Energy Transformation Advisory Board: Second Quarterly Meeting

January 22, 2025

Welcome and Introductions

Executive Director
Melissa Lavinson
Office of Energy Transformation

Meeting Facilitator

Assistant Secretary of Energy
Josh Ryor
Executive Office of Energy and Environmental Affairs

Agenda -- Call to Order at 1:20pm

Agenda Item	Timing
Welcome and Agenda Review	
• Welcome and Opening Remarks	5 min
• Overview of Meeting Agenda, Objectives, and Facilitation Policy and Ground Rules	10 min
Recap of Progress to Date	
• Update on Office of Energy Transformation (OET) Resourcing	5 min
• Overview of Outreach, Engagement, and Focus Area Work Group (FAWG) Launch	5 min
FAWG Updates and Discussion	
• Financing the Transition (FTT) FAWG Update and Next Steps	25 min
• Decarbonizing the Peak (DTP) FAWG Update and Next Steps	25 min
10 MINUTE BREAK	
• Everett Marine Terminal (EMT) FAWG Update and Next Steps	55 min
Wrap-Up	
• Secretary Tepper Observations and Perspective	5 min
• Advisory Board Member Update and FAWG Addition Proposal	10 min
• March 2025 Meeting	5 min
Meeting Objectives: Ensure awareness of and alignment with 1) OET progress-to-date, including resourcing; 2) FAWG progress-to-date, topics addressed, key takeaways, and next steps, 3) Alignment on the Local Distribution Companies' (LDCs') approach to the EMT section of their Climate Compliance Plans (CCPs), and 4) Advisory Board Member and FAWG additions.	

Facilitation – Ground Rules and Remote Participation

Ground Rules

- Assume positive intent.
- Engage in constructive dialogue and actively seek agreement.
- Stay on topic and within time (3 min or less).
- Be respectful and forthright.
- Speak one at a time, when called on by the Chair or designee.
- Raise concerns with the Chair or designee, who will act accordingly.
- Be able to substantiate assertions or claims in support of comments and positions.
- Provide any additional written materials to share with the Advisory Board to the Chair prior to a meeting and OET will circulate.

Remote Participation

- Raise your “hand” to be recognized by the Chair or designee.
- Identify yourself and affiliation prior to any comments.
- Refrain from side conversations in the room out of respect for remote participants.

OET will provide all meeting materials and agendas to Advisory Board Members at least seven days in advance of meetings. Meetings will have a virtual option. All Advisory Board meeting materials are posted to the OET website day-of the meeting. Concurrent translation services will be made available at the request of a Member.

Governance, Responsibilities, and Expectations

Advisory Board

Members are senior leaders in their organizations.

Members will serve at least one 2-year term.

Members will meet quarterly.

Members will guide and approve FAWG development, missions, purview, and workplans.

Members will seek consensus; where consensus is not possible, majority vote and recorded dissent.

Members can volunteer and serve as “Executive Advisors” to and/or participate in the FAWGs.

Meetings open to public for viewing/listening, with meeting minutes and materials posted to the OET website.

One meeting per year will provide opportunity for direct public feedback.

FAWGs

Participation is open to all stakeholders, with membership shared with and affirmed by the Advisory Board.

Members are subject matter experts/have a command of the subject matter with a level of decision-making authority, if participating on behalf of an organization. (Organizations may have multiple participants on a FAWG but will have one "vote" on FAWG decisions.)

FAWGs will meet at least bi-monthly, or more often depending on need.

FAWGs will conduct work, as necessary, via individual workstreams, with workstreams meeting as necessary.

FAWG members can self-select workstream participation.

Workstream teams develop workplans and milestones and provide progress updates at full FAWG meetings.

Workstream and full FAWG meetings are Chatham House Rules.

Members will seek consensus, where consensus is not possible, options will be presented to the Advisory Board with stakeholder positions noted.

All final recommendations and materials of the FAWGs will be provided to the Advisory Board and made public.

Amend Remote Participation Policy Voting Process Requirements – Decide

- **Change Requested: Amend to allow for a simple "aye," "nay," and "abstain" vote by Advisory Board members participating remotely, as opposed to a formal "roll call" vote**

Please see Attachment A for amended Remote Participation Policy.

Resourcing and Progress to Date – Inform

- **Budget, staff, and consulting support**
- **OET activities, engagement, and recognition**

Please see Attachments B-G for webinar decks and participant lists for each FAWG.

Dedicated Resources

Office of Energy Transformation

Executive Director
Deputy Director

Energy Transformation Advisory Board

Facilitator: Consensus Building Institute (CBI)
Clean Energy Transition Legacy (CELT) Fellows

Transitioning Away from EMT

Technical:
- Groundwork Data

Facilitator:
- CBI

Additional Support:
- CELT Fellow

Decarbonizing the Peak

Technical:
- Energy and Environmental Economics, Inc. (E3)
- Georgetown Climate Center
- Harvard Environment & Energy Law Program

Facilitator:
- CBI

Additional Support:
- CELT Fellow

Financing the Transition

Technical:
- Analysis Group

Facilitator:
- CBI

Additional Support:
- CELT Fellow

Outreach, Engagement and Media

- Expanded OET website
  - Features information on Advisory Board and FAWGs, foundational materials, webinar recordings and materials, and contact information.

- National, state, and local news coverage:
  - AP: New panel charged with helping Massachusetts meet its renewable energy goals
  - Smart Cities Dive: To chart its path away from gas, Massachusetts launches energy transformation office
  - Boston Globe: After laying out a bold vision to transition to green energy, state creates a new office to implement the plan
  - MetroWest Daily News: Mass. officials aim to decarbonize power plants coming online during peak usage

- Speaking and stakeholder engagements (examples):
  - LDC Northeast Gas Forum
  - Advanced Energy Group
  - Mass Hospital Association Climate Convening
  - Middlesex 3 Coalition
  - Green Consumers Energy Alliance Annual Meeting
  - Mass CEC Future Grid Convenings
  - Northeast Energy Efficiency and Electrification Council
  - Associated Industries of Massachusetts
  - Berkshire Innovation Center TEDx Series
  - GridTech Northeast

- OET to co-chair the Commission on Fossil Fuel Workforce, established in the 2024 Climate Law.

- Planning first regional community meeting for end of Q1 in Lowell.

FAWG Progress and Activities Since Last Meeting

- Informational webinars conducted in October and early November to launch each FAWG.
  - All meetings recorded, with recordings and materials posted on the OET website.
  - More than 300 stakeholders participated.

- Transitioning Away from Everett Marine Terminal (EMT) FAWG:
  - Three multi-hour meetings.
  - FAWG has 40 organizations represented.

- Decarbonizing the Peak (DTP) FAWG:
  - Three multi-hour meetings.
  - One site visit to Pittsfield Generating in Pittsfield, MA.
  - FAWG has 68 organizations represented.

- Financing the Transition (FTT) FAWG:
  - Two multi-hour meetings.
  - FAWG has 53 organizations represented.

Financing the Transition (FTT) FAWG Update – Inform/Decide

- **Advisory Board and FAWGs**
  - Status
  - Review of topics covered
  - Observations and takeaways
  - Request to expand purview
  - Next Steps

Please see Attachment B for webinar deck and C for FAWG participant list.

Financing the Transition FAWG: Topics to be Covered and Discussed

Agenda Item	ETAB Request or Discussion Point
1. FAWG Mission & Purview	Review
2. Workplan and Timeline	Review
3. Progress Report	Has the FAWG made sufficient progress on its goals?
4. Overview of FTT	Has the FAWG covered the appropriate topics to date? Are there additional topics and/or financing mechanisms the FAWG should explore? Are there important areas for the FAWG to explore during Phase 2 work -- the alternatives assessment phase?
5. Next Steps	Review
6. Discussion and Vote	ETAB Vote Approving: • *Is the Advisory Board supportive of providing the FTT FAWG the option to expand its scope to include alternative mechanisms for financing/funding other electric-sector activities and programs beyond distribution infrastructure investments, if the FAWG determines it would be productive and fill a current gap?*

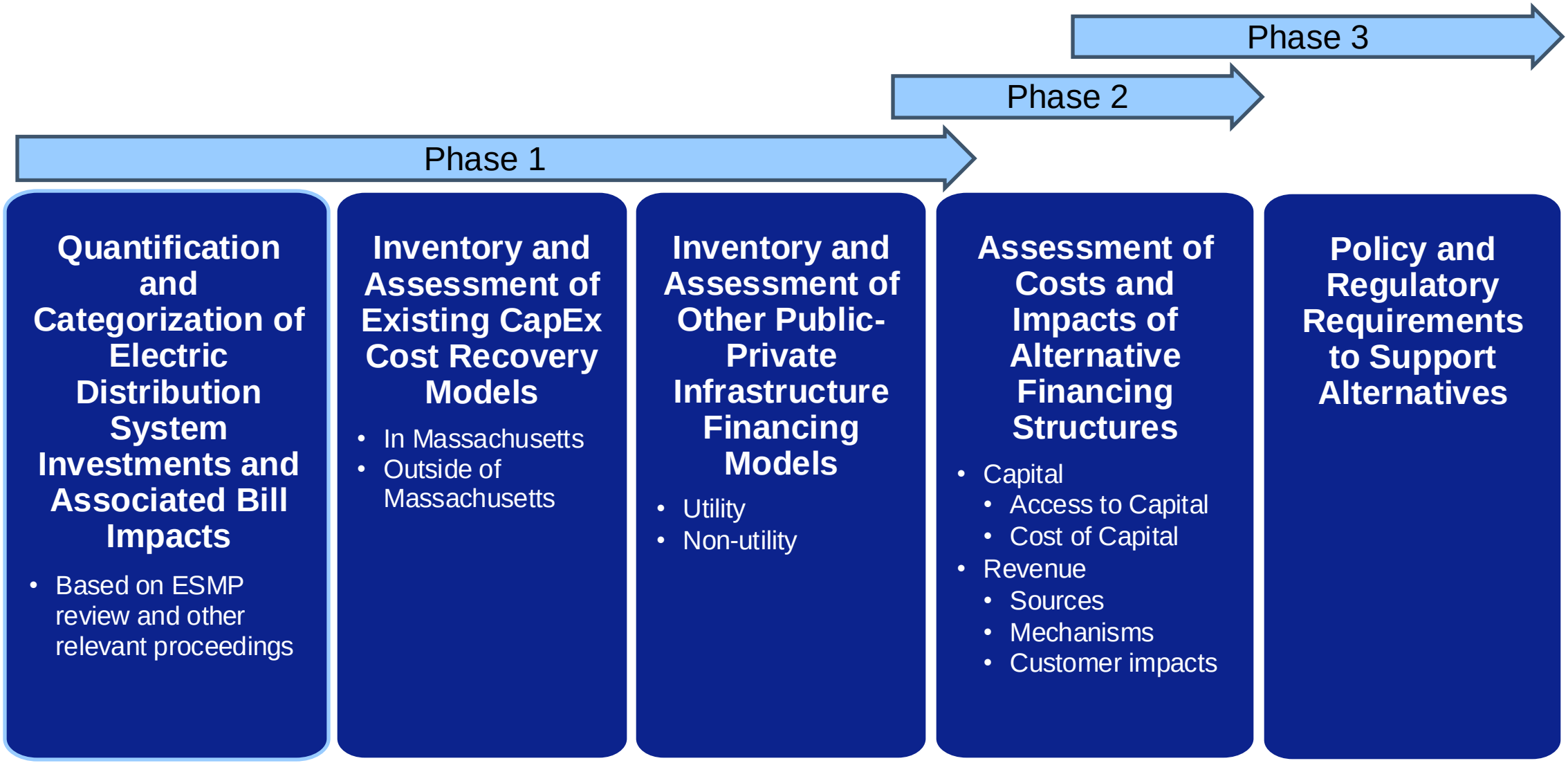
Financing the Transition FAWG: Mission and Purview

Energy Transformation Advisory Board

To provide guidance and recommendations on strategic direction to the OET and Focus Area Work Groups to execute the energy transition, including gas-to-electric transition coordination, electric grid readiness, and the just and equitable transition for workers, business, and communities.

