improve affordability for residents and ensure our rates support adoption of electrified technologies like heat pumps and EVs.

In 2024, the DOER-led <u>Grid Modernization Advisory Council (GMAC)</u> met on a bimonthly basis to track and monitor the ongoing adjudication of the inaugural Electric-Sector Modernization Plans (ESMPs) and strategize for future engagement with subsequent phases of the ESMPs. Additionally, the GMAC created and released educational materials and a redesigned <u>website landing page</u> to provide stakeholders clear and approachable information on Massachusetts grid planning and decarbonization efforts.

Materials can be referenced here:

- Grid Modernization 101
- Grid Modernization 201

DOER also provided leadership in several interagency working groups to advance key priorities for electric vehicles, offshore wind, and the future of gas, including the <u>Electric Vehicle Infrastructure Coordination Council (EVICC)</u>, the Interagency Offshore Wind Council (IOWC), and the <u>Gas System Enhancement Plan Working Group</u>. The GSEP Working Group's final report and recommendations was published in January 2024 and can be accessed <u>here</u>.

2.5. Advocating for Energy Policy at the Department of Public Utilities

DOER intervened in the review of the electric utilities' Electric Sector Modernization Plans (ESMPs), which the Department of Public Utilities (DPU) approved in August 2024. DOER advocated for key changes to improve the ESMPs and ensure they reflected the input of stakeholders in the <u>Grid Modernization Advisory Council (GMAC)</u>. In addition to providing recommendations on the ESMPs, the GMAC is charged with increasing stakeholder engagement and transparency in the grid planning process.

DOER successfully advocated at the DPU to allow municipal aggregations more flexibility to finance new clean energy projects through an aggregation, helping meet municipal sustainability goals and accelerate progress towards the Commonwealth's clean energy targets. To support municipalities interested in using municipal aggregation to provide electricity supply to their residents, DOER also released an updated Municipal Aggregation Manual and Best Practices Guide, reflecting the new rules.

DOER successfully advocated for a first-of-its-kind seasonal electric heat pump rate in two separate electric rate cases before the DPU. Thanks to DOER's advocacy, National Grid and Unitil electric customers with air-source heat pumps will soon be able to take advantage of a new seasonal rate that saves them money, while ensuring the utilities recover sufficient funds to run a safe, reliable electric grid.



2.6. Clean Energy Procurements

On September 6, 2024, Governor Healey announced DOER's selection of 2,878 megawatts (MW) of offshore wind, in partnership with Rhode Island. This was a result of the first-of-its-kind multistate process for coordinated selection of offshore wind projects with Connecticut and Rhode Island, with the goal of amplifying efforts to foster regional economic development, create high-paying jobs, and promote environmental justice and equity. As part of this procurement, Massachusetts selected 2,678 MW in total from three projects - New England Wind 1, SouthCoast Wind, and Vineyard Wind 2. Rhode Island joined Massachusetts in the selection of SouthCoast Wind, splitting the capacity 200 MW / 1,078 MW, respectively. The selection of the Vineyard Wind 2 project was contingent upon Connecticut joining the procurement to secure its final 400 MW. Vineyard Offshore decided to withdraw their bid upon confirmation that Connecticut would not procure offshore wind from this solicitation. Contract negotiations are ongoing for the remaining two projects totaling 1,878 MW, which together represent 14% of Massachusetts overall electric demand.

Governor Healey signed the 2024 Climate Law in November 2024, which includes additional procurement responsibilities for DOER for energy storage systems as well as regional procurements.

2.7. State Decarbonization

DOER's Leading by Example Division plays a key role in coordinating and catalyzing the decarbonization of state government operations. The Division oversees efforts to meet aggressive clean energy targets for the Commonwealth's facilities around energy efficiency, renewable energy, and greenhouse gas emissions reductions. They work collaboratively with state agencies and public colleges and universities to advance clean energy efforts and sustainable practices and serve as a trusted resource to turn policy into action through strategic partnerships, technical assistance, and grant funding. As a demonstration of the Division's effective work, LBE finalized FY23 data, which show a 24% reduction in state government onsite fossil fuel emissions from the FY2004 baseline.

