Minutes from
Energy Transformation Advisory Board Meeting
September 10, 2025

Welcome and Opening Remarks

At 1:12 pm, Office of Energy Transformation (OET) Executive Director, **Melissa Lavinson** called the meeting to order.

Executive Director (ED) Lavinson welcomed the Energy Transformation Advisory Board (Advisory Board) to the fourth quarterly meeting. **ED Lavinson** reviewed the agenda and the meeting goals: 1) update the Advisory Board on the status of the FAWGs and progress to date, 2) seek ETAB approval for each FAWG to move forward to the next steps in their work plans, and 3) receive ETAB guidance on key considerations for these next steps.

ED Lavinson welcomed and turned the meeting over to Toby Berkman and Catherine Morris, facilitators from the Consensus Building Institute (CBI).

Toby Berkman reviewed the ground rules and invited Advisory Board members to offer direct feedback on the issues raised. **Berkman** reviewed the structure of the meeting. The ETAB would receive high-level updates on the progress of all four FAWGs, followed by a brief time for clarifying questions. The Everett Marine Terminal (EMT), Decarbonizing the Peak (DTP), and Financing the Transition (FTT) FAWG have been in Phase 2, which has involved identifying and assessing alternatives. These three FAWGs are moving towards Phase 3, which will involve deeper analysis and developing recommendations. The FAWG updates would follow with small groups, allowing Advisory Board members to do a deeper dive into the initial Phase 2 findings of the EMT, DTP, and FTT FAWGs, and to provide feedback and direction as the FAWGs complete Phase 2 and move into Phase 3. The Enabling Sustainable Economic Development (ESED) is in Phase 1, and would not be the topic of the small group discussions.

Update on the Energy Affordability, Independence and Innovation Act

ED Lavinson welcomed **Energy and Environmental Affairs (EEA) Secretary Rebecca Tepper.**

Secretary Tepper thanked the Advisory Board for their commitment to the OET mandate, acknowledging the complexity of tackling multiple issues while engaging diverse stakeholders. The progress made by the Advisory Board and FAWGs is a testament to the level of collaboration in Massachusetts. **Secretary Tepper** acknowledged that political shifts threaten clean energy futures, particularly offshore wind and solar, but emphasized Massachusetts' commitment to maintaining momentum, including working with regional and cross-border partnerships to advance procurements. The **Secretary** also reinforced the Commonwealth's commitment to affordability and discussed the Energy Affordability, Independence, and Innovation (EAII) Act. The **Secretary** outlined key bill elements and stated that the EAII is a holistic approach to addressing affordability, by advancing provisions to lower bills, stabilize prices, avoid spending, and bring more energy supply online. The bill includes Mass Save

reforms, new financing mechanisms like rate reduction bonds and securitization, enhanced Department of Public Utility (DPU) authority over billing transparency, and more flexible procurements for regional collaboration. **Secretary Tepper** encouraged Advisory Board members to examine the bill's details relevant to their work.

ED Lavinson invited questions on the Energy Affordability, Independence, and Innovation Act.

Mindy Lubber (Ceres) asked for clarification on the current status of the bill, and how Advisory Board members can be helpful in moving it forward.

- **Secretary Tepper** responded that the EAII has had a hearing but, to date, has not been considered by or voted on by the Joint Committee on Transportation, Utilities and Energy. This is the time to talk to legislators about issues in the EAII that are important to Advisory Board members.

Mireille Bejjani (Slingshot) asked how the EAII intersects with data centers, and how the administration is considering tensions between the energy use of data centers and encouraging economic growth.

- **Secretary Tepper** responded that the Commonwealth has an opportunity to learn from similar issues faced by other states. The Governor of Massachusetts knows that these tensions need to be considered and addressed.

Presentation on EMT FAWG Phase 2 Work

Toby Berkman gave the floor to **Mike Walsh,** from Groundwork Data, to share an overview of the key topics discussed and findings from the Phase 2 work of the EMT Focus Area Work Group (FAWG), to date.

FAWG Mission and Purview: Local distribution companies (LDCs -- Unitil, National Grid & Eversource) entered 6-year contracts with EMT LNG facility in Fall 2024, while also being directed by the DPU to "fully investigate all possible alternatives…to reduce or eliminate their reliance on EMT" by the end of the contract cycle in 2030. The EMT FAWG was convened to help guide this process.

