

Environmental Justice Council

Meeting #23

Thursday, December 4, 2025, 6:30 pm

Remotely



Logistics and Agenda

Environmental Justice Council

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LOGISTICS

- Language Interpretation is being offered in: Español, Kreyòl ayisyen, Português, Kriolu, and American Sign Language (ASL)
 - To participate in English, click the “Interpretation” icon and select English.
 - Para entrar no canal em português, clique no ícone “Interpretation” e selecione “Portuguese”
 - Si alguien desea interpretación en español, haga clic en “Interpretation” y seleccione “Spanish”
 - Pa partisipa na Kriolu, klika na íkone "Intirpretason" y silisiona "Cape Verdean Creole"
 - Pou rantr nan chanèl kreyòl ayisyen an, klike sou ikòn “Interpretation” an epi chwazi “Haitian Creole”

- Please speak slowly.
- All attendees must select a language channel, even if viewing the presentation in English.



- If you would like a translated version of the slides, please go to the EJC website at: <https://www.mass.gov/service-details/environmental-justice-council-ejc-meetings>

THIS MEETING IS BEING RECORDED



Agenda

▪ Overview of Meeting, Logistics and Agenda
▪ Roll Call and Approval of Prior EJC Meeting Minutes
▪ Questions and Comments from the Public
▪ Energy Affordability Agenda
▪ Questions and Comments from the Public
▪ Response to Comments (when appropriate)
▪ Next Steps and Adjourn



Approval of October 30, 2025, Meeting Minutes & Roll Call: EJ Council Members

- Kalila Barnett
- Madeline Fraser Cook
- Melissa Harding-Ferretti
- Cheryll Holley
- Caroline Hon
- Lydia Lowe
- Marcos Luna
- Peter Maathey
- María Belén Power
- Sofia Owen
- Jen Salinetti
- Patricia Spence
- Ari Zorn
- Miles Gresham

Public Comments and Questions

*Please limit each comment to two minutes to
allow time for others to speak*

Energy Affordability



Commonwealth of Massachusetts

Executive Office of
Energy and Environmental Affairs

Energy Affordability: Opportunities to Drive Down Costs

Undersecretary Mike Judge
Massachusetts Executive Office of Energy and Environmental Affairs

December 4, 2025

Draft



FOCUS OF ENERGY AFFORDABILITY, INDEPENDENCE, AND INNOVATION (EAI) ACT

- Took hard look at existing spending, programs, and policies to understand what is driving costs to:
 - Lower bills
 - Stabilize prices
 - Avoid spending
 - Bring more energy online
- Key findings:
 - Transmission and distribution infrastructure investments are biggest cost drivers - and are expected to continue growing
 - Energy supply costs are driven by natural gas prices - both magnitude of costs and volatility
 - Energy efficiency grew at slower pace than other parts of the bill; it can be provided more efficiently and paid for differently
- EAI takes a holistic approach based to reduce cost based on drivers, with key focus being on reigning in infrastructure spending



Get Costs Off Bills | Saves \$6.9 Billion

- Phase out alternative portfolio standard bill charge
- Reduce net metering credit
- Pay for programs like Mass Save differently
- Reform existing rates and charges



Create Accountability | Saves \$2.5 Billion

- Provide more oversight of costly transmission projects
- Restrict costs that utilities can recover from ratepayers
- Authorize utility management audits
- Require utilities to comprehensively plan and minimize grid costs



Bring More Energy into Massachusetts | Saves \$200 Million

- Expand state energy procurement authority
- Provide flexibility to set supply rates
- Allow customers to connect faster to the grid
- Reduce barriers to small nuclear technologies



Empower Customers to Lower Bills | Saves \$900 Million

- Protect customers from predatory electricity marketing and pricing
- Reduce upfront costs to building geothermal
- Reform low- and moderate-income discount rates
- Establish new financing tools for customers to efficiently heat and cool buildings
- Make Mass Save more efficient and responsive