Transitioning Away from EMT	Decarbonizing the Peak	Financing the Transition
To develop a coordinated strategy to reduce and ultimately eliminate the local gas distribution companies' (LDCs') reliance on the Everett Marine Terminal (EMT) Liquified Natural Gas (LNG) facility aligned with DPU Order 20-80 and the state's climate and clean energy mandates, including those established in the *Global Warming Solutions Act*.	To demonstrate pathways to reduce reliance on and expeditiously eliminate fossil fuels from peaking power plants and combined heat and power facilities (CHP) and deploy alternative demand and supply side options to meet peak load needs in the Commonwealth, in alignment with the electric sector sublimits and clean energy goals established in the *2050 Clean Energy and Climate Plan*.	To identify alternative mechanisms for financing/funding electricity distribution system infrastructure upgrades necessary to achieve the Commonwealth's clean energy and climate mandates that minimizes impacts on consumers' electricity bills, while providing an affordable, sustainable, and timely source of revenue to support investments.

Financing the Transition FAWG: Workplan as Approved



Financing the Transition FAWG: Phase 1 Objectives & Outcomes to Date

Goal	#1: Understand Current Investment Needs and Costs	#2: Understand Current Cost Recovery Mechanisms	#3: Explore Alternative Financing Mechanisms
FAWG Work	Advance a shared understanding of the current state of utility system and investments, utility regulation, ratemaking, and cost recovery in Massachusetts.	Review landscape of existing cost recovery approaches.	Provide an overview of alternative infrastructure financing mechanisms and applicability to utility distribution infrastructure.
Outcome	FAWG understanding of utility system, investments, utility regulation, ratemaking, and cost recovery.	FAWG gained an understanding of alternative cost recovery mechanisms and their potential tradeoffs.	FAWG is gaining an understanding of alternative financing mechanisms.
Additional Information Requested	None, at this time.	FAWG asked for a deeper dive on understanding revenue requirements and utility and DPU decision-making.	FAWG identified the need for additional sessions on applicability of these alternative mechanisms to financing utility distribution infrastructure.
Status	Achieved	Largely achieved	Ongoing

Financing the Transition FAWG: Phase 1 Activities to Date

FAWG Launch (Public Outreach)	Phase 1 53 Organizations Participating Subject Matter and Technical Expertise Provided by Analysis Group		
Informational Webinar (October 21, 2024)	Meeting 1 (November 15, 2024)	Meeting 2 (December 18, 2024)	Future Meetings (January 31 & February 13)
• Approximately 120 individuals attended. • Provided overview of OET, the FAWG process, topics to be covered in the FAWG, and expectations of FAWG participants. • Issued a call for FAWG participants.	Reviewed: • Existing utility ratemaking, regulation, and cost recovery, and utility investment plans, including the EDCs ESMPs • Provided a comparison to other jurisdictions.	Reviewed: • Other mechanisms to finance distribution system infrastructure investments.	Review: • Applicability of alternative financing mechanisms to utility distribution infrastructure. • Revenue requirements.

Targeting to complete Phase 1 by end of February and launch Phase 2 in April.

Financing the Transition FAWG: Topics Discussed

- Changes in the electric system needs and customer demand, and implications for grid investment.
- Electric utility ratemaking and components of electricity rates (prices).
- Traditional utility investment financing and cost recovery mechanisms, including a review of debt and equity.
- ESMPs including DPU orders, drivers of new distribution capital investment, and outlook for ESMPs and other grid investments in the coming years.
- Examples of different cost recovery frameworks and distribution utility investment plans from other jurisdictions and cost recovery mechanisms.
- Overview of potential financing frameworks, both those that would be recovered via customer bills and those that would be recovered via other revenue sources.
- Relationship of work of the FTT FAWG and other efforts at the Department of Public Utilities (DPU), Department of Energy Resources (DOER), and Energy and Environmental Affairs (EEA).

Financing the Transition FAWG: Observations and Takeaways (1/2)

- The energy transition requires a grid that is more resilient, robust, and capable of supporting two-way power flows and growing electricity demand. Massachusetts is not alone in facing growing grid investment needs.
- The portion of electricity bills associated with local distribution service is smaller than other aspects of the bill today, but that is expected to grow.
    - Distribution charges reflect the expense of day-to-day operations of the local electric system and the investments needed to ensure the grid is fit for purpose.
    - The DPU regulates distribution rates and investments, ensuring costs are prudently incurred, investments are used and useful, and resulting rates are just and reasonable.
- The pace of needed investment growth over the coming decades has the potential to significantly outpace previous growth rates, putting upward pressure on rates beyond historical levels.
    - Increased electrification, energy efficiency, and active demand management will help mitigate these impacts, but not eliminate them.

Financing the Transition FAWG: Observations and Takeaways (2/2)

- The DPU approves overall utility spending and investment levels and plans associated with the local distribution system, with cost recovery determined in rate cases and other adjudicatory proceedings.

- Investment costs include repayment of debt and equity needed to finance long-term infrastructure investment.
  - Unless funds for investment are provided through grants/gifts, there is virtually no “free” investment. Someone pays.

- As the electric system absorbs and avoids carbon emissions that are currently attributed to other sectors, there is a rationale to look at ways in which the electric ratepayer does not bear a disproportionate cost.

- Other bill elements are expected to grow to meet customer demand, enhance resilience, support customers’ choices and preferences, and meet climate and clean energy mandates.

- Other ongoing efforts are focusing on affordability and rate-design/pricing issues; important for this FAWG to maintain alignment with those efforts and clarity of purpose.

Some FAWG members suggested there may be a need to expand the purview of the FTT FAWG to address other cost elements and/or more formally align its work with other ongoing efforts.

Financing the Transition FAWG:
Financing and Investment-Recovery Options Reviewed

- **Massachusetts Capital Investment Projects** ☑
- **Securitization** ☑
- **Public/private partnership (e.g., DC Plug)** ☑
- **Clean Energy Tariff** ☑
- **Citizen's Energy/utility model** ☑
- **State revolving funds** ☑
- **Recent federal financing approaches and mechanisms (e.g., IIJA anchor tenant; GHG Reduction Fund)** ☑
- **Other approaches (e.g., pollution control bonds)** ☑

☑ Approaches that rely on innovative mechanism but may still involve broad-based customer support in electricity rates for at least some of the funding/financing.

☑ Approaches that rely on innovative structures and are outside of repayment through traditional electricity ratemaking and/or rates.

Financing the Transition FAWG: Next Steps

- Next FAWG meetings and topics are at request of FAWG members.
    - Jan 31, 2025: Eversource will conduct a deep-dive session on:
        - How EDCs approach investment decision-making, and
        - How approved revenue requirements flow through to rates.
    - Feb 13, 2025: Using the previously identified alternative mechanisms, provide:
        - Examples for applicability to financing electric distribution infrastructure, and
        - What would be needed, at a high level, to execute/implement each, including a proposed assessment framework.
- The March 2025 Advisory Board meeting will focus on alternative mechanisms and a recommended assessment framework.

Financing the Transition FAWG: Facilitated Discussion and Vote

Discussion

Questions or comments on topics covered, takeaways, or next steps?

Has the FAWG made sufficient progress on its goals?

Has the FAWG covered the appropriate topics to date?

Are there additional topics and/or financing mechanisms the FAWG should explore?

Are there important areas for the FAWG to explore during Phase 2 work -- the alternatives assessment phase?

Vote

- Question to the Advisory Board: Is the Advisory Board supportive of providing the FTT FAWG the option to expand its scope to include alternative mechanisms for financing/funding *other electric-sector activities and programs* beyond distribution infrastructure investments, if the FAWG determines it would be productive and fill a current gap?
- Prior to expanding its scope, the FAWG would advance its recommendation to the Advisory Board in writing with an explanation and workplan.

Decarbonizing the Peak (DTP) FAWG Update – Inform

- **Advisory Board and FAWGs**
  - Status
  - Review of topics covered
  - Observations and takeaways
  - Request to expand purview
  - Next Steps

Please see Attachment D for webinar deck and E for FAWG participant list.

Decarbonizing the Peak FAWG: Topics to be Covered and Discussed

Agenda Item	ETAB Request or Discussion Point
1. FAWG Mission & Purview	Review
2. Workplan and Timeline	Review
3. Progress Report	Has the FAWG made sufficient progress on its goals?
4. Observations of DTP	Has the FAWG covered the appropriate topics to date? Are there additional topics the FAWG should explore? What are key topics you would like the FAWG to ensure are addressed during Phase 2 – the assessment phase?
5. Next Steps	Review
6. Discussion	Questions, takeaways, and observations

Decarbonizing the Peak FAWG: Mission and Purview

Energy Transformation Advisory Board

To provide guidance and recommendations on strategic direction to the OET and focus areas work groups to execute the energy transition, including gas-to-electric transition, electric grid readiness, and the just and equitable transition for workers, business, and communities.