Phase 2 Activities: In the winter and spring of 2025, the EMT FAWG developed guidance to help LDC's in their assessment. In summer 2025, the LDCs conducted their assessments and presented them to the FAWG.

Assessment Framework: The EMT FAWG asked the LDCs to consider three alternative categories: 1) new on-system resources, including distributed LNG facilities and storage, 2) new off0-system resources, including expanded pipeline infrastructure or new supply sources, and 3) demand reduction and electrification. Utilities evaluated these alternatives based on several assessment criteria, including operations, costs, climate alignment, and whether this strategy could be implemented by 2030. Utilities were given flexibility in their assessments.

Phase 2 Key Findings: Elimination of reliance on EMT for all the LDCs by the end of the current contract (2029/2030) is highly unlikely. Reduction in reliance is possible, which comes with associated implications:

- **New on-system LNG:** Substantial investment would be needed. Spending on new infrastructure is at risk of stranding to replace existing infrastructure. Permitting and construction will likely go beyond the end of the current EMT contract.
- **Alternate LNG supplies:** This is possible, but greater transport distances and less diversity of supply presents risks.
- **New or expanded pipeline infrastructure:** This is possible in some territories (i.e. AGT-G), but is a high challenge for Boston and Cambridge. Where possible, it would require complex permitting and construction to proceed at pace.
- **Electrification and Demand Response:** This is aligned with climate goals, with the need equivalent to eliminating demand of ~125,000 strategically-located homes at a substantial pace.

Next Steps for Phase 3: The FAWG will conduct a deeper dive into the assessments and formulate recommendations to guide policy and action over the remainder of the current contract and to inform future utilization of EMT.

Presentation on DTP FAWG Phase 2 Work

Toby Berkman gave the floor to **Liz Mettetal,** from Energy and Environmental Economics (E3), to key topics discussed and findings of the he Phase 2 work of the DTP FAWG, to date.

FAWG Mission and Purview: The mandate of the DTP FAWG is to identify pathways to reduce reliance or replace operations of peaker plants and combined heat and power facilities (CHP) in Massachusetts. The purpose of this FAWG is not to choose a solution, but to identify sets of viable alternatives that could be applied to various facilities and, ultimately, systemwide, including necessary policies to enable them.

Assessment Framework: The assessment process began with building out a comprehensive list on the supply and demand side for technology options and policies. These technology and policy options went through a technical feasibility screening at a generic level and are currently being applied to four case study facilities (Canal Generating, West Springfield, Pittsfield, and Tufts CHP). The options are also being screened for environmental and societal impact. The final assessment framework includes 41 technology options across 34 criteria, and 42 policies assessed across 36 criteria.

Phase 2 Activities: The DTP FAWG developed and finalized the assessment framework with input from the Advisory Board. Subgroups gave a detailed review to key sections of the framework. The OET staff and supporting consultants developed a straw proposal for characterizing the technology and policy criteria, **which** demonstrates use of the framework for

a generic peaker option. The subgroups are currently refining the straw proposal and applying the framework to participating facilities to evaluate site-specific opportunities.

Next Steps: The FAWG will tailor the screening framework to groups of similar peaker plants in an "archetype assessment," which provides information about categories of facilities that may be good candidates for reducing/replacing peaker output. In Phase 3, the FAWG will consider how evolving policy and market conditions may influence facility economics and decision-making and perform additional modelling to understand system-level implications of reducing/replacing peaker operations.

Presentation on FTT FAWG Phase 2 Work

ED Lavinson provided a high-level overview of the FTT FAWG mission and workplan to date. **Toby Berkman** then presented the details of the assessment framework, Phase 2 activities and next steps.

FAWG Mission and Purview: A significant investment in distribution architecture is needed in the coming years to meet growing electric demand, build resilience, and enable the energy transition. There is potential for this needed investment to result in increasing rates for ratepayers. The mandate of the FTT FAWG is to find ways to reduce and smooth the costs of needed infrastructure investments, to de-risk investments, and to assign costs to beneficiaries in more direct, tailored ways.

Assessment Framework: With support from the Analysis Group, the FTT FAWG identified 7 financing alternatives. The FAWG developed an assessment framework with a total of 23 criteria related to investment and cost recovery benefits, implementation pathway challenges, and other intangibles. Color coding was determined by comparing each financing alternative to traditional utility cost recovery/regulation (e.g. *status quo*).