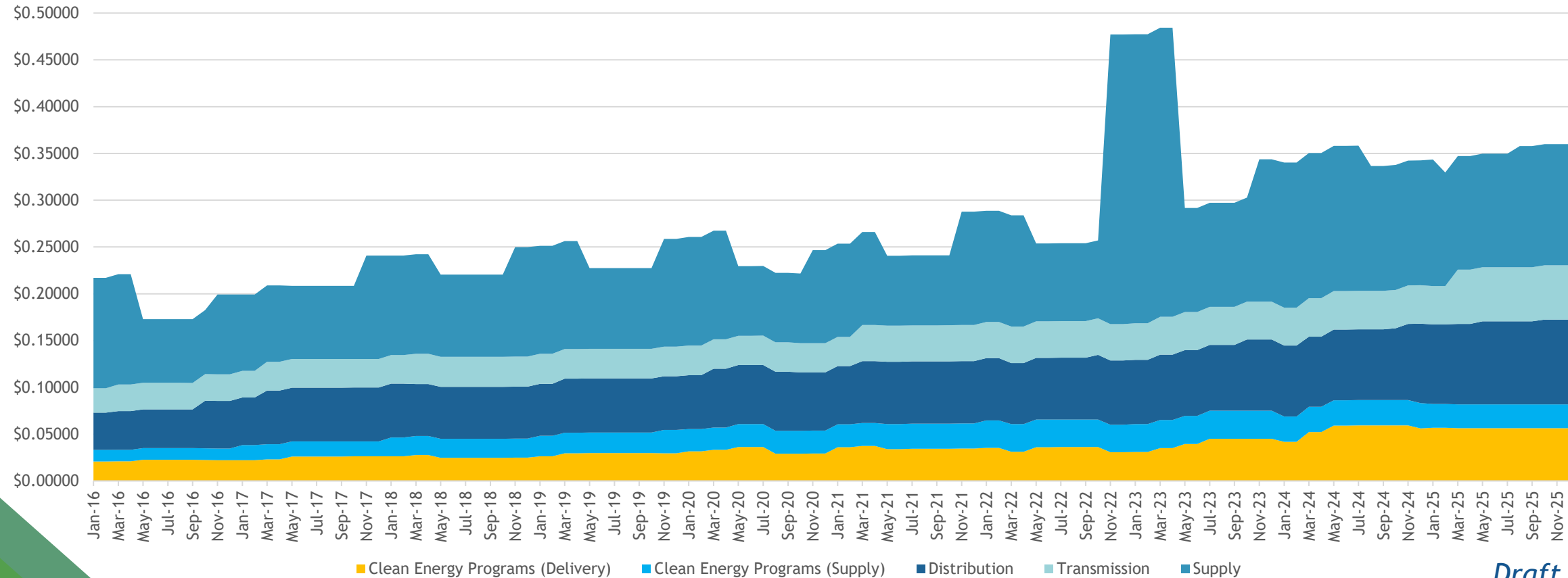
Power Innovation and Growth

- Create clean energy ready zones to accelerate development
- Share benefits of infrastructure investments with ratepayers and communities