In addition to their many grant programs, the Division led several important initiatives in 2024 that will help the Commonwealth make progress toward the clean energy targets outlined in Executive Order 594. The Division implemented a fleet electrification planning process for 52 non-Office of Vehicle Management (OVM) fleets, which encompasses 6,633 non-emergency vehicles. This planning process ensures all applicable entities have plans in place by June 2025.

The Division also developed a domicile vehicle EV charging policy that will enable domiciled vehicle users to deploy charging stations at their place of residence. LBE will launch a pilot program in 2025 to implement the new policy.

2.8. Public Engagement

While public and stakeholder engagement is always a core part of DOER's approach, the Agency prioritized expanding this work in 2024. At the beginning of the year, DOER offered



its first-ever Town Hall, held virtually over Zoom, to preview its goals and plans for 2024. DOER offered interpretation of the Town Hall in the top six languages in Massachusetts, translated the slides, and posted the recorded webinar for viewing at any time.

In November, DOER's Green Communities Division held the inaugural Green Communities Summit. The Summit was attended by over 200 municipal staff and committee members and included recognition of newly designated Green Communities and of the 65 municipalities that achieved 20% emissions reductions. Sessions highlighted successes and lessons learned from communities across the Commonwealth in topics including municipal fleet electrification, building decarbonization, and engaging with school communities.

3. DOER 2025 Planning

DOER is planning significant work for 2025 to meet Commonwealth clean energy mandates. DOER's policies and programs for 2025 will work together to meet the following DOER goals:

- Implement core and new programs and regulations
- Disburse funding through grant programs to maximize impact
- Develop strategic and effective policy
- Ensure transparency and robust stakeholder engagement
- Increase language access
- Catalyze pathways for decarbonization
- Coordinate with neighboring states and regions

Key goals for DOER in 2025 will include:

	<u> </u>
Clean Energy Siting & Permitting	Stand up new division, lead stakeholder engagement, issue draft regulations
Website Reorganization	Reorganize website to better serve constituents and stakeholders and facilitate increased external engagement
Procurements: Offshore Wind (83C), Energy Storage (83E), Regional	Issue solicitations for first round of energy storage procurements and fifth round of offshore wind procurements, collaborate with other New England states on other potential energy procurements
Federal Funding Deployment	Implement federally funded programs including Home Energy Rebate Programs (HER / HEAR), Solar for All, etc.
Merrimack Valley Renewal Fund (MVRF)	Launch MVRF Enrichment Program, geothermal project, and small business program in Lawrence and North Andover, disburse all remaining funds



Climate Leader Communities and State Government Decarbonization	Certify 1 st cohort of Climate Leader Communities and award 1 st grants under the program; implement grant programs to support decarbonization at state facilities; work with non-Office of Vehicle Management (OVM) fleets to finalize Fleet Electrification Plans
Interagency Rates Working Group	File joint petition to DPU for seasonal heat pump rate, issue long-term study and recommendations
SMART 3.0	Publish new regulations and procedures for third- generation solar incentive program
Low-Income Services Solar Program (LISSP)	Launch grant program for non-profits providing critical social services and serving environmental justice communities to install solar at their place of operations
Energy Storage Grants	Invite proposals for new \$50 million grant programs based on the finding of Charging Forward: Energy Storage Report
Building Energy Reporting	Promulgate regulations and procedures for reporting requirements under Chapter 179 of the Acts of 2022 An Act Driving Clean Energy and Offshore Wind, issue qualified buildings list, collect and publish data on large building energy use
Mass Save® Three Year Plan	Collaborate with Mass Save program on the implementation of the new Three-Year Plan, including school decarbonization, low- and moderate-income rebates and expanded rental program
Solar and Storage Model Bylaws	Start stakeholder process for updates to model solar bylaw and creation of battery energy storage system (BESS) bylaw
Coordination and Regulatory Intervention	Coordinate stakeholders and intervene in dockets at the DPU to ensure electric and gas utility planning and investments are transparent and reflect state energy goals
Load Management Study	Develop quantitative modeling and policy recommendations to advance load management as a tool to drive affordability and reliability



4. Department Budget

4.1. DOER Operating Accounts Overview

DOER has two operating accounts which are funded by assessments to investor-owned and municipal utilities. The accounts bear no net impact on the General Fund.