Transitioning Away from EMT	Decarbonizing the Peak	Financing the Transition
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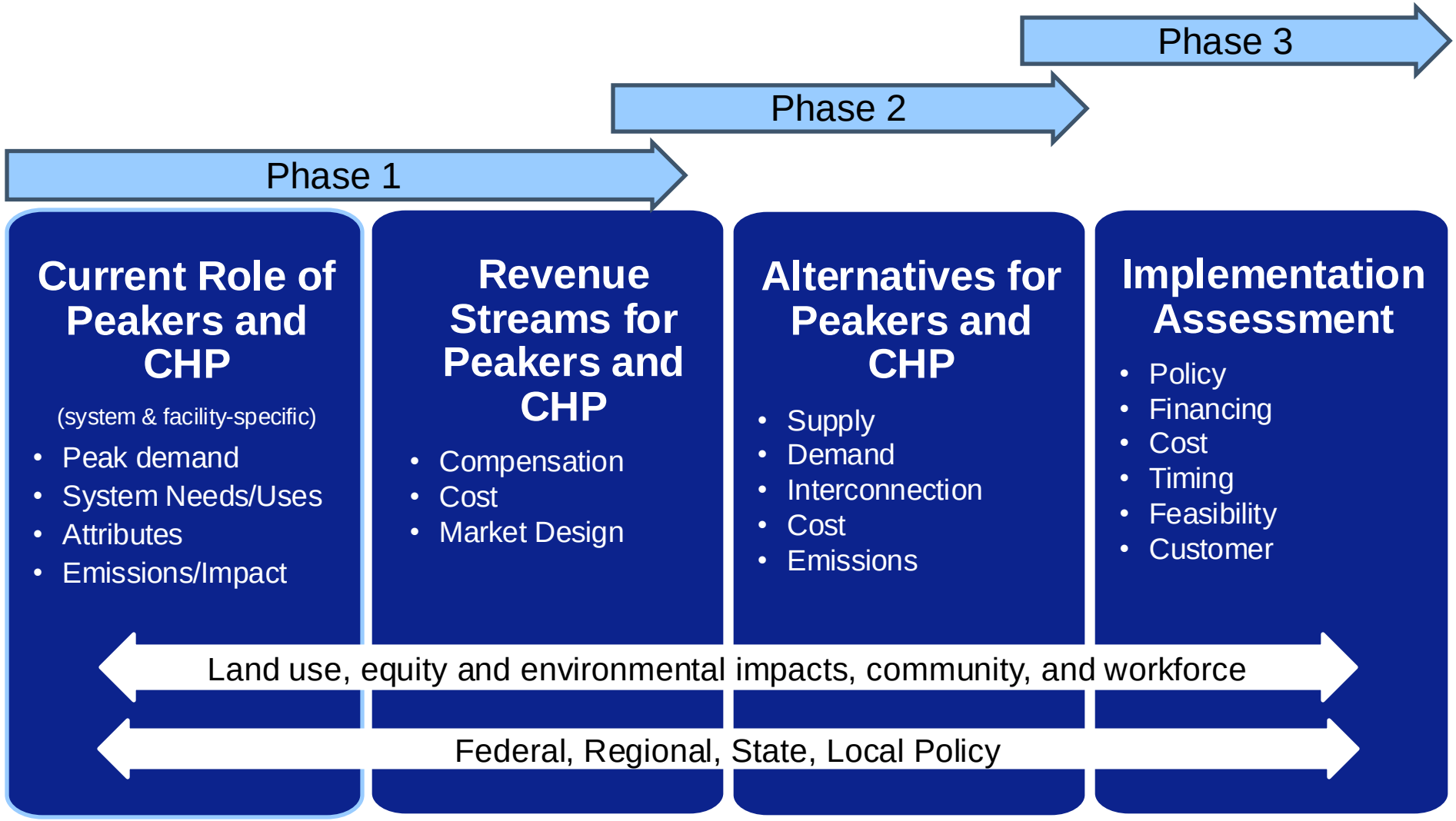
Decarbonizing the Peak FAWG: Workplan as Approved



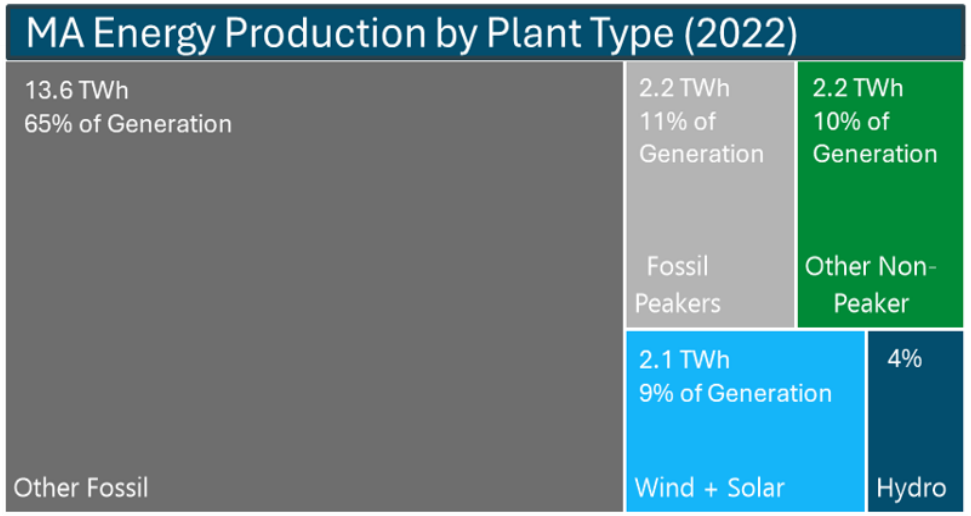
Decarbonizing the Peak FAWG: Phase 1 Objectives & Outcomes to Date

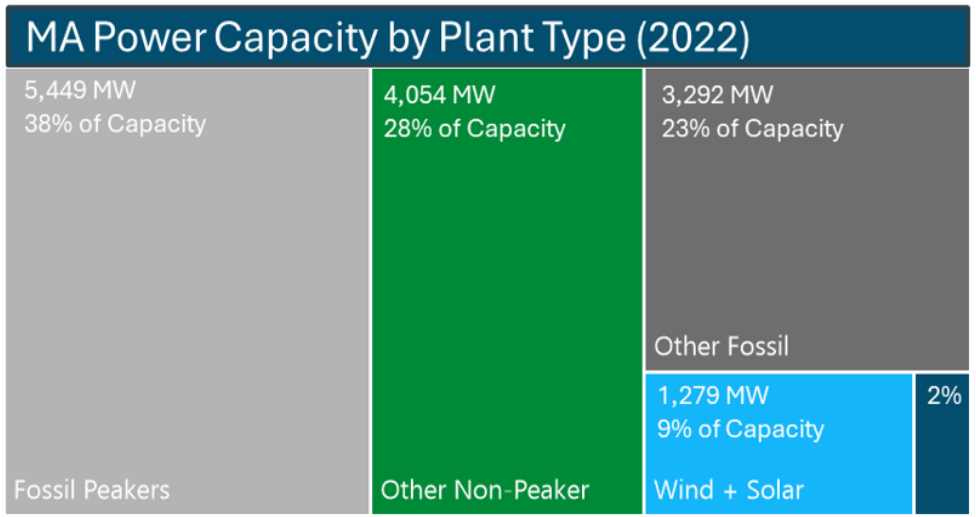
Goal	#1: Analyze Regional and Statewide Peak Demand	#2: Understand Opportunities for Four Participating Facilities	#3: Develop Inventory of Alternatives for Each Facility
FAWG Work	Understand 1) peak demand and system needs, 2) peaking and CHP facility attributes and impacts, 3) revenue streams and compensation models, and 4) local, state, regional, and federal policies and market rules.	Understand operational drivers, impacts, and opportunities for the four participating facilities, including, greenhouse gas and local air emissions, community impacts, and workforce.	Develop an inventory of alternatives applicable to each facility and an assessment framework for reviewing alternatives at the facility and systemwide level.
Outcome	FAWG has gained an understanding of current and future peak demand, how facilities interact with the market, and drivers of supply and demand resources.	FAWG took a deep-dive into the four facilities and understand their operational profiles, the current opportunities being explored by facility owners, and policy/market drivers.	FAWG will develop a framework to evaluate alternatives, incorporating factors including scalability, cost, emissions, reliability, feasibility, and workforce and community impacts.
Additional information requested	A map of all peaking and CHP facilities in the state vis-à-vis EJ communities.	Deeper dive on some of the technology options facility owners are currently exploring and policy drivers.	None, at this time.
Status	Largely achieved	Ongoing	To be launched

Decarbonizing the Peak FAWG: Activities to Date

FAWG Launch (Public Outreach)	Phase 1 68 Organizations Participating Technical Support Provided by E3, Georgetown Climate Center, and Havard Environment & Energy Law Program			
Informational Webinar (October 8, 2024)	**Meeting 1 (November 14, 2024)**	**Meeting 2 (December 11, 2024)**	**Meeting 3 (January 14, 2025)**	**Meeting 4 (TBD in Feb)**
• Approximately 100 individuals attended. • Provided overview of OET, the FAWG process, and topics to be covered in FAWG. • Issued a call for FAWG participants.	Reviewed: • Electric system and ISO-NE role. • Regional and state-specific supply and demand dynamics, policies driving demand response, and the four facilities. • Resource adequacy and facility operating characteristics of technologies.	Reviewed: • System dynamics and drivers. • Deep-dive on resource adequacy and Effective Load Carrying Capability. • Deep-dive on Canal Generating Station and Tufts CHP.	Reviewed: • ISO-NE facility requirements and the Applied Economics Clinic (AEC) report on facility replacement/ adaptation. • Deep-dive on West Springfield and Pittsfield facilities. • Toured Pittsfield.	Discuss: • Proposed workstreams for Phase 2. • Review a "straw" alternatives and assessment framework for feedback. • Policy scenarios. • Deep-dive on technologies and AEC report.