HISTORIC ELECTRIC RATES 2016-2025: MONTHLY VARIABILITY BY COMPONENT

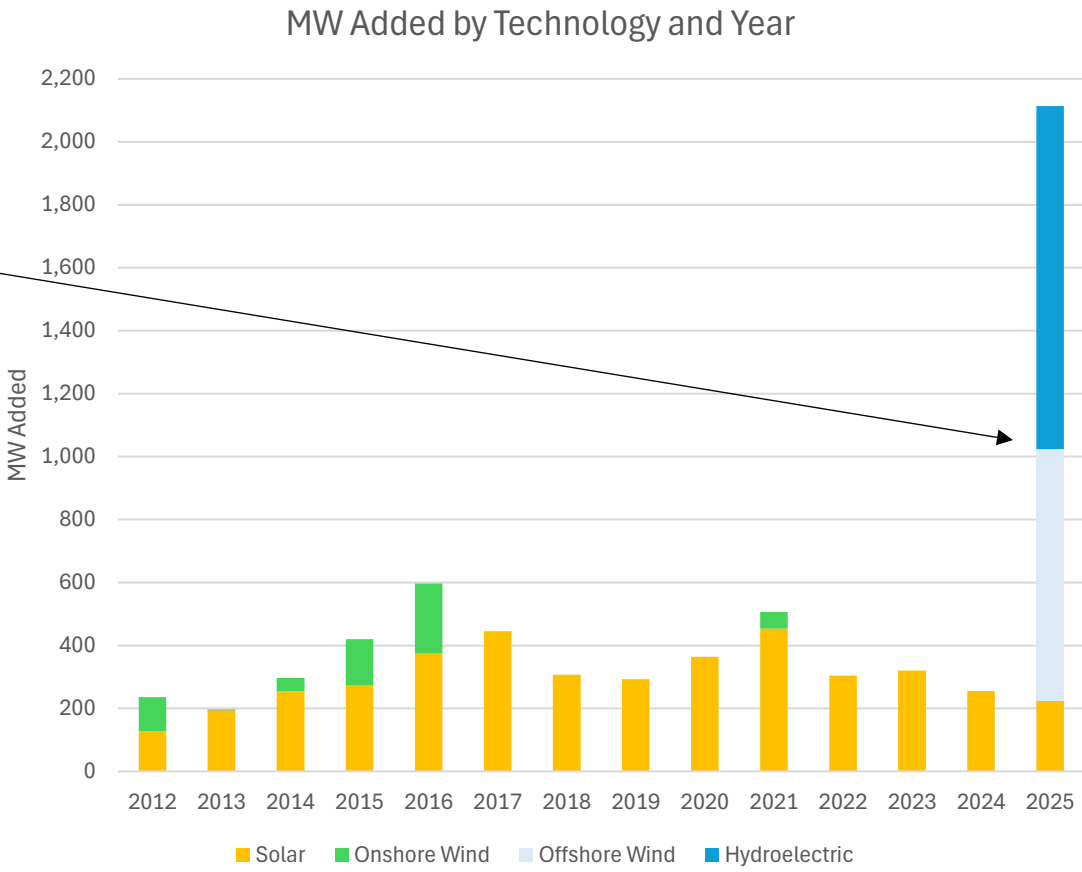
- All bill components have increased by more than 100% since 2016
 - Largest cost drivers (nearly 50% of total rate increase) have been transmission and distribution related costs
 - Supply, distribution, transmission, and program costs have each increased at similar percentage growth rates
 - Energy efficiency charges grew at a slower rate than all other delivery rate components, with benefits exceeding costs

Monthly National Grid Residential Rates (2016-2025)