Account Number	Name	FY2024 Final Spending
7006-1001	Residential Conservation Service Program Assessed	\$248,589.00
7006-1003	DOER Energy Efficiency Assessed	\$5,207,018.00

Account Number	Name	FY2025 GAA	FY2026
7006-1001	Residential Conservation Service Program Assessed	\$258,841.00	\$268,957.00
7006-1003	DOER Energy Efficiency Assessed	\$6,659,337.00	\$8,919,402.00

4.2. DOER Trust Spending

Account Number	Name	FY2024 Final Spending	FY2025 Spending as of Dec 31
2000-0113	RGGI - Regional Greenhouse Gas Initiative	\$240,947,750.51	\$65,167,767.85
7006-1385	EV Adoption Incentive Trust	\$33,822,500.00	\$7,308,000.00
7006-2050	ENE Columbia Gas	\$1,842,943.90	\$227,722.04
7006-7016	STRIPPER OIL	\$3,662.00	\$18,924.58
7006-7056	Alternative Compliance Payment	\$3,370,263.53	\$1,856,462.36
7006-7060	Alternative Compliance Payment	\$567,779.22	\$350,072.59

4.3. DOER Revenue

DOER assesses for costs associated with 7006-1001 and 7006-1003 along with related fringe benefits.

Name	FY2024 Final Spending
Residential Conservation Service Program Assessed	\$363,567.37
DOER Energy Efficiency Assessed	\$7,796,967.00

Name	FY2025 Assessed Revenue	FY2026 Projected Revenue
Residential Conservation Service Program Assessed	\$369,421.84	\$382,438.81
DOER Energy Efficiency Assessed	\$9,117,869.80	\$12,657,806.70

4.4. DOER Federal Grants

Name	Description	Awarded Amount	Comments	Appropriation
SEP - State	The State Energy Program formula grant	FY22		
Energy	provides funding to states to support	\$1,166,340.00		7006-9734
Program	planning activities and programs that			



		E)/02		Ι
	help reduce carbon emissions in all	FY23		
	sectors of the economy. The grant is	\$1,228,360.00		
	awarded in three-year increments and	E)/24		
	states must apply every year for the award.	FY24 \$1,228,360.00		
		\$1,220,300.00		
State Energy Program BIL IIJA	The public entity decarbonization grant program for state facilities and regional school districts addresses funding gaps for small to medium heating system and facility equipment electrification projects. The program focuses on the preemptive avoidance of in-kind replacement of fossil-fuel based systems by providing the necessary funding to plan for, design, and/or deploy efficient electrified solutions at existing state government and regional school district facilities.	\$7,699,040.00	7/1/2022 - 6/30/2028 \$200K towards State Energy Security Plan	7006-9311
Clean Cities Coalition Network Outreach, Education and Performance Tracking Program	The Massachusetts Clean Cities Coalition (MCCC), hosted by DOER, provides educational services and public outreach to improve public and private awareness of alternative fuel technologies, including electric vehicles and other technologies that reduce emissions in the transportation sector. The MCCC works with vehicle fleets, fuel providers, community leaders, and other stakeholders to save energy and promote the use of domestic fuels.	FY23 \$55,000.00 FY24 \$55,000.00 FY25 \$55,000.00	4/1/2024 - 3/31/2025	7006-9310
SHOPP - State Heating Oil and Propane Program	This grant's objective is to collect data between U.S. Energy Information Administration (EIA) and State Energy Offices (SEOs) - data used by policymakers, industry analysts, and consumers - including weekly state- level residential heating oil and propane prices from October through March.	FY24 \$22,288.00 FY25 \$22,288.00	9/23/2024 - 9/22/2025 50% match	7006-9701
Energy Efficiency and Conservation Block Grant (EECBG) BIL	Municipalities with populations less than 35,000 will be eligible for competitive sub-grants (not to exceed \$50,000) to reduce energy consumption, reduce greenhouse gas emissions, and promote the adoption of clean energy technologies in municipal buildings, residences, and businesses.	\$2,494,680.00	11/1/2023 - 10/31/2026	7006-9313
Home Energy Rebates (Efficiency Rebates) SE0000042 (50121)	HER (50121): The Home Efficiency Rebates (HER) program will provide rebates based on whole-house energy saving retrofits that achieve a defined threshold of energy savings. DOER will (1) provide additional funding for the DOER Affordable Housing Decarbonization Grant Program (AHD), targeting multi-family affordable deed- restricted rental housing statewide; and (2) provide rebates based on energy	\$73,086,125.00	11/1/2024 - 10/31/2032	7006-9314