Decarbonizing the Peak FAWG: High Level Observations and Takeaways (1/4)

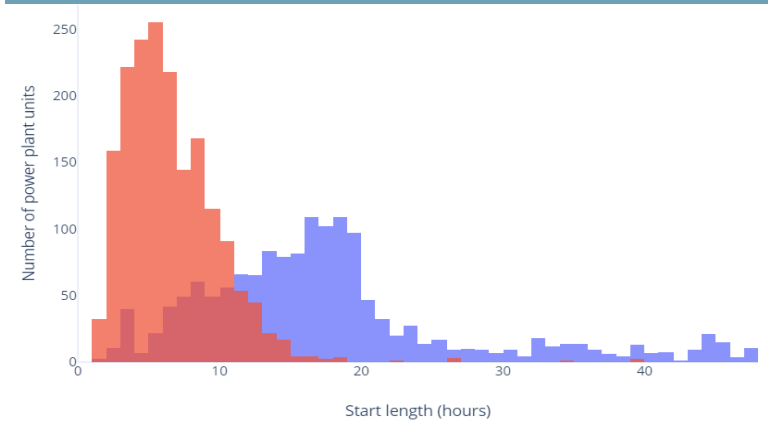




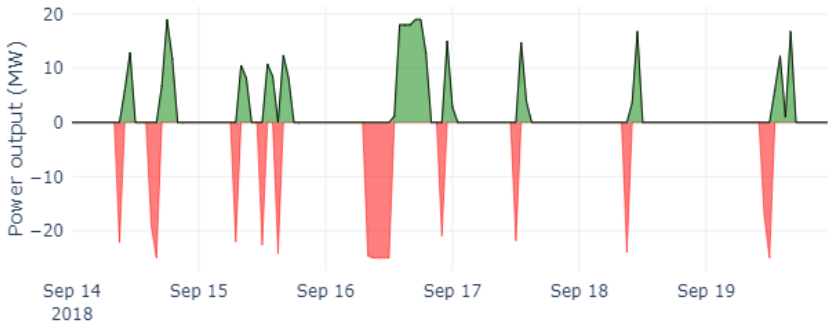
- **Peaker plants**: thermal, dispatchable resources that provide substantial contributions to local and system-wide reliability in MA and across New England.
- **Combined heat and power (CHP)**: provides unique value by efficiently delivering electrical and thermal energy; like peakers, they are driven by market signals at time of peak demand.
- **Policies:** influence resource deployment, availability, operations, and compensation at the federal, regional, state, and local level.
- In deregulated market, power plants must comply with environmental regulations and other laws, but **operational decisions of when and if to run** are not under the direct control of any single state government; they will run as long as they remain compliant and economically viable in the market.
- Annual generation required from peaker plants is expected to decline; however, the magnitude of **firm, dispatchable capacity needed** to maintain reliability may remain similar (or grow).

Decarbonizing the Peak FAWG: High Level Observations and Takeaways (2/4)

U.S. Peaker Fleet Operational Characteristics



Good Peaker Candidate for Storage Replacement



The ability of alternatives to displace peaker operations will depend on the timing and duration of system and local reliability needs.

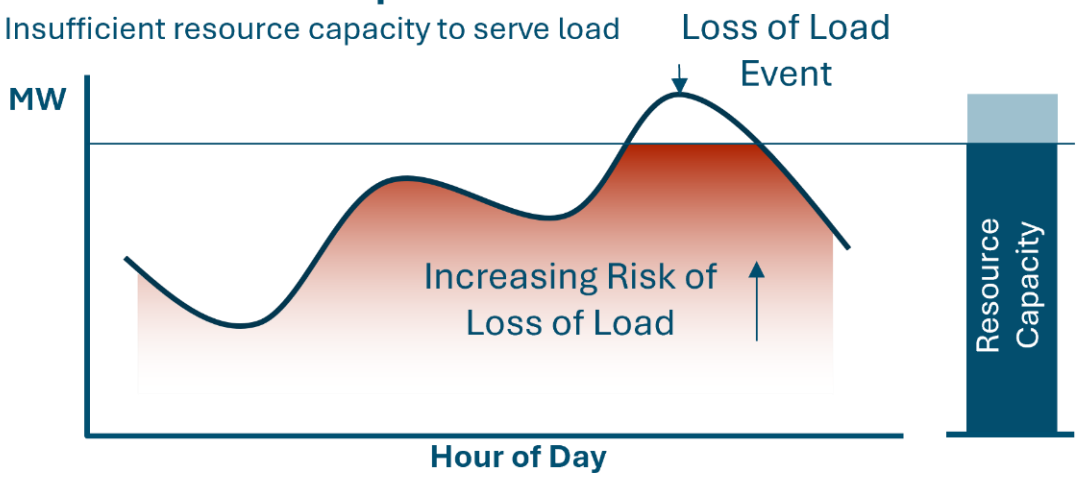
- **Peaking plants generally operate as a "last resort" generating resource in times when the system is constrained, e.g. due to high demand.**
  - They are less efficient than other thermal power plants, making them high polluters for the power they provide.
  - During times of peak demand, these facilities set electricity prices.
    - The highest-price 50 hours of electricity in ISO-NE drives nearly 5% of overall wholesale commodity costs.
- **CHP facilities will become a higher polluting alternative to grid resources as the generation stack decarbonizes.**
  - CHP facilities lower system peak demand by generating during peak times.
  - Replacing CHP via electrification could drive-up peak demand; demand management and efficient electrification will play a key role in any solution.
- **Alternatives must be assessed individually and collectively vis-à-vis ability to meet system and local needs.**
  - Renewable capacity and storage capacity may be able to replace part of peaker operations but there are limits.
  - Existing peaker site interconnections can be leveraged, while facilities operate.

Decarbonizing the Peak FAWG: High Level Observations and Takeaways (3/4)

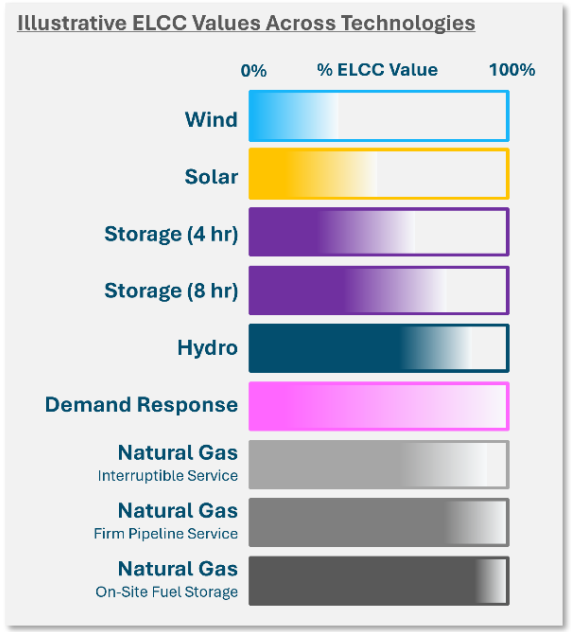
- **<u>Resource adequacy</u> is one measure of system reliability; it describes the ability of a portfolio of generation resources to meet load across a wide range of system conditions, accounting for variability of supply & demand.**
  - Typically, electricity systems are planned to a standard where loss of load due to insufficient supply occurs very rarely.

- **<u>Effective load carrying capability ("ELCC")</u> measures a resource's contribution to the system's needs relative to "perfect capacity," accounting for its limitations and constraint.**
  - "Perfect capacity" is defined as capacity that is available 24/7/365 without interruption.
  - Variable and energy-limited resources can provide significant contributions; however, their contributions decline as a function of their penetration on the system.

Loss of Load Example



An ELCC framework can be used to help ensure that reliability is maintained as the system decarbonizes, by providing a measure of the relative resource adequacy contributions of different resources.



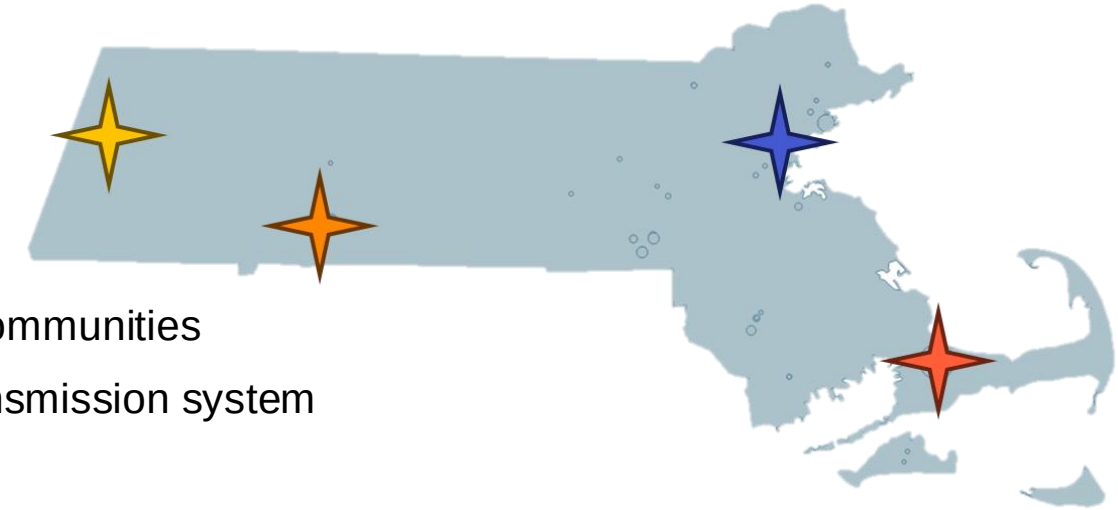
Decarbonizing the Peak FAWG: High Level Observations and Takeaways (4/4)

- There are a wide **range of strategies** that can be deployed to maintain system reliability under deep decarbonization in New England that will be further explored in future phases of the DTP FAWG:
  - **Energy efficiency**, managed electrification, and demand response strategies can reduce the impact that building and transportation electrification have on the peak.
  - **Increasing the capacity of the transmission system** through network upgrades and/or installation of grid-enhancing technologies can alleviate local reliability needs in constrained areas.
  - New **renewables and battery storage** can contribute to system reliability needs, though their marginal impact declines.
    - Increasing the duration of battery storage will increase reliability contributions.
    - "Surplus" or "underutilized" interconnection capacity at existing sites can offer opportunities to leverage existing interconnection.
  - **New and emerging technologies** may be able to play a role in providing zero-carbon firm capacity (including but not limited to fusion, small modular nuclear reactors, hydrogen fuel cells, etc.).
  - Combustion facilities can operate on **lower or net zero-carbon fuels,** mainly as a near-term alternative to oil.

Decarbonizing the Peak FAWG: Summary of Facility Spotlights

Site-specific considerations include:

- Site and infrastructure reuse opportunities
- Alternative fuel availability
- Local zoning, building/fire codes, and permitting requirements
- Consideration of cumulative impacts for environmental justice communities
- Locational value, including load zone and interconnection to transmission system
- ISO-NE and other requirements



Metric	Canal	West Springfield	Pittsfield	Tufts
Status	Active	Retired	Active	Active
Capacity (MW)	1578	229	181	4
Fuel	RFO / NG	NG, DFO, KER	NG, DFO	NG
Interconnection	SEMA (345kV)	WCMA (115kV)	WCMA	NEMA (Limited)
Site Area (Acres)	130	50	6 (leased)	0.5
Emissions (5-yr Avg CO2)	192,300	N/A	27,790	11,500
Average Capacity Factor	<5%	N/A	~5%	~70%

https://www.epa.gov/egrid/historical-egrid-data

Decarbonizing the Peak FAWG: Next Steps

- Completing Phase 1:
  - More detail on **environmental justice impacts** of peaker plants and CHP facilities throughout the state – including a map of facility locations and proximity to EJ communities.
  - Information on the community impacts of and opportunities for the four facilities and strategies for ensuring **community representation.**
  - Third-party experts to provide analyses, studies, and technology research on technologies, including geothermal.
- Preparing for Phase 2:
  - Deep-dive on of alternatives for applicability and assessment, including:
    - Demand side alternatives, including energy efficiency and potential for demand management
    - Distributed energy resources (DERs), including distributed storage
    - Virtual power plants (i.e., aggregated DERs and demand response)
    - Grid-scale storage of varying durations
    - Thermal storage
    - Transmission solutions
    - Supply alternatives
  - Develop assessment framework that includes scalability and replicability metrics.
- The March Advisory Board meeting to focus on alternatives inventory and proposed assessment framework.