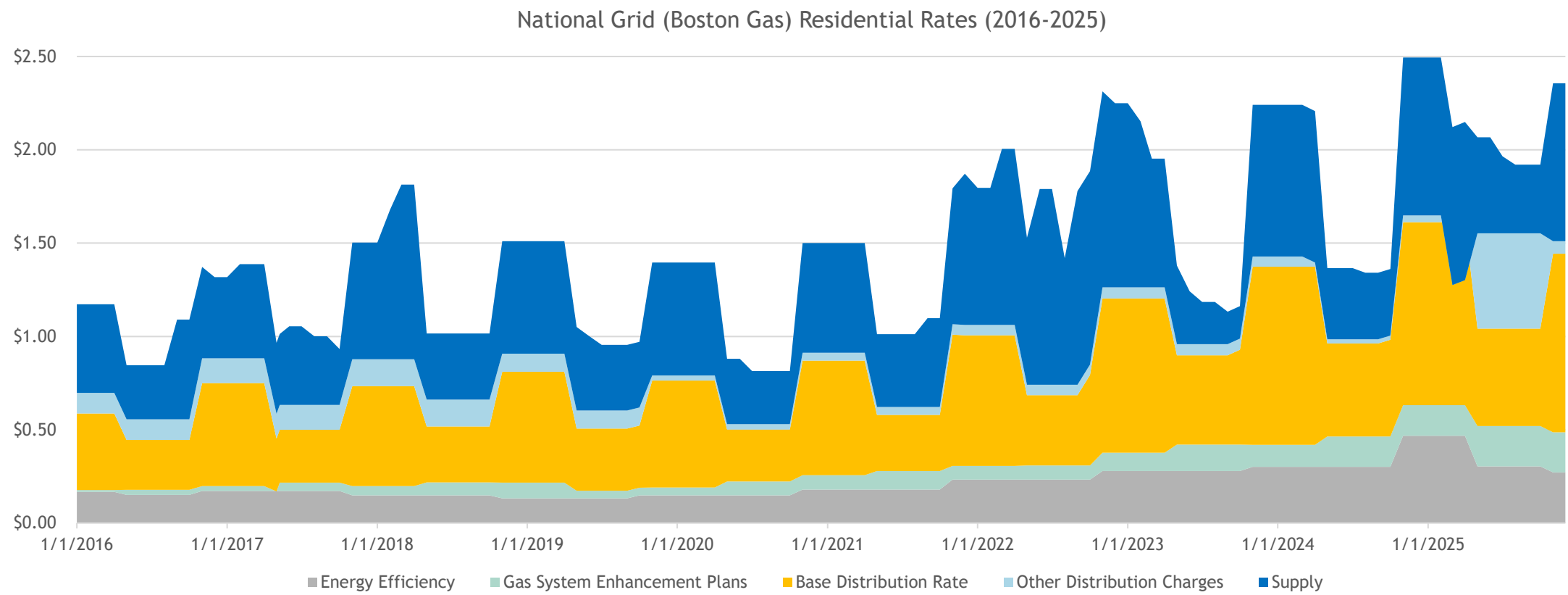
MASSACHUSETTS IS BRINGING CLEAN ENERGY ONLINE

- Since 2012, 6,700 MW of new clean energy generating capacity has been added via long-term contracts, SRECs, and tariff-based compensation programs:
 - SRECs and Net Metering: 2,500 MW of distributed solar
 - SMART Program: 1,364 MW of distributed solar
 - NECEC: 1,200 MW of imported Canadian hydro
 - Vineyard Wind: 806 MW of offshore wind
 - Section 83A Contracts: 458 MW of onshore wind; 205 MW of utility scale solar
 - Section 83 Contracts: 167 MW of onshore wind; 2 MW of hydro
 - Since 2012, energy efficiency programs and behind-the-meter solar reduced statewide energy consumption more than 9%
 - Massachusetts is pursuing procurement opportunities with other New England states for more utility-scale solar and onshore wind
 - Recent SMART Program updates enable up to 1,800 MW of capacity for new distributed solar facilities in 2025 and 2026
 - Over 50% Massachusetts’ annual electricity consumption now met by clean sources
- The federal government is slowing progress
- More than 2,000 MW of new clean energy generation sources have been delayed or canceled by the Trump Administration



HISTORIC GAS RATES 2016-2025: MONTHLY VARIABILITY BY COMPONENT

- Nearly all rate components have grown previous 10 years
 - 56% of growth from gas system infrastructure investments, with GSEP being fastest growing (662% off-peak, 1,528% on-peak)
 - 35% of growth from higher supply costs
 - 9% of growth from energy efficiency (EE) program costs, and benefits far exceed costs



Draft

EAI ACT FOCUSED ON MITIGATING COST DRIVERS



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- Pay for programs like Mass Save differently
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Power Innovation and Growth

- Create clean energy ready zones to accelerate development
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- What we have done
 - Permitting and siting reform
 - Heat pump rates
 - Comprehensive review of rates/rate design
 - Enabled thousands of megawatts of new energy supply and 1.3 GW of demand response/ efficiency
 - Reformed gas distribution investment programs and policies
- What EAI enables
 - Comprehensive distribution system and load management planning
 - Expanded and flexible energy procurement
 - Faster interconnection
 - Innovative financing
 - Improved delivery and effectiveness of Mass Save
 - Elimination/reduction in program costs
 - More efficient heating and cooling

BRINGING CLEAN ENERGY INTO MASSACHUSETTS

Summary

- Remove utility as primary contracting agent for clean energy
- Creates a Division of Clean Energy Procurement within DOER
- Repeals law requiring any proposed new nuclear facility to receive approval through statewide ballot initiative

Purpose

- Eliminate hundreds of millions in administrative fees paid by ratepayers
- Broaden participation for public and private entities and non-profits to participate in clean energy solicitations
- Expand eligible solicitation of clean energy projects and attributes
- Allows small modular reactors with potential to meet energy needs with smaller footprint

Impact

Reduces overall ratepayer costs, provides more opportunity to participate in clean energy procurements (e.g., solar, offshore wind, storage), and enables advanced nuclear development

