ATTACHMENT U

July 28, 2022

To the Honorable Senate and House of Representatives,

Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution of the Commonwealth of Massachusetts, I am returning to you for amendment Section 139 of House Bill No. 5050, “An Act Making Appropriations for the Fiscal Year 2023 for the Maintenance of the Departments, Boards, Commissions, Institutions and Certain Activities of the Commonwealth, for Interest, Sinking Fund and Serial Bond Requirements and for Certain Permanent Improvements.”

Section 139 allows the energy efficiency program administrators to develop small scale offerings that provide low- and moderate-income customers comprehensive energy efficiency services and building electrification along with onsite renewable energy generation and energy storage. The section further provides that these pilots should be designed to encourage customers to lower energy consumption, reduce demand, improve customer resiliency or reduce use of the distribution system. I support testing the delivery of energy efficiency, electrification, and onsite generation together; however, any pilot program should be designed to achieve all of the above objectives, not just one. For example, a pilot that increases energy consumption and energy demand, but only improves resiliency is not consistent with the Commonwealth’s goal of reducing energy use and costs. Moreover, customers can currently receive incentives for each of these measures through existing programs that separately achieve these objectives. Accordingly, pilot programs under section 139 would better serve the Commonwealth by testing the delivery of all these measures jointly. Additionally, it will be important to understand the impact of any pilot program on ratepayers so that we can take those impacts into account before deciding if a pilot program should be expanded.

For these reasons, I recommend amending Section 139 of the bill by striking out, in the last sentence of subsection (a), the word “or” and inserting in place thereof the following word:- and.

and further amending Section 139 of the bill by striking out, in the first sentence of subsection (c), the words “and (ii)” and inserting in place thereof the following words:- (ii) an analysis of the burdens to ratepayers of adding solar, storage, or other clean energy technologies into the energy efficiency programs, and (iii).

Respectfully submitted,

Charles D. Baker

Governor