Decarbonizing the Peak FAWG: Facilitated Discussion

Discussion

Questions or comments on topics covered, takeaways, or next steps?

Has the FAWG made sufficient progress on its goals?

Has the FAWG covered the appropriate topics to date? Are there additional topics the FAWG should explore?

What are key topics you would like the FAWG to ensure are addressed during Phase 2 -- the assessment phase?

BREAK

- **10 minutes**

Restrooms are down the hall on the right. Refreshments are in the hallway.

Everett Marine Terminal (EMT) FAWG Update – Inform/Decide

- **Advisory Board and FAWGs**
  - Status
  - Review of topics covered
  - Observations and takeaways
  - Review of LDC EMT Chapter outline for CCPs
  - Review of next steps

Please see Attachment F for webinar deck and G for FAWG participant list.

Everett Marine Terminal FAWG: Topics to be Covered and Discussed

Agenda Item	ETAB Request or Discussion Point
1. FAWG Mission & Purview	Review
2. Workplan and Timeline	Review
3. Progress Report	Has the FAWG made sufficient progress on its goals?
4. Overview of EMT	Has sufficient information been provided to date to establish a foundational level of understanding on the role of EMT today and the transition issues to be considered?
5. Alternatives Assessment Scoping	Are the alternatives and assessment criteria a sufficient starting point for the FAWG workstream to proceed with further developing a recommended alternative assessment for use by the LDCs? Is the proposed approach to and scope of work for developing a recommended framework to identify and evaluate alternatives sufficient?
6. LDC Climate Compliance Plan EMT Chapter Outline	Does the LDCs' proposed outline sufficiently cover the reporting requirements by (1) clearly defining the role of EMT and (2) providing a clear plan for evaluating alternatives to EMT reliance going forward?
7. Next Steps	Review
8. Discussion and Vote	ETAB Vote Approving: • *Does the outline and informational content, at this juncture, reasonably meet the (1) requirements of the DPU order; and (2) sufficiently reflect the efforts of the FAWG to provide guidance and feedback?*

Everett Marine Terminal FAWG: Mission and Purview

Energy Transformation Advisory Board

To provide guidance and recommendations on strategic direction to the OET and focus area work groups to execute the energy transition, including gas-to-electric transition coordination, electric grid readiness, and the just and equitable transition for workers, business, and communities.

Transitioning Away from EMT	Decarbonizing the Peak	Financing the Transition
To develop a coordinated strategy to reduce and ultimately eliminate the local gas distribution companies' (LDCs') reliance on the Everett Marine Terminal (EMT) Liquified Natural Gas (LNG) facility aligned with DPU Order 20-80 and the state's climate and clean energy mandates, including those established in the *Global Warming Solutions Act*.	To demonstrate pathways to reduce reliance on and expeditiously eliminate fossil fuels from peaking power plants and combined heat and power facilities (CHP) and deploy alternative demand and supply side options to meet peak load needs in the Commonwealth, in alignment with the electric sector sublimits and clean energy goals established in the *2050 Clean Energy and Climate Plan*.	To identify alternative mechanisms for financing/funding electricity distribution system infrastructure upgrades necessary to achieve the Commonwealth's clean energy and climate mandates that minimizes impacts on consumers' electricity bills, while providing an affordable, sustainable, and timely source of revenue to support investments.

Everett Marine Terminal FAWG: Drivers of EMT FAWG Mission and Purview

DPU, in recognition of transition risk, tasked the LDCs *"to fully investigate all possible alternatives"* over the term of the contracts and provide "a description of the Companies' efforts to reduce or eliminate their reliance on EMT, including, but not limited to:

(i) the costs, feasibility, and timelines for each alternative identified; and

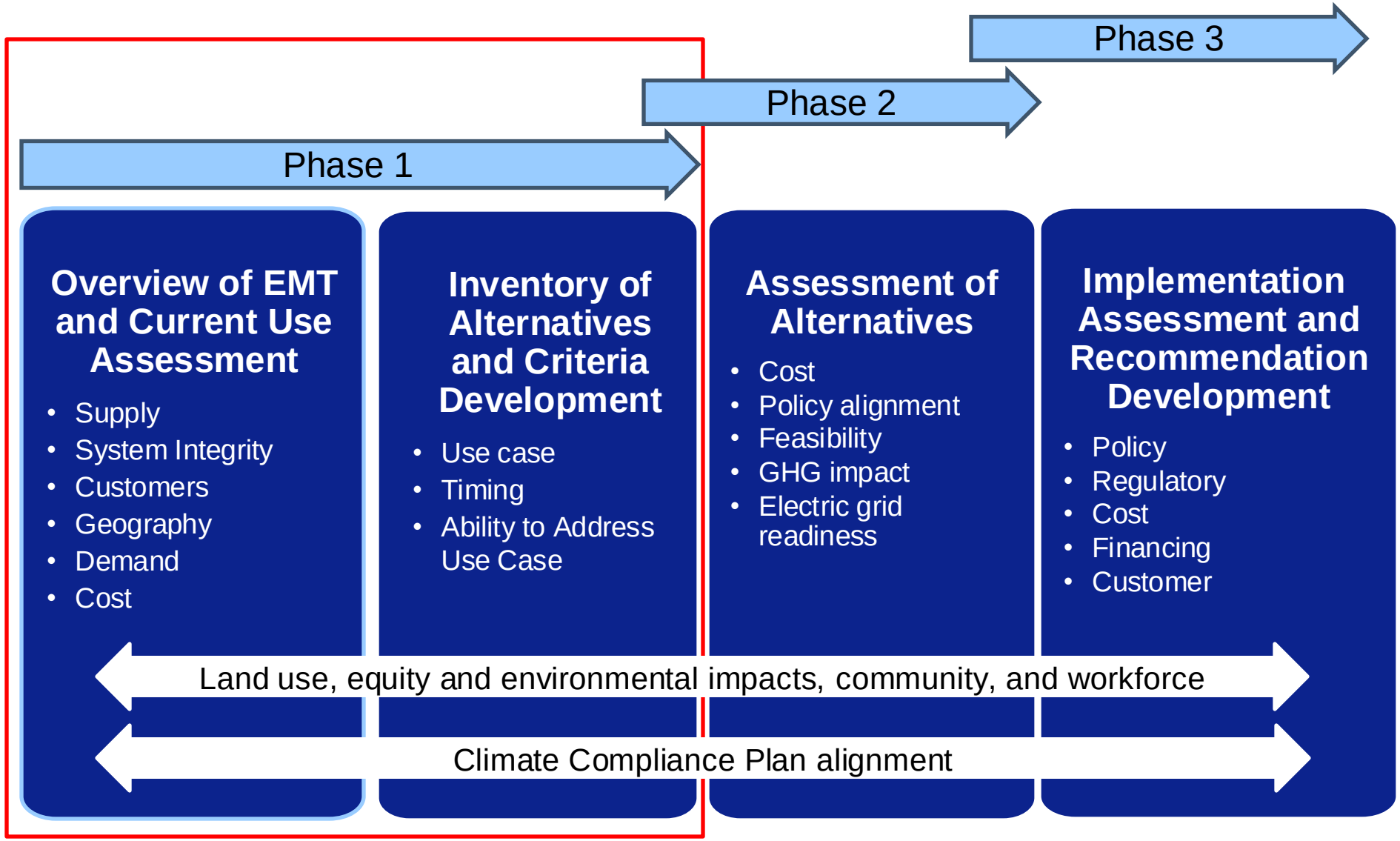
(ii) a description of how each alternative identified would contribute to GHG emissions reductions."

- D.P.U. 24-[25-28]-B at 57

The work OET through the EMT FAWG is supporting the development of a coordinated strategy to reduce or eliminate the LDC's reliance on the EMT in accordance with DPU Order 20-80 and the state's climate and clean energy mandates.

The EMT FAWG process will inform the LDCs investigation and assessment of alternatives, and their reporting requirements.

Everett Marine Terminal FAWG: Workplan as Approved



Everett Marine Terminal FAWG: Phase 1 Objectives & Outcomes to Date

Goal	#1: Understand the Role of EMT	#2: Align on LDC Reporting Requirements	#3: Develop Alternatives Assessment Methodology
FAWG Work	Advanced a shared understanding of: • Current uses of EMT by LDCs. • System operations, safety, reliability. • The role of EMT in meeting system needs in MA and NE. • Natural gas demand forecasting. • EMT's workforce, operations, and community impacts.	Reviewed, assessed and aligned on: • DPU Orders on EMT Contracts. • DPU 20-80-B order on Climate Compliance Plans (CCPs). • LDC filing requirements and timing. • Requirements for alternatives assessment. • Cross-utility coordination. • FAWG purview.	Develop alternatives assessment: • Identify alternatives. • EMT reliance by LDC. • Define outcomes: "reduce" v. "eliminate" reliance. • Identify criteria for assessment.
Outcome	FAWG gained an understanding of the role EMT plays in the state and region, others that use the asset, and current operations, impact, and workforce.	FAWG aligned on reporting requirements and FAWG purview, and provided guidance to LDCs on EMT section of their CCP filings, as required by DPU.	FAWG affirmed alternatives assessment workstream and members, workplan, and desired outcomes.
Additional Information Requested	FAWG identified need to better understand future demand forecasts.	None, at this time.	None, at this time.
Status	Largely achieved	Largely achieved, CCPs in progress	In progress, anticipated to be completed by March with launch of alternatives assessment by May.