			T	1
	savings in communities served by			
	Municipal Light Plants for customers not			
	served by the Mass Save program.			
Home Energy Rebates (Electrification Rebates) Grant# SE0000098 (50122)	HEAR (50122): The Home Electrification and Appliances Rebate (HEAR) Program (Inflation Reduction Act section 50122) will provide rebates for efficient electrification projects for low- and moderate-income households. The federal funds will be braided into the Mass Save program to serve income eligible customers who will receive nocost electrification measures.	\$72,809,130.00	1/1/2025 - 12/31/2030	7006-9315
Solar for All	Massachusetts Clean Energy Center will serve as the primary implementor for key elements of the Massachusetts Solar for All program, including income verification, quality assurance, stakeholder engagement, and workforce development activities. Additionally, MassCEC will serve as the primary administrator for the Zero Interest Loan and Lease and Enabling Upgrades programs serving singlefamily residents, as well as the Community Owned Community Solar and Municipal Light Plant Community Solar programs.	\$156,120,000.00	9/1/2024 - 8/31/2029	7006-7016
Bipartisan Infrastructure Law: Resilient and Efficient Codes Implementation	DOER will engage local communities and provide field-based trainings and inspections, support flexible compliance approaches, and enable the sharing of regional best practices to advance the equitable adoption and implementation of updated stretch building energy codes throughout the state.	\$3,900,000.00	5/1/2024 - 4/30/2027	7006-9312
SEP RLF - State Energy Program Energy Efficiency Revolving Loan Fund	This grant will allow DOER to cover and pay down the interest for loan products provided to residents who are Municipal Light Plant (MLP) customers (similar to the Mass Save loan product). DOER will work with existing partners including the MLPs themselves, their energy efficiency service suppliers Energy New England (ENE) and Massachusetts Municipal Wholesale Electric Company (MMWEC), the HEAT Loan's existing escrow company, Energy Federation Incorporated (EFI), the MA Climate Bank and the Mass Save program overall.	\$1,894,760.00	8/1/2024 - 7/31/2029	7006-9317



5. Divisions

5.1. Clean Energy Siting & Permitting

The Clean Energy Siting & Permitting Division develops regulations and provides technical support and assistance to municipalities, project proponents, and other stakeholders regarding the siting and permitting of small clean energy infrastructure. The Division was established by the 2024 Climate Law and thus did not operate in 2024.

5.2. Coordination & Engagement

The Coordination & Engagement Division fosters collaboration between the Agency and external stakeholders, including local governments, businesses, and community groups. It develops outreach, communication, and engagement efforts, ensuring alignment of equitable energy programs with community needs and promoting meaningful public participation in energy policy development.

5.3. Energy Efficiency

The Energy Efficiency Division develops, implements, and oversees energy efficiency and building decarbonization activities in the Commonwealth in conjunction with other state and federal agencies. Significant areas of work include building energy codes, Building Energy Reporting, and energy efficiency and decarbonization grant and incentive programs.

5.4. Finance and Operations

The Finance and Operations Division manages the Agency's budgeting, financial planning, and resource allocation. It ensures efficient operation of the Agency, overseeing accounting, procurement, financial compliance, contracts, and internal operations to support the successful implementation of energy programs and initiatives.

5.5. Green Communities

The Green Communities Division helps all Massachusetts cities and towns identify and implement solutions that reduce long-term energy costs and greenhouse gas emissions and strengthen local economies. It provides grants, technical assistance, and local support for clean energy and efficiency projects in municipal buildings, facilities, and schools.

5.6. Leading by Example

The Leading by Example (LBE) Division works with state agencies and public colleges and universities to advance clean energy and sustainability in government operations through strategic partnerships, technical assistance, grants, and best practices. It also manages DOER's transportation work, including support for fleet electrification and managing the MOR-EV rebate program.



5.7. Legal

The Legal Division provides legal expertise and support for the Agency's policies, filings, regulations, and programs. It ensures compliance with state and federal laws, drafts and reviews legal documents, advises on regulatory matters, manages public records requests, represents the agency in legal proceedings, and is responsible for filings made at the Massachusetts Department of Public Utilities on behalf of DOER. The Division also helps interpret laws and regulations, supporting the development and implementation of Agency strategies and initiatives.

