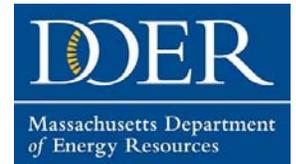




GREEN COMMUNITY DESIGNATION AND GRANT PROGRAM



REQUEST for INFORMATION (RFI)

Under Section 10 of Chapter 25A of the Massachusetts General Laws (Statute), DOER's Green Communities Division (Division) is authorized to adopt rules, regulations, and guidelines for the administration and enforcement of the terms of the green communities program, including, but not limited to, establishing applicant criteria, funding priority, application forms and procedures, and energy efficiency product requirements. Further, the Division is authorized to adopt regulations providing for a separate green communities program for communities served by municipal lighting plants that have adopted the renewable energy charge.

Before launching the Green Communities Designation and Grant Program (Program) in 2009, the Division conducted a public comment process to inform its selection criteria for municipalities to qualify for Green Community designation under the Statute. Those criteria were then memorialized into guidance documents that the Division has used since the Program's inception.

As the Program has expanded and municipalities have begun to reach certain milestones, new questions have arisen. In order to provide predictability for potential and current program participants, the Division intends to begin a formal rulemaking process to create regulations, which will track the framework of the guidance documents issued to date and then refined so as to address the questions that have arisen since the Program's inception. To assist in this process, the Division is interested in receiving information from the public regarding the following topics and questions related to Designation Criteria One, Three, and Five; Program Funding; and Continued Adherence to Green Communities Designation Criteria.

In considering these topics and answering these questions, please note that the substance of responses may require changes to the Statute. This is particularly true for the topics and questions related to Designation Criteria Three, where the Statute may be silent on these topics. In your response, please indicate whether you would support modifications to the Statute to accommodate the substance of your answers..

Criterion 1

Designation Criterion One states that a municipality shall provide for the as-of-right siting of renewable or alternative energy generating facilities, renewable or alternative energy research and development facilities, or renewable or alternative energy manufacturing facilities in designated locations. The Division's guidance allows a municipality to meet this criterion if it provides as-of-right siting for one particular renewable energy generating technology in a designated location and of a minimum size.

QUESTION: If a municipality provides as-of-right siting in a designated location for generation, manufacturing, or research and development associated with one specific renewable or alternative energy generating technology, but prohibits another specific renewable or

alternative energy technology community-wide, should the municipality be eligible for Green Community designation? What if the municipality passes a community-wide fixed-term moratorium for a specific renewable or alternative energy generating technology?

Criterion 3

Designation Criterion Three states that a municipality shall establish an energy use baseline inventory for municipal buildings, vehicles, and street and traffic lighting, and put in place a comprehensive Energy Reduction Plan (ERP) designed to reduce this baseline by 20 percent within five years. A number of designated Green Communities are on the verge of reaching five years of ERP implementation. The Division believes that, rather than being a one-time achievement, the program is meant to continuously encourage and challenge designated Green Communities to reduce energy consumption, embrace clean energy, and advance sustainability at the local level.

QUESTION: What happens after a community has completed five full years and has achieved 20 percent reduction of municipal energy use? What new targets should be set for municipalities? Should the Division include targets that encompass more than municipal operations, such as the commercial and the residential sectors? Should there be a menu of energy targets for municipalities to choose from? Should the Division include other sustainability goals in addition to energy (for example, water conservation, transportation planning, recycling, reduced consumption of land and natural resources)? Should a goal for a reduction in greenhouse gases be established?

QUESTION: What happens after a municipality has completed five full years of its ERP and has not reduced its energy baseline by 20 percent?¹ Should the municipality lose its Green Community designation? Should it keep its designation but be ineligible for some program benefits, such as the competitive grant program, until achieving the 20 percent reduction? Or should it instead be eligible for additional assistance from the Division to help it reach the 20 percent reduction? If allowed to keep its designation, should this be allowed indefinitely or should there be a timeline?