Everett Marine Terminal FAWG: Phase 1 Activities to Date Progress Report

FAWG Launch (Public Outreach)	Phase 1 53 Organizations Participating Technical Support Provided by Groundwork Data			
Informational Webinar (November 4, 2024)	**Meeting 1 (December 10, 2024)**	**Meeting 2 (December 16, 2024)**	**Meeting 3 (January 10, 2025)**	**Meeting 4 (Week of February 24)**
• Approximately 80 individuals attended. • Provided an overview of OET, the FAWG process, topics to be covered in the FAWG, and expectations of FAWG participants. • Issued a call for FAWG participants.	Reviewed: • Regional system dynamics. • Historic and current use of EMT. • LDC system operations. • Demand forecasting and supplies.	Reviewed: • Gas demand forecasting. • Locational values of EMT. • EMT section outline and content for including in CCP filings.	Reviewed • Regional role of EMT and focus of FAWG. • Review of feedback on EMT CCP section and how incorporated. • Launched alternatives assessment approach and developed workstream workplan. • Affirmed workstream members.	To Review • Proposed alternatives assessment approach. • Review CCP filings.

Everett Marine Terminal FAWG: Key Takeaways from FAWG Meetings

- **EMT plays a larger role in the region beyond contracts with LDCs, as supported by recent Northeast Power Coordinating Council report**.

- **The locational value/impacts of EMT differ by LDC service area.**
  - Unitil has no liquefaction capabilities. Injects EMT LNG delivered by truck to meet customer demand and support operations in Gardner.
  - Eversource has its own liquefaction and storage capabilities and several injection sites. Relies on EMT via supply additions to interstate pipelines.
  - National Grid has no liquefaction in MA,. Has several LNG storage and injection sites. Relies on EMT for both direction injection into the Boston Gas system and for trucked LNG.

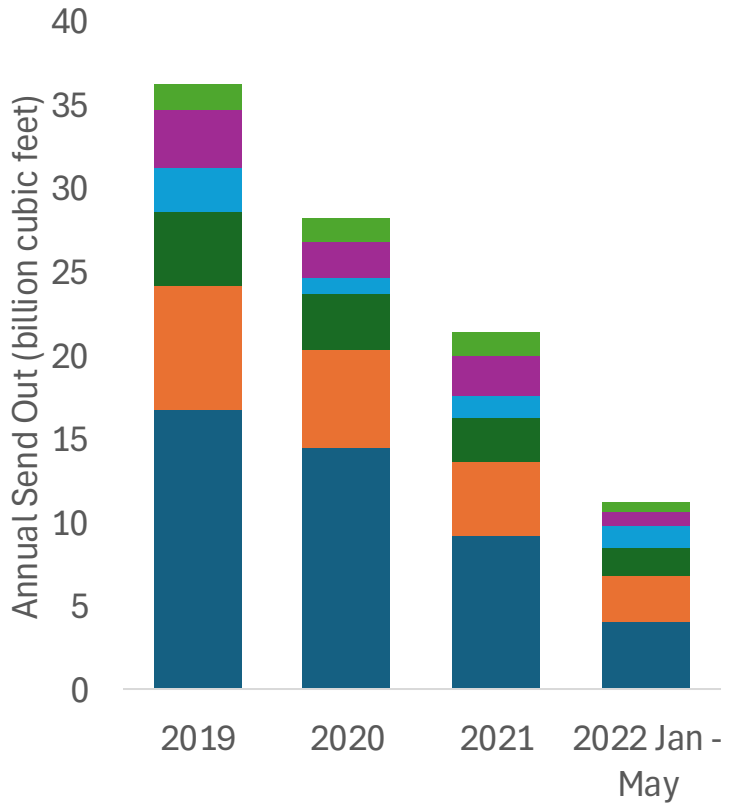
- **Massachusetts and the broader New England region are pipeline-constrained.**
  - On a peak day, pipeline capacity is not available to bring additional supplies into Massachusetts to meet needs.
  - LNG provides additional supply on peak days and system redundancy.

- **Peak design day planning is done on a five-year basis and updated every two years, which captures changes in demand resulting from decarbonization policies.**
  - LDCs contract for capacity and access to supply; they monetize unused capacity and return proceeds to gas ratepayers, with the costs of capacity and supply contracts being a pass-through to customer, i.e., customers pay what the LDCs pay.

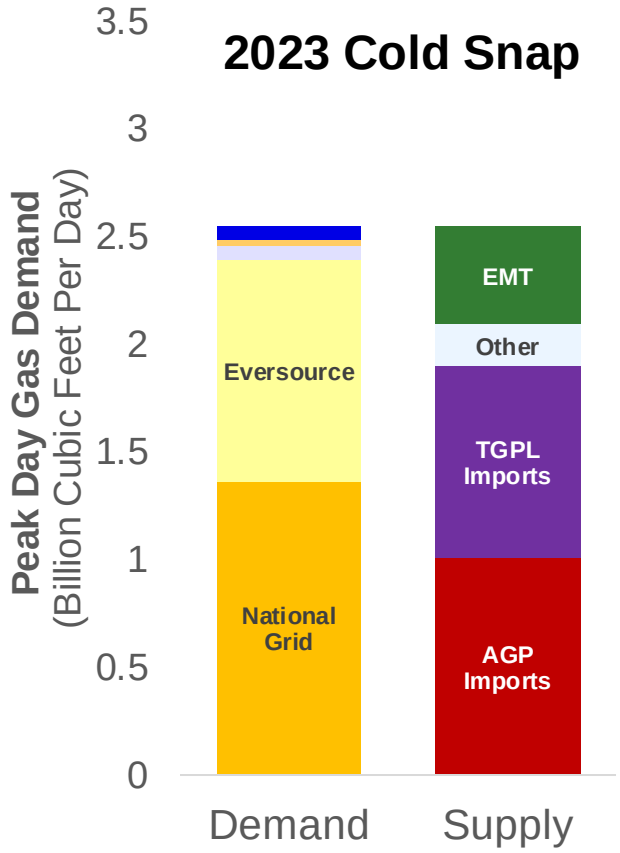
- **EMT FAWG's purview is on the LDCs efforts to reduce or eliminate their reliance on EMT, per the DPU order.**
  - The state does not regulate the facility, outside of operational-related permits, nor does it regulate Constellation LNG.
  - The LDCs are obligated to make efforts to meet the DPU order requirements and file annual updates.

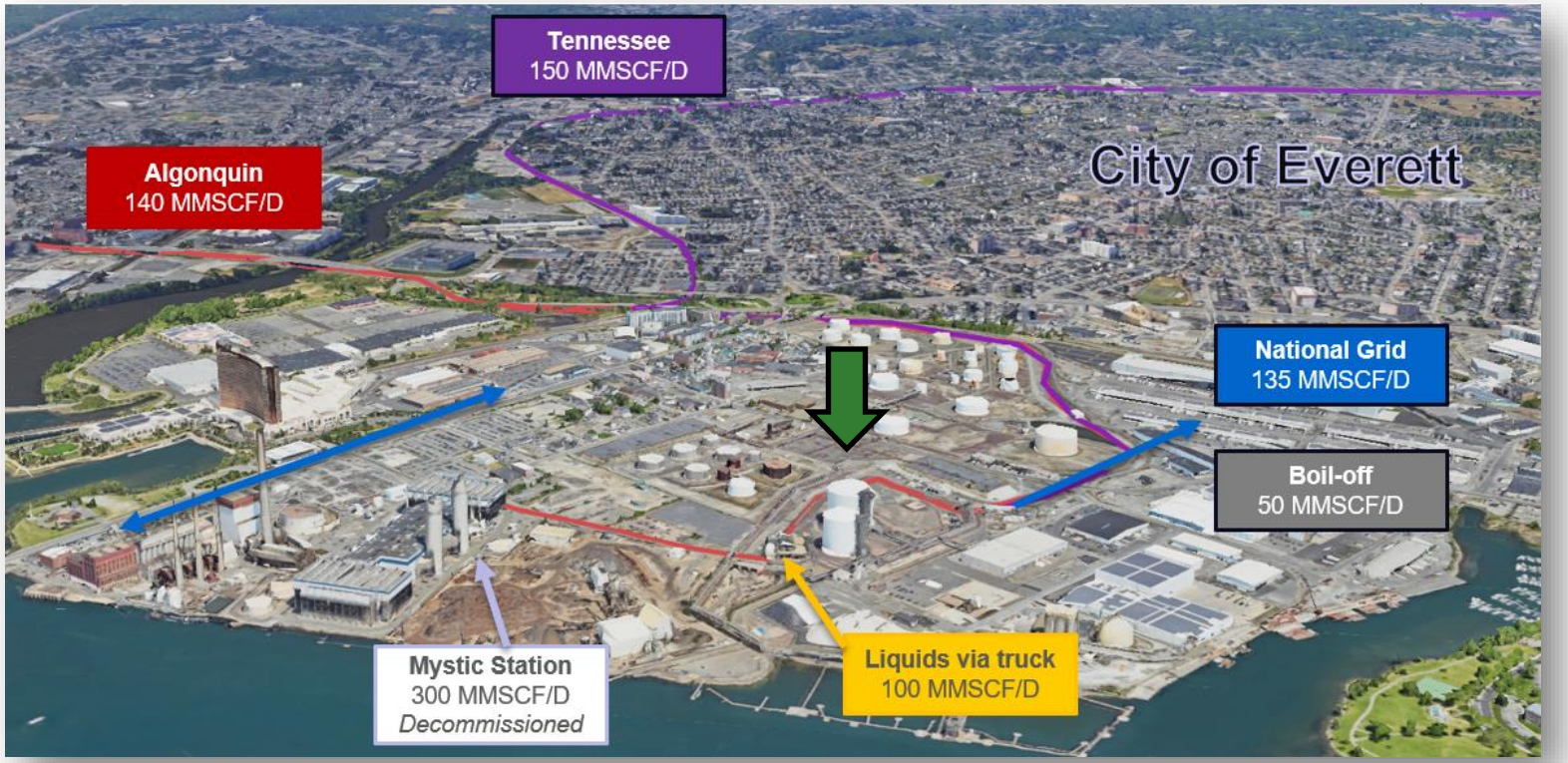
Everett Marine Terminal FAWG: The Past and Future Use of EMT

- Up until its closure, the ***Mystic Generating Station*** **was the primary customer of EMT**, with direct utilization of EMT declining since 2019.
- The LDCs that petitioned DPU in 2024 to execute contracts with EMT determined that **without EMT they could not meet projected gas demand**.
- Current state **climate policy will reduce gas use** and the LDCs have been directed to take efforts to reduce or eliminate reliance on EMT.
- In the long run, **EMT may find other customers** as gas capacity shifts from heating to electric generation
- The **EMT FAWG is focused on understanding the *off ramps* for the LDCs**, while identifying the broader implications and risks of that transition.