GETTING COSTS OFF BILLS

Summary

- Reduce net metering credit values for non-residential, non-customer-sited solar
- Reform SMART program to address current market dynamics and require net metering facilities to participate
- Phase out Alternative Portfolio Standard
- Require DPU to review, reform bill charges

Purpose

- Bring solar credits in line with other states
- Lower prices by creating more Class I RECs
- Repeal subsidies for technologies that no longer require support
- Reduce charges, authorize caps on month-to-month bill increases, and reduce bill volatility

Impact

Saves ratepayers approximately \$1.9 billion over 10 years and better aligns programs with needs

REINING IN INFRASTRUCTURE SPENDING: COMPREHENSIVE PLANNING AND LOAD MANAGEMENT

Summary

- Direct DPU to require utilities to incorporate innovative load management strategies
- Consolidate distribution rate case and grid modernization dockets into one comprehensive planning docket

Purpose

- Unify distribution planning and cost recovery to reduce inefficiency and overbuilding
- Integrate demand flexibility, virtual power plants, DER, and EV infrastructure to avoid infrastructure spending and meet load growth more affordably

Impact

Consolidate utility grid planning into single, accessible forum and enable load management strategies to promote DER adoption and aggregation and lower overall system and ratepayer costs

CONNECTING TO THE GRID FASTER AND CHEAPER

Summary

- Establish a flexible interconnection program for solar, storage, and large customers that leverages customer-side/DER-side ability to manage what is being exported to/taken from the grid at any moment

Purpose

- Enable more solar and storage to interconnect by allowing curtailment of clean energy when the grid is most constrained
- Enable faster and cheaper interconnection of new loads by allowing customers to leverage BTM-technologies and building energy management systems to reduce peak demand
- These projects would otherwise require substantial infrastructure upgrades adding time and cost

Impact

Enable solar, storage, and large load projects to interconnect in constrained areas of the grid by strategically curtailing and managing demand during specific windows of grid strain

ENABLING MORE EFFICIENT HEATING AND COOLING, REDUCING NATURAL GAS AND PEAK ELECTRIC DEMAND

Summary

- Allows gas utilities to build, own, and operate geothermal systems for individual customers, with regulatory oversight and transparent rates
- Enables expansion of system to serve other customers

Purpose

- Reduce the logistical, financial, and regulatory barrier for adoption of geothermal
- Financial saving for ratepayers by reducing need for technology incentives (e.g. Mass Save), reduction of electrical peak demand, and reduction in natural gas demand

Impact

Provides large customers and campuses the means of adopting geothermal technology without owning and operating the geothermal system infrastructure, enabling faster more cost-effective deployment of the most efficient heating and cooling

MICROGRIDS

Summary

- Enables critical facility and government microgrids to cross public rights-of-way with protections for other customers (implementation by 2027)

Purpose

- Remove the ban on non-utility lines across public rights of way so critical facilities can deploy microgrids, with DPU procedures to ensure safety and protect other customers

Impact

Provides regulatory authority for critical facilities to develop microgrids.

UTILITY ACCOUNTABILITY MEASURES

Summary

- Prohibits use of ratepayer funds for certain utility activities (lobbying, promotion, perks, etc.)
- Provides for periodic management and operations audits of investor-owned utility companies

Purpose

- Ensure that inappropriate costs are not being passed onto ratepayers
- Hold utilities accountable for their management and operational practices

Impact

Reduces ratepayer costs through enhanced utility oversight

COMPETITIVE SUPPLY REFORMS

Summary

- Adds new licensing and bonding requirements
- Requires energy marketers to be licensed
- Expands and clarifies DPU's enforcement authority
- Increases maximum civil penalties and allows for direct restitution to customers
- Establishes numerous product limitations (e.g., no automatic renewals, no variable rate contracts, no cancellation or early termination fees, limits on voluntary clean energy products, etc.)

Purpose

- Reduce ratepayer exposure to predatory practices
- Lower ratepayer supply costs
- Improve DPU oversight and enforcement authority

Impact

Eliminates many of the worst practices in the market today but preserves customer choice. Could save customers on competitive supply tens of millions of dollars annually.