Under Criterion Three, the 20 percent reduction mandated by the Statute is based on a certain point in time (i.e., after five years of implementation of an ERP). This comparison to the baseline year can be greatly impacted positively or negatively by factors other than efficiency or conservation measures taken, such as changes in building uses, weather, etc. Another option is to consider weather-normalization, however, some communities have significant energy use resulting from weather-dependent processes, such as vehicle fuel use, for which weather-normalization is not feasible. Further, weather-normalization will increase building energy use in years with mild weather and decrease building energy use in years with severe weather

¹ For those communities not achieving the 20 percent reduction in five years, the Division does plan to assess the percentage energy reduction after six years in order to allow any energy conservation measures installed in the fifth year of the plan to have a full year of energy reductions.

QUESTION: Should a multi-year average or weather-normalization be used to assess a community's energy reduction? Should multi-year averaging be used to assess a community's progress? Should the energy baseline year and/or the reporting year be redefined as a multi-year average? Should weather-normalization of building energy use be used to assess a community's energy reduction progress even if, in effect, it will mean different standards of assessment for different communities?

Criterion 5

Designation Criterion Five states that a municipality must require all new residential construction over 3,000 square feet and all new commercial and industrial real estate construction to minimize, to the extent feasible, the life-cycle cost of the facility by utilizing energy efficiency, water conservation, and other renewable or alternative energy technologies. The Division has posted guidance for cities and towns on how to meet this criterion, stating that "the recommended way for cities and towns to meet this requirement is by adopting the Board of Building Regulations and Standards (BBRS) Stretch Code (780 CMR 115.AA), an appendix to the MA State Building Code. Should a community choose to not adopt the Stretch Code and choose to use another standard, the community must provide evidence that this alternative standard minimizes the life cycle energy costs for all new construction and is enforceable by the community."

Prior to launching the Program in 2010, the Division researched options for meeting the statutory requirements of Criterion Five and determined adoption of the Stretch Code to be the only feasible option. The building code is the only way municipalities can *require* buildings to meet certain standards, such as minimizing life cycle energy costs, as Criterion Five states. Therefore, the Division has deemed that providing municipalities with the option of adopting a single statewide advanced energy code is the only viable mechanism for meeting Criterion Five. The Stretch Code is designed to minimize life-cycle energy costs in new construction.

In the intervening years, some stakeholders have indicated that, because the base energy code has become more energy efficient since the initial launch of the Program, the base code could now satisfy the intent of Criterion Five. The Division notes, however, that adhering to the base energy code is business as usual and something that all municipalities must do. For this reason, the Division has taken the view that, in accordance with the Statute, in order to be designated a Green Community, a municipality must go beyond what is standard practice for all cities and towns.

QUESTION: What possible alternatives, exist for meeting Criterion Five that would enable municipalities to *require* the minimization of life-cycle energy costs in new construction *beyond* what is required under the base code.

Funding

Grants for designated communities can be used to finance all or a portion of the costs of studying, designing, constructing, and implementing energy efficiency activities, including but not limited to energy conservation measures and projects; procurement of energy management services; installation of energy management systems; adoption of demand side reduction initiatives; and the adoption of energy efficiency policies. Grants may also be used to finance the siting and construction of renewable and alternative energy projects on municipally-owned land.

QUESTION: Should water savings measures be eligible for grant funding? Depending on available funding, is it appropriate to provide some type of grant “bonus” to those designated communities that have demonstrated meeting the 20 percent energy reduction requirement of Criterion Three?

Continued Adherence to Green Communities Designation Criteria

DOER is very proud of the fact that so many and such a diverse array of cities and towns have opted to do the hard work necessary to become Green Communities, and the Division is committed to supporting all existing Green Communities that continue to endeavor to meet Program requirements. Part of that work requires communities that have been designated for at least one year to provide annual reporting to demonstrate their continued compliance with the designation criteria.

QUESTION: If a community has violated a particular criterion, should there be consequences associated with the violation? To date, the Division has noted the first violation (e.g. purchased a vehicle that did not comply with the fuel efficient vehicle policy under Criterion Four) with a warning, noting that a second violation would warrant the community ineligible for the next competitive grant opportunity for which it is eligible. Is this a reasonable approach?

QUESTION: If a community repeatedly does not file their annual report, what should the consequences be for this scenario? Should this warrant loss of their Green Community status?

QUESTION: Are there any circumstances that would warrant a loss of Green Community status?

Please provide your response to the above to green.communities@state.ma.us by **November 8th, 2013**.
Please put in the Subject Line: Green Communities RFI.