**GSEP Working Group**

1. **EEA Agencies Statements of Support for Other Parties’ Language Proposals**

* **Additional considerations in determining eligible infrastructure replacements: “No Increase in pipeline capacity”** 
  + **Proposed by**: HEET
  + **Proposal Statement**: The purpose of GSEP, as well as the accelerated cost recovery that is part of the program, is to improve the safety of local customers and to reduce emissions, not to increase the amount of gas that can be sold. Investing in increasing the capacity of the gas system will only increase the potential for stranded assets.
  + **Supported by**: NCLC; Conservation Law Foundation, EEA Agencies
  + **Opposed by**: NEGWA/USW; Eversource; Liberty; National Grid; Unitil
* **Additional considerations in determining eligible infrastructure replacements: “Requires consideration of “non-gas pipe alternative,” and a finding that such alternative is infeasible or not cost-effective”**
  + **Proposed by**: HEET/PowerOptions Proposal Statement: In order to reduce stranded gas assets in the future as the Commonwealth transitions to clean electricity for all but the hard-to-decarbonize sector, non-gas pipe alternatives should be the prevailing assumptions and should be installed wherever feasible and financially viable. Also, in the compiled redlines of the edits, it appears that the intent of this text was lost. Text should be “(viii) shall be a non-gas pipe alternative unless demonstrated by a gas company to be not feasible or not cost effective.”
  + **Supported by**: NCLC; Conservation Law Foundation, EEA Agencies
  + **Opposed by**: NEGWA/USW; Eversource; Liberty; National Grid; Unitil
* **Plan “Can be in conjunction with an electric distribution company”**
  + **Proposed by**: Senator Barrett
  + **Proposal Statement**: n/a
  + **Supported by**: LEAN/NCLC; Conservation Law Foundation; HEET/PowerOptions, EEA Agencies
  + **Opposed by**: NEGWA/USW; Eversource; Liberty; National Grid; Unitil
  + **Abstain**: AGO “withholds support until there is clarification of the practicalities of LDCs filing plans in conjunction with an electric distribution company.”
* **Plan “Requires consideration of targeted decommissioning of a gas system, based on independent assessment of costs and benefits of decommissioning.”**

**Proposed by**: LEAN/NCLC

**Proposal Statement**: Consistent with energy efficiency objectives, such as adoption of Air Source Heat Pumps, as well as principles of least-cost to achieve stated goal. Intended to accelerate targeted decommissioning.

**Supported by**: Conservation Law Foundation, EEA Agencies

**Opposed by**: NEGWA/USW; Eversource; Liberty; National Grid; Unitil

**Abstain**: The Attorney General’s Office withholds support until there is clarification of what an “independent assessment” entails

1. **New Statutory Language Proposals from EEA Agencies**

* Addition to existing definition:
* “Project,” an eligible infrastructure replacement project, including a Decommissioning Plan, proposed by a gas company in a plan filed under this section.

**Proposed by:** EOEEA Agencies

**Proposal Statement:** The definition of “project” in the GSEP statute needs to accommodate the situation where a non-gas pipe alternative involves the decommissioning of a portion of a gas company service territory in favor of a networked geothermal or electrification solution.

* New definition:
* “Decommissioning Plan,” a proposal to decommission a portion of existing natural gas infrastructure to be replaced by a non-gas pipeline alternative.

**Proposed by:** EOEEA Agencies

**Proposal Statement:** Decommissioning a portion of a gas company service territory raises unique issues regarding the obligation of a gas company to continue to provide natural gas service to an existing customer. Creating a defined term for “Decommissioning Plan” is necessary to address these issues.

* New section:
* Pursuant to a Decommissioning Plan approved by the Department, a gas company may terminate natural gas service to a customer where such Plan provides that the heating function provided to such customer by natural gas is replaced by a non-gas pipeline alternative that provides substantially similar service to such customer, as determined by the Department. Not later than 180 days after the effective date of this act, the Department shall promulgate regulations governing the terms (including notice requirements and provisions protecting such customer from service interruption) under which a gas company may terminate natural gas service pursuant to this section.

**Proposed by:** EOEEA Agencies

**Proposal Statement:** A non-gas pipe alternative may involve the decommissioning of a portion of a gas company service territory in favor of a network geothermal or electrification project. An otherwise cost-effective and feasible decommissioning project may be thwarted, however, by one or more customers declining to participate or otherwise refusing to consent to termination of natural gas service, even though the essential heating service would be replaced by a substantially similar service in the form of a heat pump, e.g., an air source heat pump, ground source heat pump, or a ground source heat pump as a part of a network geothermal project. This new section would allow the gas company to terminate service where the Department approves a Decommissioning Plan and such Plan ensures that the customer would continue to receive a substantially similar service. The Department would be required to promulgate regulations governing such situations, and those regulations would ensure proper notice to affected customers and other protections to avoid service interruption.