AUTHORIZING INNOVATIVE FINANCING

Summary

- Enables on-bill financing for energy efficiency and electrification measures
- Allows nonprofits to invest in distribution and geothermal infrastructure and share benefits with communities
- Authorizes lower cost utility debt financing

Purpose

- Reduce upfront cost barriers to technology adoption and deployment
- Lowers rates and bills, creates agency/direct community benefits, and better aligns costs with benefits

Impact

Provides authorizations for utilities to pursue/offer alternative financing options for clean energy and energy efficiency programs to accelerate customer adoption, reduce customer costs, lower program funding needs, and finance Mass Save

Summary

- Authorizes landlords to bill tenants for heating and cooling if they install centralized heat pumps with the appropriate energy monitoring systems
- Includes consumer protections to prevent rent hikes following installation

Purpose

- Enables full-building heating and cooling electrification projects (e.g. Heat Pumps)
- Requires transparent energy data billing through sub-metering

Member Impact

Enables landlords or property owners of multi-family units to build and sub-meter full-building electrification projects.

TRANSFORMING MASS SAVE

Summary

- Consolidates program administrators and directs program funds to be pooled
- Uses competitive procurements and single statewide contract to extent practicable
- Develops a centralized data platform
- Creates a one-stop resource for customers
- Maintains EEAC and DPU oversight

Purpose

- Reduce program administration costs
- Make it easier for customers to access programs that save energy and reduce energy bills
- Increase accountability for program delivery
- Expand opportunities for businesses and create jobs in communities throughout the state

Impact

Streamlines program delivery, increases accountability and reduces administrative costs by 10%. Enables new ways to finance program that could yield further savings