Everett Marine Terminal FAWG: Use of EMT Today

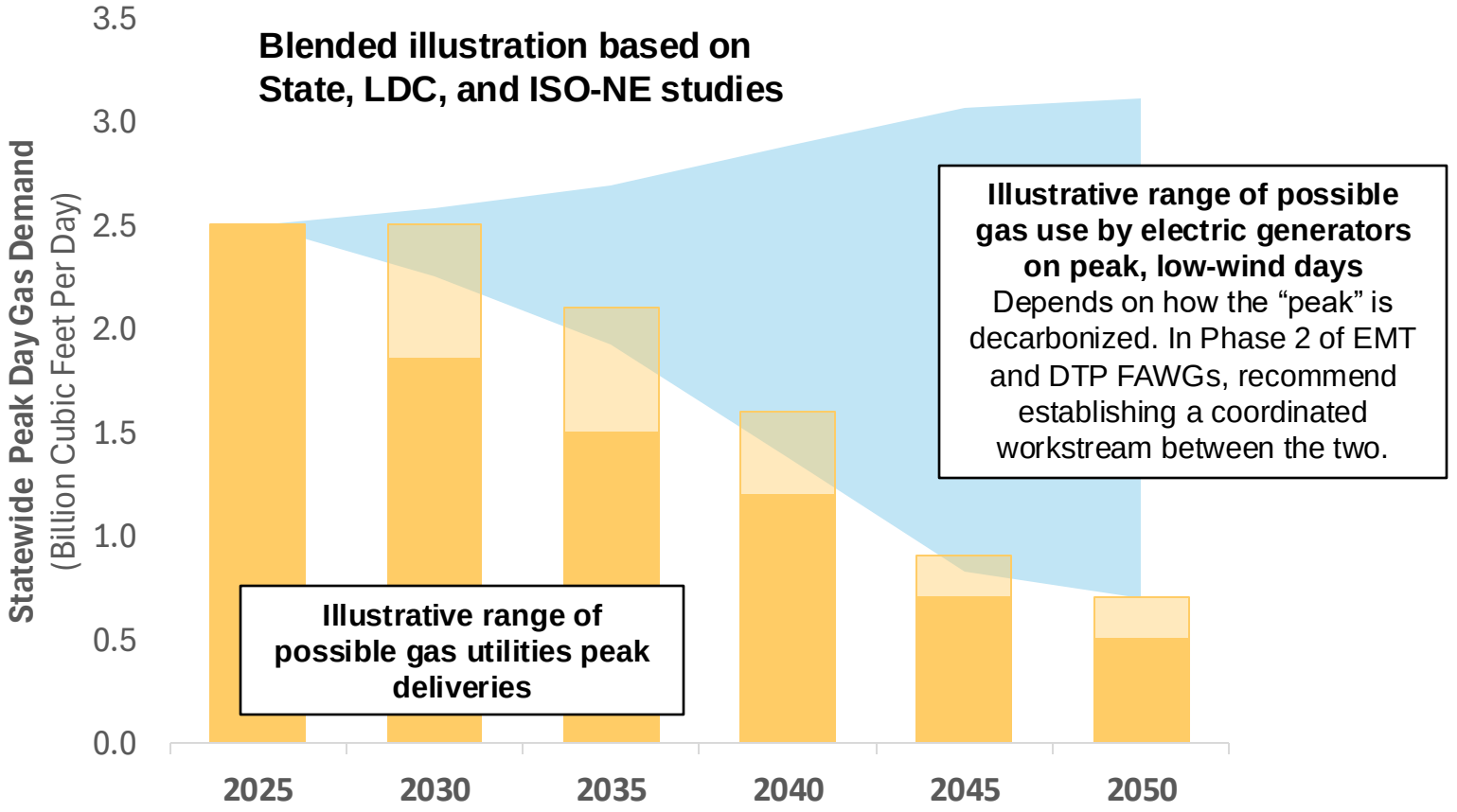




- Can provide up to a third of state gas demand on peak days.
- Used for overall system reliability and operational support due to the facility's strategic location and ability to directly inject gas into the regional pipelines and National Grid's system.

Everett Marine Terminal FAWG: Understanding Future EMT

- A future reduction in LDC gas demand opens avenues for the LDCs to shift away from being EMT's primary customer, while impacting costs and economics.
- The transition requires proactive management and preemptive consideration of alternatives to manage transition risks.
- Other (non-LDC) uses of EMT – such as that by electric generators – is out of scope for this FAWG but will drive ultimate disposition of asset.



Under developing policy approaches, LDC utilization of gas supply capacity will decline, opening avenues to reduce or eliminate reliance on EMT.

Everett Marine Terminal FAWG: Alternatives Assessment Workstream Purview and Actions

The workstream (WS) will develop a framework for the LDCs to evaluate identified alternative strategies that **"reduce or eliminate"** their reliance on the EMT LNG facility, including:

1. Align around an inventory of clearly defined alternatives and methodology for identifying potential alternatives.
2. Define EMT-reliant zones and associated locational value.
3. Define clearly the outcomes to be achieved (i.e., reduce reliance, eliminate reliance).
4. Develop criteria for assessing alternatives vis-à-vis outcomes.
5. Align around approach for evaluation of options using criteria.

The framework will be used to guide the inventorying and assessment of alternatives:

- *WS Action 1:* Identify EMT reliant-zones *and* align around inventory of alternatives and assessment criteria.
- *WS Action 2:* Align around application of criteria vis-à-vis alternatives.
- *WS Action 3*: Work with LDCs to review their alternative assessments based on evaluation approach.
- *WS Action 4:* Synthesize with broader impacts (land use, workforce, community).

Everett Marine Terminal FAWG:
Initial Alternatives Inventory and Evaluation Criteria

Initial Inventory to be Discussed

- Demand response/peak demand reduction
- Targeted Electrification
- Portable LNG/CNG
- On-system LNG expansion
- Distribution system upgrades
- Alternative gas supplies

Initial Criteria to be Discussed*

- Meets Operational Requirements of the LDCs
- Meets Reliability of Supply Requirements
- Cost
- Greenhouse Gas Emissions Impact
- Feasibility
- Timing

*After alternatives are identified and evaluated based on initial criteria, will review workforce and community implications of each as well as policy or other needs as part of second part of Phase 2 work.

Everett Marine Terminal FAWG: Alternatives Assessment Workstream Next Steps

A subset of the EMT FAWG will meet through February to finalize a workplan and evaluation rubric for the assessment of alternatives, which will be shared with full FAWG for review and affirmation.

This will be included in the LDC's CCPs.

Members of this workstream include:

- LDCs
- DOER
- Attorney General's Office
- Climate Jobs Coalition (AFL/CIO)
- Acadia Center
- GreenRoots
- UWUA
- HFIAW LU#6

LDCs will use the framework developed via this workstream and affirmed by the full FAWG to assess alternatives beginning in May 2025, which will launch Phase 2 work.

Workstream members will consult with the LDCs during the evaluation process.

The results of the LDCs' evaluation will be shared with and discussed by the full FAWG for feedback prior to being shared with the Advisory Board.

Everett Marine Terminal FAWG: Alternatives Assessment Workstream Proposed Timeline

Week	Objective
Week of 1/6	Develop scope.
Week of 1/13	Finalize scope based on FAWG feedback.
Week of 1/27	WS Actions 1&2 meeting #1: Review system needs (EMT-Reliant Zones) and alternatives and meeting #2 Identify assessment criteria.
Week of 2/10	WS Actions 1&2 meeting #3: Review alternatives inventory, objectives, and discuss evaluation approach.
Week of 2/24	Share results of WS Actions 1&2 meetings with full EMT FAWG for feedback and finalize recommendations for LDCs inclusion in April CCP filing re: status of alternatives efforts.
May 2025	Launch WS Action 3 (Phase 2 of FAWG Workplan).

Everett Marine Terminal FAWG:
EMT Report Section Outline Context

- **DPU 20-80 Order and Climate Compliance Plans (CCPs)**
  - Each LDC is required to file individual CCPs every five years, starting April 1, 2025.
  - Each CCP should expand on the LDC's previous Net Zero Enablement Plans by demonstrating how each proposes to:
    - contribute to the prescribed GHG emissions reduction sublimits set by EEA for both Scope 1 and 3 emissions;
    - satisfy customer demand safely, reliably, affordably, and equitably using known and market-ready technology available at the time of the filing;
    - use pilot or demonstration projects to assist in identifying investment alternatives;
    - incorporate the evaluation of previous metrics; and
    - implement recommendations for future plans.
  - Each CCP should detail the total investment required and include a description of at least one alternative method to meet the required emissions reductions.
- **DPU EMT Orders 24-[25-28]**
  - Each LDC with approved contracts with EMT must report on efforts to reduce and/or eliminate reliance in the April 2025 CCP filings and each year thereafter, for the duration of the contracts.
- **Relationship**
  - EMT section is part of the broader CCP filing and will be developed accordingly.

Everett Marine Terminal FAWG:
EMT Section Requirements Per DPU Order

- Each LDC with approved contracts with EMT must report on the EMT agreements and their efforts to reduce and eliminate reliance on EMT in their respective April 2025 CCP filings.
- Each LDC must:
  - Describe the extent to which the agreements with EMT have facilitated the LDCs' plans to meet GHG emission reduction goals;
  - Describe efforts to reduce customer demand for natural gas; and
  - Describe efforts to reduce or eliminate their reliance on EMT, including a description of costs/feasibility/timeline of alternatives and how each would contribute to greenhouse gas reductions.

EVERSOURCE nationalgrid Unitil

Everett Marine Terminal FAWG:
EMT Section Outline

1. Introduction & Background
2. Maintaining Safe & Reliable Service for Customers Throughout Massachusetts
3. Existing Efforts to Reduce Gas Demand
4. Alternatives to EMT Reliance
5. Cross-Utility & Stakeholder Coordination
6. Reporting Parameters
7. Next Steps & Future Filings

Everett Marine Terminal FAWG:
High Level Feedback by FAWG on EMT Section Outline

- Support for the LDCs' proposed EMT section outline and agreement that key elements and topics are being covered.
- Recognition that the update to DPU is a chapter in the larger LDC CCP filings, so referencing other sections is appropriate.
- Recognition that there are multiple other proceedings in which EMT adjacent information is provided and referencing those are appropriate.
- Recognition that, after April 2025, annual updates will be filed outside of CCPs (which are required to be filed every five years), so there is a need to address a going-forward workplan and reporting.
- Recommendation that the EMT section of each LDC's CCP should be as aligned and consistent as possible and be clear where unique information and/or approach to providing information is necessary.
- FAWG participants provided specific feedback and recommendations; the LDCs addressed this feedback and provided a summary of how it was addressed in their proposed outline.

(NOTE: Detailed feedback tables were included in the pre-read documents and will not be reviewed.)