5.8. Policy, Planning, and Analysis

The Policy, Planning, and Analysis Division examines general energy policies, in coordination with other divisions, in order to advance energy security, transition, and grid planning for the Commonwealth. The Division analyzes energy data to assess energy prices, competitive markets, and resiliency in the Commonwealth; provides heating fuel price surveys for residents, business, and institutions; supports market analysis for DOER's specialized divisions; and leads energy procurements for large-scale clean energy projects such as offshore wind.

5.9. Renewable and Alternative Energy

The Renewable and Alternative Energy Division promotes renewable energy and assists in the installation of renewable energy for residents, businesses, and institutions. The Division provides information regarding the different types of renewable energy, funding programs, incentives, and installation resources. The Division administers several clean and renewable energy programs related to the compliance obligations of retail electric suppliers, specifically the Renewable, Alternative, and Clean Peak Portfolio Standards, as well as the Solar Massachusetts Renewable Target (SMART) Program.

6. Statutory and Regulatory Authorities

6.1. Enabling Statutes and Session Laws

M.G.L. c. 25A

C.M.R. 225

Chapter 239 of the Acts of 2024, An Act Promoting a Clean Energy Grid, Advancing Equity and Protecting Ratepayers

Chapter 179 of the Acts of 2022, An Act Driving Clean Energy and Offshore Wind

Chapter 8 of the Acts of 2021, An Act Creating a Next-Generation Roadmap for Massachusetts Climate Policy

Chapter 227 of the Acts of 2018, An Act to Advance Clean Energy



Chapter 188 of the Acts of 2016, An Act to Promote Energy Diversity

Chapter 75, § 11 of the acts of 2016, An Act Relative to Solar Energy.

Chapter 209 of the Acts of 2012, An Act Relative to Competitively Priced Electricity in the Commonwealth, Sections 35 and 36

Chapter 169 of the Acts of 2008, An Act Relative to Green Communities (incl. Section 83)

6.2. General Laws Governing Administrative Functions for State Agencies

M.G.L. c. 7

M.G.L. c. 29

M.G.L. c. 30

M.G.L. c. 31

6.3. DOER Regulations

225 CMR 4.00: Residential conservation service program

225 CMR 9.00: Appliance energy-efficiency standards, testing and certification program

225 CMR 10.00: Energy management services (EMS) contracts RFP process

225 CMR 13.00: DOER CO2 budget trading program auction regulation

225 CMR 14.00: Renewable energy portfolio standard - Class I

225 CMR 15.00: Renewable energy portfolio standard - Class II

225 CMR 16.00: Alternative energy portfolio standard (APS)

225 CMR 19.00: Energy management services (EMS) contracts requests for qualification process

225 CMR 20.00: Solar Massachusetts renewable target (SMART) program

225 CMR 21.00: Clean peak energy portfolio standard (CPS)

225 CMR 22.00: Massachusetts Stretch code and specialized code for low-rise residential -- 2025 residential low-rise amendments to IECC2021 and IRC 2021 chapter 11: energy efficiency

225 CMR 23.00: Massachusetts Stretch Code and specialized code for commercial, multi-family and all other construction - 2025 amendments to IECC2021 and ASHRAE standards 90.1-2019

<u>225 CMR 24.00: Municipal fossil fuel free building construction and renovation demonstration project</u>