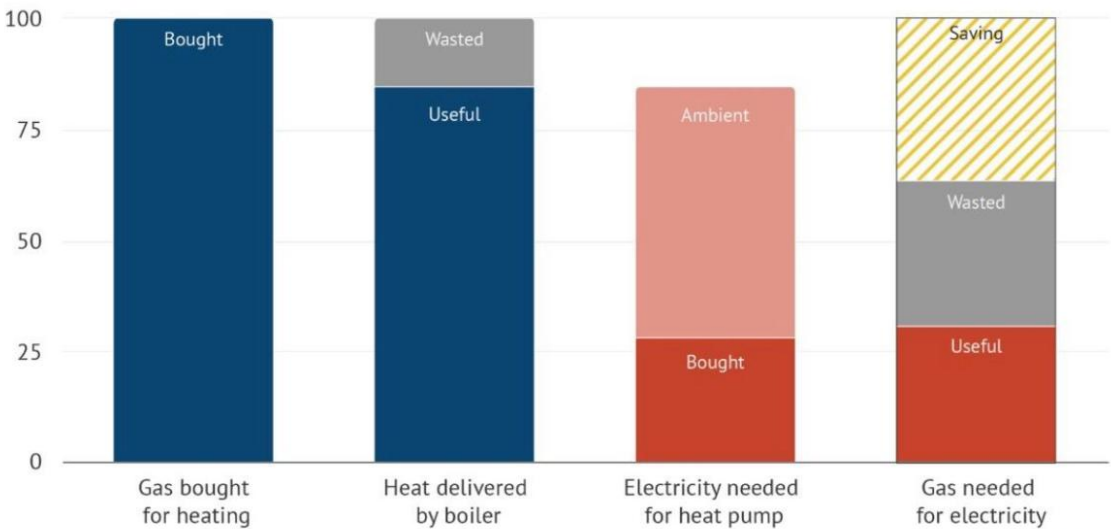
HEAT PUMPS ARE AN EFFICIENCY MEASURE

Drive Down Both Gas and Electric Use

<https://lnkd.in/eDuxMvMv>

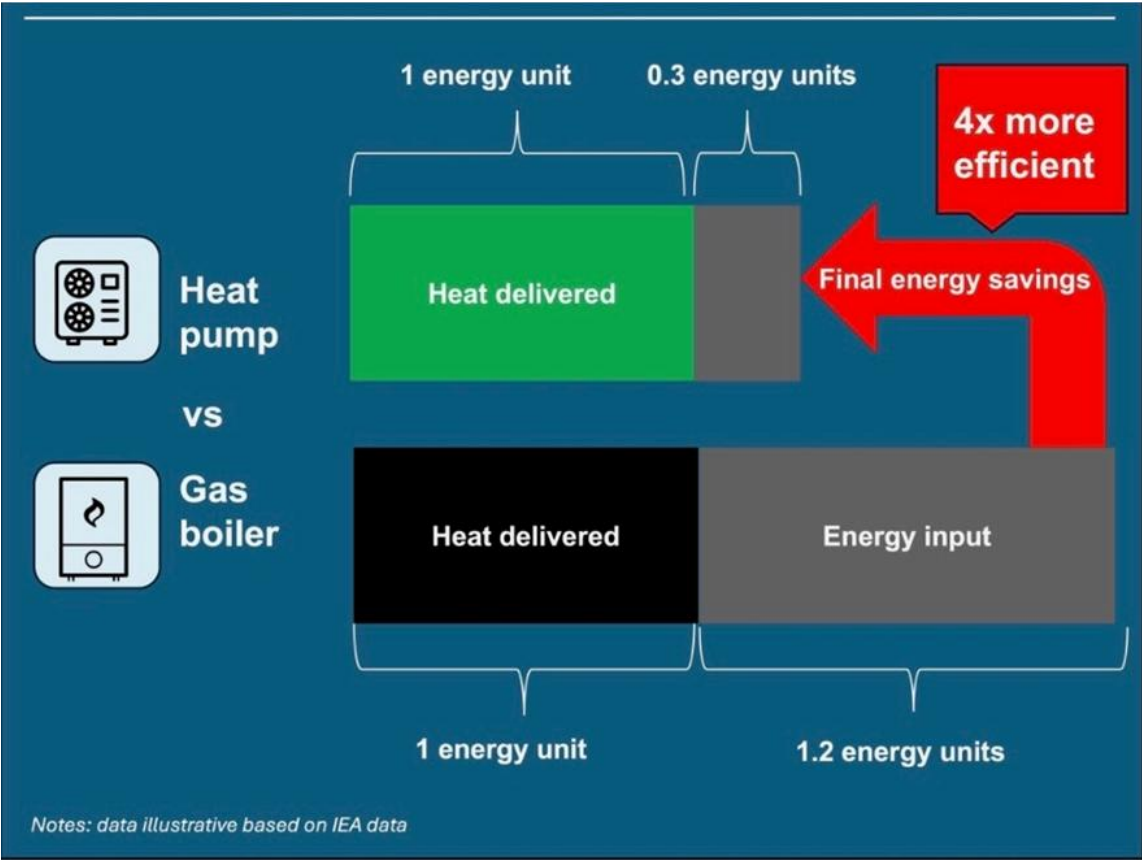
Shifting from gas boilers to electric heat pumps would cut gas demand by two-fifths, even running on 100% gas power

Units of energy, kWh



Source: Carbon Brief analysis.

CarbonBrief



HEAT PUMPS REDUCE OVERALL ENERGY USE

Heating Technology	Building Size (sf)	Total Heat Needed (MMBtu)	Technology Efficiency (COP)	Total Energy Used (MMBtu)
Air source heat pump	20,000	722	2.65	272
Ground source heat pump	20,000	722	3.5	206
Gas furnace	20,000	722	0.9	802

QUESTIONS AND DISCUSSION

- <https://www.mass.gov/info-details/the-energy-affordability-independence-and-innovation-act>
 - [Getting Costs Off Bills](#)
 - [Bringing More Energy Into Massachusetts](#)
 - [Supporting the Customer](#)
 - [Powering Innovation and Smart Growth](#)
 - [Creating Accountability](#)



CURRENT STATUS AND NEXT STEPS

- House TUE Committee advanced its version of a bill out of committee to House Ways and Means on November 12th
- Bill contains many provisions from the Governor's bill:
 - Comprehensive utility planning
 - Reforms to energy supply procurement
 - Authority for DOER to conduct clean energy procurements (retains remuneration for electric utilities)
 - Competitive supply reforms
 - Requirement for flexible interconnection programs
 - Allow utilities to own and operate geothermal systems for large users
 - Repeals requirement for statewide ballot initiative to site new nuclear
 - APS changes (establishes final year of eligibility but keeps standard in place)
- Also contains several new or substantially modified provisions:
 - Residential solar permitting reform
 - Residential solar consumer protection standards
 - Climate/Affordability standards and analysis requirements
 - Changes to Mass Save
 - Permits utilities to competitively procure energy generation and transportation services
 - Temporary reduction to RPS requirements
 - Requires 70% of RPS Alternative Compliance Payments collected by DOER to be returned to ratepayers
 - Codifies low-income discount rates but repeals moderate income discount rate for electric customers
- House to resume discussions/debate when they return to formal sessions in January
- Senate also working on its version of a bill
- Timing unclear in both houses at this time