Everett Marine Terminal FAWG:
EMT Section Content – 1) Introduction & Background

Proposed Content

- EMT Contract Filing
- DPU Order
- Report Purpose & Summary
  - How does this section fit with the CCP and other ongoing utility proceedings?
- This will be overview information; more details are available in each LDC's EMT contract filing with the DPU:
  - Eversource: DPU 24-26 (EGMA) & DPU 24-27 (NSTAR)
  - National Grid: DPU 24-25
  - Unitil: DPU 24-28

Everett Marine Terminal FAWG:
EMT Section Content – 2) Maintaining Safe & Reliable Service

Proposed Content

- Background – Historic Use and Function EMT Serves
  - Massachusetts
  - LDC
- Deeper Dive Review of Supply / Pressure / Contingency features
  - Common features across utilities
  - LDC-specific utilization

- NOTE: This section will include maps showing 1) current system flows and constraints, and 2) current uses of EMT, geographically (i.e., locational value), and accompanying descriptive tables and text.

Everett Marine Terminal FAWG:
EMT Section Content – 3) Existing Efforts to Reduce Demand

Proposed Content

- Overview of the Mass Save Program
- Electrification efforts
  - Overview and reference to other chapters in the CCP including Integrated Energy Planning and Non-Pipe Alternatives
- How energy savings are factored into LDC demand forecasts
- Providing the relative magnitude of expected savings from Mass Save vs. EMT contract volumes
  - Include historic impact of MassSave on gas demand (e.g., last two program cycles). Will also tie and refer to expected impact of MassSave / energy efficiency in the “Alternatives” chapter of this section
- Electrification will be included in other parts of the CCP, so recommendation is overview of electrification related topics, how it supports gas demand reduction, and key factors.
- This will be overview information; more details are available in:
  - Eversource: DPU 24-141 (EGMA), DPU 24-145 (NSTAR)
  - National Grid: DPU 24-144
  - Unitil: DPU 24-142

EVERSOURCE nationalgrid Unitil

Everett Marine Terminal FAWG:
EMT Section Content – 4) Alternatives to EMT Reliance

(Note: This section will evolve based on the outputs of the Alternatives and Assessment Workstream)

Proposed Content

- Overview of alternatives analysis included in filing and approach taken by LDCs, to date
- A description and matrix of alternatives, presented similarly across the LDCs; including specificity of alternatives vis-a-vis EMT's role
- Demand-side (e.g., reduction alternatives), including impacts of electrification on electric supply
  - Geothermal networks
  - Targeted electrification
  - Demand response
  - Energy efficiency
- Supply-side alternatives
  - Incremental pipeline capacity
  - Additional sources of supply/storage
- Considerations
  - Operational impacts, emissions, timing, feasibility, opportunities, etc

EVERSOURCE nationalgrid Unitil

Everett Marine Terminal FAWG:
EMT Section Content – 5) Cross Utility & Stakeholder Coordination

Proposed Content

- Description of FAWG and its mission, work completed, and input received to date
  - FAWG mission and approach
  - Role of stakeholders
  - Venues for discussion
  - Information
- Specific feedback and how feedback has been addressed
  - Include a table of the feedback received and how it was incorporated or not
  - Include rationale for not incorporating feedback (where feedback is not included)
- Reference additional FAWGs: Include language that calls out the ties to both the Decarbonizing the Peak and Financing the Transition FAWGs, where alternatives may have electric demand or affordability implications

Everett Marine Terminal FAWG:
EMT Section Content – 6) Reporting Parameters

Proposed Content

- Demonstrate compliance with relevant DPU and other regulatory requirements
  - Reference to existing reporting requirements and ongoing proceedings
- Provide a report-out on progress on alternatives and timeline
- Report on remaining supply requirement met via EMT

Everett Marine Terminal FAWG:
EMT Section Content – 7) Next Steps & Future Filings

Proposed Content

- Overview of FAWG Roadmap, including detail on workstreams and workplan
- LDC Annual Updates and other filings as needed (potentially relating to alternatives)
  - Annual compliance filings will have two discrete sections:
    - LDC need assessment (as presented in Phase 1 of EMT FAWG and consistent with forecast and supply plans)
    - Status update on alternatives analysis using the framework and outputs of the Alternatives & Assessment workstream

Everett Marine Terminal FAWG: Facilitated Discussion and Vote

Discussion

- Questions or comments on topics covered, takeaways or next steps?
- Has the FAWG made sufficient progress on its goals?
- Has sufficient information been provided to date to establish a foundational level of understanding on the role of EMT today and the transition issues to be considered?
- Are the alternatives and assessment criteria a sufficient starting point for the FAWG workstream to proceed with further developing a recommended alternative assessment for use by the LDCs?
- Is the proposed approach to and scope of work for developing a recommended framework to identify and evaluate alternatives sufficient?
- Does the LDC's proposed outline sufficiently cover the reporting requirements by (1) clearly defining the role of EMT and (2) providing a clear plan for evaluating alternatives to EMT reliance going forward?

Vote

- Does the outline and informational content, at this juncture, reasonably meet the (1) requirements of the DPU order; and (2) sufficiently reflect the efforts of the FAWG to provide guidance and feedback?

Observations and Perspective

Secretary Rebecca Tepper
Executive Office of Energy and Environmental Affairs

Advisory Board Member Update and Discussion and FAWG Addition – Decide

- **Advisory Board Member Update and Additions**
  - Two individuals accepted outstanding invitations and joined the Advisory Board
  - Received inquiries and recommendations for two additional members
  - Proposed members have expertise and perspectives not fully captured by the existing Advisory Board membership

- **FAWG Addition**
  - Received inquires and recommendations to add a new FAWG focused on enabling economic development and expansion by establishing zones that are “clean energy ready”

Please see Attachment H for bios of new members recommended members. Additional background on proposed FAWG addition forthcoming, prior to Advisory Board Meeting.

New and Proposed Advisory Board Members

New Members

Vivien Li
Waterfront and Climate Expert, former Executive Director of the Boston Harbor Association

Vivien Li is a nationally recognized waterfront and climate expert, and previously headed the Boston Harbor Association for more than two decades.

Mekala Krishnan
Partner, McKinsey Global Institute

Mekala leads the McKinsey Global Institute's research on topics related to sustainable and inclusive growth, including climate risk and the net-zero transition, globalization, productivity growth, and gender economics.

Proposed Members

Zeyneb Magavi
Executive Director, HEET

Zeyneb leads HEET, a nonprofit committed to cutting emissions through transformative systems change, where she designed and helped to launch the GasToGeo initiative to drive rapid, efficient, and equitable decarbonization of heating and cooling through deployment of ambient geothermal networks.

Amy Longsworth
Executive Director, Boston Green Ribbon Commission (GRC)

Amy leads the Boston GRC, a group of business, philanthropic, and civic leaders that support the implementation of Boston's Climate Action Plan. She has more than 25 years of experience helping corporate senior leadership teams shape their sustainability and business strategies to minimize risk and grow opportunities.

Issue:
Grid Capacity can be a Barrier to New Business Interconnection and Economic Development

- Massachusetts is focused on growing its economy by expanding and attracting business in multiple sectors, including climatetech, life sciences, advanced manufacturing, AI, aligned with climate and clean energy goals and other priorities.

- **The process for connecting new customer load** to the electric grid can be a barrier to economic development, including the timeframes for connecting new load and making necessary grid upgrades.

  - The load interconnection process includes several cost and time intensive steps.

  - The timing of today's interconnection process vis-a-vis timing of business development and expansion is not always aligned, which could impact the state's ability to meet its objectives.

- The administration and several Advisory Board Members have identified the nexus of energy transformation and economic development as an area of focus and necessary coordination.

Proposed FAWG Addition: Enable Sustainable Economic Development

- **Pre-identified, electric ready sites** could address barriers to business attraction and expansion and ensure alignment with climate and clean energy imperatives.
- "Ready" development zones were identified as an area for focus in a compendium report prepared by Boston Consulting Group (BCG), issued by Mass Clean Energy Center, Executive Office of Economic Development, EEA, and Office of Climate Innovation and Resilience.
- EEA launched an effort to coordinate across key workstreams to comprehensively address grid interconnection challenges, including:
  - Long-Term System Planning Process (LTSPP).
  - Development of transportation and building electrification load projection.
  - New load customer interconnection process and policy improvements.
  - Policy-driven transmission procurements and ISO-NE engagement.
  - DER process changes and flexible interconnection solution development.
  - **Clean energy-ready development zone planning.**
- Other states have similar/adjacent efforts underway or in place to align energy/climate and economic development efforts, including in New York, Ohio, California, and North Carolina.

Proposed FAWG Addition:
Enabling Sustainable Economic Development FAWG

Based on current activities and feedback, the **proposal is to add an Enabling Sustainable Economic Development FAWG** to explore the concept of clean energy ready economic development zones, aligned and in coordination with existing and ongoing efforts on interconnection, land use planning, and economic development initiatives in the state.

Reasons for the FAWG

- The Commonwealth wants to attract more advanced manufacturing, life sciences, climatetech, and AI.
- Grid capacity and the process for connecting new customer load to the electric grid can present barriers to economic development.
- Identified in compendium report by BCG and being implemented in other jurisdictions noted for economic development.
- Identified by EEA as a priority workstream for 2025 as part of efforts to meaningfully improve the interconnection of new load and energy resources to the electric grid, but no external stakeholder group currently exists to inform this effort.

A FAWG would **provide a unique opportunity** to bring together current efforts in MA, best practices from other jurisdictions, and leading companies / organizations to **develop a compelling sustainable economic development offering that achieves multiple public policy and growth objectives.**

Facilitated Discussion and Vote

Discussion

- Questions on new Members and proposed FAWG addition?

Vote

- Does the Advisory Board approve the addition of the proposed new Members?
- Does the Advisory Board approve adding a FAWG to explore clean energy ready economic development zones, aligned with and in support of ongoing interconnection work and the Commonwealth's economic development and climate and clean energy objectives?
  - If yes, OET will develop a FAWG mission, workplan, and bylaws governing this new FAWG. It will share these with the Advisory Board for review and consent prior to launching. The FAWG process will follow the same process as the other FAWGs:
    - Phase 1: Understand the issue/what needs to be solved.
    - Phase 2: Identify alternatives and evaluation approach.
    - Phase 3: Evaluate alternatives and make recommendations.

Conclusion and Next Steps

- **Takeaways and reminders**
- **March 2025 Advisory Board Meeting**
  - Focus of meeting will be on review and discussion of proposed Phase 2 – assessment – work for both the FTT and DTP FAWGs
  - An update will be provided on EMT FAWG and regional outreach and engagement activities

Adjourn

Thank you!