225 CMR 26.00: Massachusetts Offers Rebates for Electric Vehicles (MOR-EV) Program

225 CMR 27.00: Building Energy Reporting



7. Department Staffing

			Full Time
Title	Appropriation	Salary	Equivalent
Administrator IX	20000113	\$140,608.00	1.0
Program Coordinator I	20000113	\$75,585.64	1.0
Program Coordinator II	20000113	\$80,968.16	1.0
Program Coordinator II	20000113	\$71,491.94	1.0
Program Coordinator II	20000113	\$90,856.48	1.0
Program Coordinator III	20000113	\$92,254.24	1.0
Program Coordinator III	20000113	\$81,018.34	1.0
Program Coordinator III	20000113	\$95,296.50	1.0
Program Manager IV	20000113	\$85,389.96	1.0
Program Manager VI	20000113	\$107,078.40	1.0
Program Manager VIII	20000113	\$122,720.00	1.0
RGGI	20000113 Total	\$1,043,267.66	11.0
Student Internship (C05):			
Contracted Student Intern	2000-0113	\$68,250.00	0.5
Contracted Student Intern	2000-0113	\$68,250.00	0.5
Contracted Student Intern	2000-0113	\$49,218.00	0.5
Contracted Student Intern	2000-0113	\$44,850.00	0.5
Student Internship (C05)			
Total:		\$230,568.00	4.0
Program Manager V	70061001	\$113,000.00	1.0
	70061001 Total	\$113,000.00	1.0
Accountant V	70061003	\$102,418.68	1.0
Administrative Officer III	70061003	\$107,580.72	1.0
Administrative Officer IV	70061003	\$117,600.60	1.0
Administrator VI	70061003	\$98,041.47	1.0
Administrator VIII	70061003	\$124,800.00	1.0
Administrator X	70061003	\$168,729.60	1.0
Auditor IV	70061003	\$112,455.20	1.0
Counsel I	70061003	\$75,922.86	1.0
Counsel II	70061003	\$84,243.38	1.0
Counsel II	70061003	\$122,903.04	1.0
Counsel II	70061003	\$122,903.04	1.0
Counsel III	70061003	\$131,369.68	1.0
Data Analyst I	70061003	\$85,004.66	1.0
Economist III	70061003	\$107,580.72	1.0
Environmental Analyst IV	70061003	\$118,732.64	1.0



Fiscal Officer VI	70061003	\$109,782.40	1.0
Fiscal Officer VIII	70061003	\$129,402.00	1.0
Mechanical Engineer IV	70061003	\$118,732.64	1.0
Office Support Specialist II	70061003	\$83,686.72	1.0
Program Coordinator II	70061003	\$97,344.26	1.0
Program Coordinator II	70061003	\$89,075.48	1.0
Program Coordinator II	70061003	\$78,435.24	1.0
Program Coordinator II	70061003	\$75,979.02	1.0
Program Coordinator III	70061003	\$107,580.72	1.0
Program Coordinator III	70061003	\$107,580.72	1.0
Program Coordinator III	70061003	\$86,452.34	1.0
Program Coordinator III	70061003	\$81,018.34	1.0
Program Coordinator III	70061003	\$95,296.50	1.0
Program Coordinator III	70061003	\$86,452.34	1.0
Program Coordinator III	70061003	\$107,580.72	1.0
Program Manager IV	70061003	\$91,936.00	1.0
Program Manager IV	70061003	\$94,525.39	1.0
Program Manager IV	70061003	\$86,740.32	1.0
Program Manager IV	70061003	\$93,693.60	1.0
Program Manager IV	70061003	\$93,693.60	1.0
Program Manager IV	70061003	\$97,344.00	1.0
Program Manager IV	70061003	\$102,831.16	1.0
Program Manager V	70061003	\$107,120.00	1.0
Program Manager V	70061003	\$111,225.01	1.0
Program Manager V	70061003	\$94,000.00	1.0
Program Manager V	70061003	\$98,000.00	1.0
Program Manager V	70061003	\$112,959.76	1.0
Program Manager V	70061003	\$102,752.00	1.0
Program Manager VI	70061003	\$93,017.60	1.0
Program Manager VI	70061003	\$122,964.38	1.0
Program Manager VI	70061003	\$104,035.98	1.0
Program Manager VI	70061003	\$125,903.44	1.0
Program Manager VI	70061003	\$89,232.00	1.0
Program Manager VI	70061003	\$107,078.40	1.0
Program Manager VI	70061003	\$110,000.00	1.0
Program Manager VIII	70061003	\$126,652.14	1.0
Program Manager VIII	70061003	\$124,570.34	1.0
Program Manager VIII	70061003	\$124,800.00	1.0
Program Mgr Specialist VIII	70061003	\$134,962.30	1.0
Regional Planner II	70061003	\$79,987.18	1.0
Regional Planner III	70061003	\$108,560.40	1.0
Regional Planner III	70061003	\$105,446.90	1.0