EXTRA SLIDES

TAKEWAYS (2016-2025): INFRASTRUCTURE SPEND AND SUPPLY COSTS BIGGEST COST DRIVERS

- All bill components have increased by more than 100%
 - Supply, distribution, transmission, and program costs have increased at similar rates since 2016
 - Energy efficiency charges grew at a slower rate than other delivery components and benefits far exceed costs

COMPONENT	RATE CHANGE SINCE 2016 (CENTS/KWH)	DRIVERS
DISTRIBUTION	4.7	Growing underlying demand, housing/economic development, improved reliability/security, enhanced resilience, customer platform upgrades
SUPPLY	3.6	Primarily increased natural gas costs
TRANSMISSION	2.9	Reliability investments, capacity expansion for new resources; >50% of increase in last 12 months
CLEAN ENERGY DELIVERY (W/O ENERGY EFFICIENCY)	2.2	Legislative changes: 2016 net metering cap increases, establishment of small hydro program, establishment of SMART program. Note: Solar capacity grew >5x (800 MW → 4,000 MW) driving net metering costs
ENERGY EFFICIENCY	1.4	Increases in program budgets; reduction in load served means fixed costs recovered over smaller volume of kWh, which leads to higher rates (Note: Slowest-growing major component of delivery costs since 2016)
CLEAN ENERGY SUPPLY	1.3	Three new portfolio standards established. Clean energy sales requirement rose from 17% → 63%. APS minimum standard grew from 4% → 6.25% (see slide 21 for all statutory standards)

GAS TAKEAWAYS (2016-2025): INFRASTRUCTURE SPEND IS BIGGEST COST DRIVER

- Nearly all rate components have grown previous 10 years
 - 56% of growth from gas system infrastructure investments, with GSEP being fastest growing (662% off-peak, 1,528% on-peak)
 - 35% of growth from higher supply costs
 - 9% of growth from energy efficiency (EE) program costs, and benefits far exceed costs
- Total peak retail rate is 101% higher (\$1.19/therm) and total off-peak retail rate is 113% higher (\$1.05/therm) in 2025 than 2016

Component	Peak / Off-Peak	RATE CHANGE 2016-2025 (\$/THERM)	Drivers
Supply	Peak	\$0.36	Increases in natural gas prices; peak supply costs increasing faster than off-peak
	Off-Peak	\$0.05	
Base Distribution	Peak	\$0.57	Investments in new and replacement gas infrastructure; increased O&M costs; largest contributor to growth in customer costs
	Off-Peak	\$0.26	
Energy Efficiency	Peak	\$0.30	Expanded programs; growth rate generally aligns with growth in distribution rates. Note: \$0.10/therm higher this winter vs. 2016, but \$0.20/therm lower than last winter (\$0.47 → \$0.27); 2025 was likely the highest EE rates will ever be
	Off-Peak	\$0.15	
Gas System Enhancement	Peak	\$0.15	Substantial expansion of investment in replacement of existing gas pipeline infrastructure (nearly 700% growth in size of rates between 2016 and 2025)
	Off-Peak	\$0.19	
Other Delivery	Peak	-\$0.19	Peak charge changes due to elimination of Targeted Infrastructure Recovery Factor; off-peak changes due to last winter's rate adjustment
	Off-Peak	\$0.40	
Total	Peak	\$1.19	
	Off-Peak	\$1.05	

Draft

Public Comments and Questions

*Please limit each comment to two minutes to
allow time for others to speak*



WHAT'S
NEXT?

Next Steps & Adjourn

Next meetings' locations:

- February 12 - Roxbury
- April 9 - Orange

Information on the EJC and its meetings can be found at

<https://www.mass.gov/orgs/environmental-justice-council-ejc>