

The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

MEMORANDUM

- TO:Service List in Boston Gas Company, Massachusetts Electric Company, and
Nantucket Electric Company, D.P.U. 24-194
- FROM: Stephanie Mealey, Hearing Officer

VIA: Electronic Mail Only

RE: Technical Conference Agenda

DATE: May 28, 2025

CC: Mark Marini, Secretary

I. <u>INTRODUCTION</u>

On December 6, 2024, Boston Gas Company, Massachusetts Electric Company, and Nantucket Electric Company, each d/b/a National Grid (collectively, "Companies"), filed with the Department of Public Utilities ("Department") a petition for approval of a Targeted Electrification Demonstration Project ("Demonstration Project").

On May 7, 2025, the Department scheduled a technical conference to gather additional information on key issues presented in this matter. The Department notified the parties that it will hold an in-person technical conference on June 3, 2025 from 10:00 A.M. to 5:00 P.M. The Department also reserved June 6, 2025 from 9:30 A.M. to 5:00 P.M. for a second day of technical conferences, if more time is needed. The Department informed the parties that it would issue an agenda in advance of the technical conference, to include any intervenor-proposed topics.

On May 20, 2025, the Department of Energy Resources ("DOER") submitted agenda topics for discussion at the technical conference. On this same date, Conservation Law Foundation ("CLF"), Sierra Club, and Environmental Defense Fund ("EDF") jointly submitted their agenda topics. In this memorandum, the Department finalizes the agenda for the technical conference and provides instructions for members of the public that wish to observe the technical conference.

II. <u>TECHNICAL CONFERENCE AGENDA</u>

The Department identifies several topics below for discussion at the technical conference, including specific questions for discussion, along with intervenor-proposed agenda items. Please note that any questions listed are intended as examples and may be revised or elaborated based upon the discussion.

A. Department Topics and Questions:

- <u>Discussion Topic #1</u>: Demonstration Project design with respect to incentive levels, offerings, and scalability.
 - Discuss any challenges the Companies anticipate in scaling this program.
 - How will the Companies learn lessons about the incentive levels needed for future demonstration projects and scalable programs?
 - Discuss whether and how the Companies could design a demonstration project that tests the incentives levels needed at scale (<u>e.g.</u>, describe what type of analysis the Companies would need to perform to determine appropriate incentive levels for a design that could be scaled).
 - Did the Companies evaluate how National Grid's Massachusetts service territories are different from the locations where non-pipeline alternatives ("NPA") initiatives have been executed previously (e.g., California, New York, Colorado)? Did the Companies consider any of those differences when designing the program?
- <u>Discussion Topic #2</u>: Impacts of the Department's recent decision regarding data sharing for integrated electric planning purposes in <u>Role of Gas Local Distribution</u> <u>Companies as the Commonwealth Achieves its Target 2025 Climate Goals</u>, D.P.U. 20-80-D (March 11, 2025) on the Companies' proposal.
 - What information do the Companies have regarding Energy Efficiency Program participation for the customers on the target leak-prone pipe ("LPP") segments?
 - How can the Companies leverage Energy Efficiency Program participation information to inform the design of a targeted electrification program and the estimated budget of a targeted electrification program?
 - How can residential demographic customer data inform the design of targeted electrification demonstration projects?

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- How can customer-level electric or gas consumption data inform the design of targeted electrification demonstration projects?
- <u>Discussion Topic #3</u>: The Companies' community engagement efforts to gain optimal awareness of and participation in the Companies' proposed Demonstration Project.
 - How can the Companies leverage their means of communicating with customers to inform the public about opportunities like the proposed Demonstration Project?
 - How will the Companies engage community organizations or municipalities before pursuing alternative LPP segments?
 - Refer to TEP-2, Section 2.3.3 and TEP-3, App. 1. What steps have the Companies taken to identify and engage stakeholders who could boost awareness of and participation in the proposed Demonstration Project?
- <u>**Discussion Topic #4:**</u> The Companies' proposal to substitute LPP segments for alternative LPP segments as needed.
 - Please explain whether the Companies propose to notify the Department of any proposed alternative LPP segments, including the timing, format, and content of those notifications.
 - Describe the timeframe for integrating alternative LLP segments into the demonstration project timeline.
 - Will the Companies apply the same screening process to alternative LPP segments as was used for the originally proposed 14 LPP segments?
 - Will the Companies still consider an alternative LPP segment if it does not meet all of the originally proposed LPP selection criteria? For example, if the alternative LPP segment meets all the criteria except that it is scheduled for replacement within two years, will the alternative LPP be disqualified?
- <u>Discussion Topic #5</u>: The Companies' proposal for recovery of costs related to this Demonstration Project in separate mechanisms, including questions related to the Companies' calculation of certain categories of costs (e.g., decommissioning costs).
 - Describe the Companies' proposed cost recovery treatment for incremental labor expenses associated with the proposed Demonstration project.
 - Will additional workforce be required if alternative LPP segment selection increases the number of participating customers?

- Do the Companies plan to place a cap on the bill credits to participating customers?
- Explain how the Companies' proposed bill credits will interact with the upcoming heat pump rate. Will participating customers receive the heat pump rate with the appropriate adjustments made to their bill credits automatically?

B. <u>CLF/Sierra Club/EDF Topics</u>:

- <u>Discussion Topic #6</u>: Managing peak load and the need for electric system upgrades.
- <u>Discussion Topic #7</u>: Likely bill impacts associated with electrification under various rate design scenarios, and when the Company should provide a bill credit to electrifying customers.

C. <u>DOER Topics</u>:

- <u>Discussion Topic #8</u>: Mass Save incentives and updated budget.
- <u>Discussion Topic #9</u>: Future line extension requests in pilot community.
- **<u>Discussion Topic #10</u>**: Assumptions for estimating incremental peak load and bill credits.
- **<u>Discussion Topic #11</u>**: Cost allocation.

The Department is convening this technical conference to facilitate an open dialogue between the parties. While the technical conference will be conducted off the record, in addition to the parties' opportunity to issue written discovery, the Department plans to issue written discovery following the technical conference to bring necessary elements of the discussions into the record. The Department expects written discovery responses to be consistent with representations made by the parties during the technical conference discussions.

III. <u>TECHNICAL CONFERENCE LOGISTICS</u>

As stated above, the in-person technical conference will be held on **June 3**, **2025 from 10:00 am to 5:00 pm.** There will be a 20-minute mid-morning break, and a one-hour break for lunch around 1:00 pm. The technical conference will be held at the Department's offices located at 1 South Station, 3rd floor, Boston, Massachusetts 02110. Members of the public that wish to observe only may do so by following the link <u>https://us06web.zoom.us/j/84329921881</u>, from a computer, smartphone, or tablet. No prior software download is required. For audio-only access to the hearing, attendees can dial in at 1 (646) 558-8656 (not toll free) and then enter the Webinar ID number: 843 2992 1881.

IV. REQUEST FOR REVISED PROCEDURAL SCHEDULE

The Department requests that the parties submit a jointly proposed revised procedural schedule within <u>10 business days</u> after the conclusion of the technical conference. If the parties cannot agree on a proposed procedural schedule, then the parties may submit individual proposed procedural schedules.

For further information regarding this memorandum, please contact Hearing Officer Stephanie Mealey at <u>stephanie.mealey@mass.gov</u>.