Regional Planner IV	70061003	\$104,746.46	1.0
	70061003 Total	\$6,083,464.09	58.0
Program Coordinator II	70067060	\$73,666.32	1.0
Program Coordinator III	70067060	\$107,580.72	1.0
Program Manager III	70067060	\$81,032.95	1.0
Program Manager VI	70067060	\$93,600.00	1.0
	70067060 Total	\$355,879.99	4.0
Counsel I	70069311	\$73,566.74	1.0
Program Coordinator II	70069311	\$97,344.26	1.0
Program Coordinator II	70069311	\$83,585.84	1.0
Program Coordinator III	70069311	\$89,306.88	1.0
	70069311 Total	\$343,803.72	4.0
Program Coordinator II	70069313	\$80,968.16	1.0
	70069313 Total	\$80,968.16	1.0
	Grand Total	\$8,481,519.62	85.0



A. Appendix 1 - ACP Spending Plan

A.1. Alternative Compliance Payments

Any company that sells retail electricity in Massachusetts is required to submit an Annual Compliance Filing that demonstrates it has met all Renewable Energy Portfolio Standard (RPS) Class I, RPS Class II, APS, CPS, and CES percentage obligations. Any Retail Electricity Supplier that is required to comply with these requirements may, if necessary, satisfy some or all of its obligations by making an Alternative Compliance Payment (ACP) in the appropriate amount based on the ACP rates. Those payments are made to and held by the Massachusetts Clean Energy Center (MassCEC) for use by DOER. DOER issues an <u>Annual RPS & APS Compliance</u> Report, which includes summarized information from the Annual Compliance Filings submitted by the Retail Electricity Suppliers.

A.2. Allowable Uses of ACP Funds

Generally, the allowable uses of ACP funds by category are:

Name	Permitted Uses	References
APS	To further the commercial development of Alternative	225 CMR 16.08(3)(b)
	Generation	
RPS	To further commercial development of Class I renewables or promote projects or activities that reduce GHG emissions or ratepayer costs through electric load reduction, peak demand reduction, or strategic electrification	225 CMR 14.08(3)(d)
CPS	To further the commercial development of Clean Peak Resources, promote projects or activities that reduce GHG	225 CMR 15.08(3)(b)
	emissions or ratepayer costs	

A.3. FY 2025 ACP Spending Plan

The chart below represents contracts and programs with encumbered funds or anticipated spending in FY25.

Program	FY2	025 Spending Plan
ASG - External Engagement Services	\$	185,045.00
Appliance Standards Analysis	\$	480,750.00
CPACE - Commercial Property Assessed Clean Energy	\$	474,419.00
Fossil Fuel or Electric Resistance Heating System for Low- Income Housing	\$	130,000.00
Affordable Housing Decarbonization Technical Assistance	\$	2,000,000.00



Zero Net Energy - Clean Energy Resiliency Initiative	\$ 100,000.00
CELT - Clean Energy & Environmental Legacy Transition	\$ 5,727,079.00
Climate Leader Communities - Municipal Decarbonization Planning	\$ 1,000,000.00
Clean Energy Program - Feasibility Study - Mass Water Resources Authority	\$ 150,000.00
Clean Energy Program - Feasibility Study (UMass Amherst)	\$ 143,000.00
Clean Energy Solar Canopy & Innovative Solar (PVTA Rooftop PPA)	\$ 357,300.00
Heat Pump Training Labs	\$ 15,000,000.00
Independent Evaluator - 83C	\$ 1,288,925.00
Renewable Auction Services	\$ 500,000.00
CPS - Clean Peak Energy Portfolio Standard Consultant	\$ 150,000.00
UMass Clean Energy Extension Initiative	\$ 2,000,000.00
Renewable Portfolio Standard (RPS) Portfolio Support	\$ 1,000,000.00
SMART - Solar Mass Renewable Target	\$ 324,879.00
Solar for All - State Contribution	\$ 8,300,000.00
GIP Power Up New England Legal Support	\$ 1,000,000.00
Product Tracking System Administrative Transfer	\$ 4,997,181.00
Energy Rebate to Residential Customers	\$ 125,000,000.00

While the above chart represents planned ACP spending in FY25, DOER announced several significant new programs and initiatives in 2024 which are underway now, with payments likely beginning in FY26, including \$60 million for the Climate Leaders Communities program, \$50 million for Energy Storage Grants to incentivize the development of energy storage systems, \$50 million for Solar Canopies & Decarbonization grant programs for state facilities, an additional \$40 million to supplement the Affordable Housing Decarbonization grant program, \$5 million to supplement the Low-Income Services Solar Program (LISSP), and \$4 million to fund a Community Shared Solar (CSS) Marketplace.

