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Samantha Meserve
MA Department of Energy Resources
DOER.APS@mass.gov

Subject: "2020 APS Minimum Standard Review Comment"

Dear Ms. Meserve, December 1, 2020

Thank you for the opportunity to comment on the Alternative Energy Portfolio Standard program regulations, 225 CMR 16.00. HEET is a nonprofit with a mission to cut carbon emissions now through systems change. HEET works to provide data and information to the Legislature, the Attorney General, the Department of Public Utilities, the Department of Energy Resources, and fellow climate activists to inform laws and programs that will put the Commonwealth on the path to a clean energy future.

While the majority of the specific DOER questions seeking stakeholder input are beyond HEET's area of immediate attention, we would like to comment on question Number 3, "Do you believe the APS program should prioritize technologies which provide the most benefits, such as greatest greenhouse gas emissions reductions?"

In general, HEET would support DOER efforts to prioritize technologies that promise the greatest greenhouse gas reductions. However, having stated that as a general position, we would also caution that there needs to be additional parameters established for prioritizing these technologies to ensure that their emission benefits are not transitory, overly costly, or counter-productive to other strategies being established as part the Commonwealth's overall plan to reach net zero greenhouse gas emissions by 2050.

For example, if the benefits of a particular technology would provide greater greenhouse gas emission reductions in the short-run, but those benefits would be costly and dissipate over the long-run as other anticipated emission saving technologies and programs come on-line, then the public benefits of those technologies must be examined as part of a broader cost-benefit type analysis.

As HEET's research on the natural gas system has shown, short-term programs that reduce methane emissions currently in operation such as the existing Gas System Enhancement Plans (GSEPs) are not the most cost effective method for reducing fugitive methane emissions long-term. The existing GSEP programs propose to replace leak-prone gas infrastructure by 2035 at an additional cost to the ratepayers estimated at $14.3 billion. This staggering cost will not be paid off until decades after the Commonwealth's 2050 goal of net-zero emissions. Past 2050, it is unlikely these fossil fuel pipes will continue to be used widely. Such a program in all likelihood will leave ratepayers with a large long-term stranded asset that would need to be absorbed by the remaining ratepayers or the Commonwealth.

By contrast, an approach that targets repairs to the most leak-prone pipes saves up to $10.7 billion and eases the transition to alternative forms of energy generation as the Commonwealth moves more aggressively toward the 2050 goal of net zero emissions.

As a result, we would caution against any attempt to prioritize technologies by the level of immediate greenhouse gas emission reductions. Instead, it might be better to think long-term to allow for a comparison of the likely societal costs and benefits with other possible competing options and its overall potential for furthering the Commonwealth's strategy to meet its 2050 goal.

Finally, the example we gave was with regards to our gas system, though we are aware that the current APS addresses electric companies. Your question number 10 asks "Are there current eligibility criteria that you believe are a barrier to participation in the program? How would you address these barriers?" In answer, we believe there is a further opportunity for DOER to expand the APS program through the inclusion of gas companies, for such technologies as the networked geothermal they are currently piloting in our commonwealth.

Very truly yours,

Audrey Schulman
Co-executive Director