Phase 2 Activities: Analysis Group explained proposed definitions of the color coding (red/yellow/green) for each assessment metric and prepared an initial "straw proposal" of each alternative financing mechanism. The FAWG reviewed these straw proposal assessments in small groups, suggesting revisions and additions where necessary. The FAWG approved revised assessments. The FAWG brought forward two additional financing alternatives which are currently being reviewed:

- **GHG Fee and State Revolving Fund:** A GHG fee applied to all fossil fuels delivered to or produced within Massachusetts. The revenue would be applied as electric bill credits and/or used to support clean energy-related infrastructure upgrades using a State Revolving Fund.
- **DER Aggregation Financed by Rate-Reduction Bond:** Uses Rate Reduction Bonds proceeds, as proposed in the EAII, to provide loans through the Mass Save program for solar and storage, prioritizing customers in areas facing capacity constraints. The RRBs are repaid through utility bills of participating customers. This approach seeks to mitigate

peak demand and deploys solar and storage systems in lieu of traditional utility investments (e.g. non-wires alternative). Revenue generated by DERs would reduce participants' annual electricity bills.

Phase 2 Key Findings: Many impacts of financing alternatives are dependent on their specific design and implementation details. It's important to recognize that alternative financing mechanisms can reduce, shift and smooth costs over time but cannot eliminate them entirely. Multiple alternatives could be combined or used in concert to create more comprehensive solutions. When evaluating these options, overall impacts on utility financing costs and total costs over time are important to consider alongside near-term ratepayer savings.

Next Steps for Phase 3: Pending Advisory Board approval, the FTT FAWG will begin considering recommendations based on the initial list of proposed alternatives and continue assessing the two additional financing alternatives.

Presentation on ESED FAWG Work to Date:

ED Lavinson presented on the ESED FAWG, including the mission, purview and activities to date.

FAWG Mission and Purview: The process for connecting new customer load to the electric grid can slow economic development due to lengthy timelines and costly grid updates. The ESED FAWG aims to advance clean energy-ready economic development zones that enable key businesses to grow in Massachusetts, in alignment with the state's interconnection, land use planning, environmental justice and equity, housing, and economic development initiatives.

Phase 1 Activities: The ESED FAWG has reviewed current Massachusetts policies and regulations, economic development offerings, and examples of other states' economic development offerings. OET also engaged in focus groups with 19 businesses across 5 sector-specific groups between July and September to gain perspective on needs and challenges related to energy availability and access, siting, and interconnection.

Phase 1 Key Findings: While each sector has unique needs/issues, there were many commonalities, including energy costs, capacity constraints for new site development/expansion, the inability to obtain timely interconnection and cost estimates for decision-making, and challenges with multiple hand-offs between utilities and permitting coordination.

Next Steps: The FAWG will synthesize background information, identify key gaps, and develop strategies for clean energy-ready zones including: 1) potential sites, 2) economic development rate offerings, and 3) regulatory models to support the proactive build out of clean energy and related infrastructure.

Small Group Discussions on FAWG Process

Toby Berkman introduced the small group discussion process. Advisory Board Members were split into groups of 8-10. Each group had 20 minutes with subject matter experts and notetakers to discuss the work to date of the DTP, EMT, and FTT FAWGs. Each table had the opportunity to discuss and provide feedback on each of these focus area. The subject matter experts consolidated feedback from across the groups and reported out to the full Advisory Board. The Advisory Board would then be asked to decide on aspects of the next steps for each FAWG.

The feedback received from the small groups is organized thematically below, in response to the discussion prompts provided.

Feedback on the EMT FAWG

ED Lavinson began with a high-level statement on feedback received from table groups related to the work of the EMT FAWG. Advisory Board members expressed disappointment on the lack of transparency related to Eversource's recent filing with the DPU to enter into a new natural gas supply contract that would allow them to reduce reliance on EMT in the NSTAR service territory and eliminate EMT reliance in the EGMA service territory by 2030. This filing is tied to an expansion of the Algonquin Gas Transmission pipeline in southern Massachusetts. The filing is pending at the DPU.

What are the key takeaways of Advisory Board members on the initial assessments and high-level findings?

- Elimination of reliance on EMT for all LDCs is not feasible by the end of the current contract (2029/2030).
    - Highly constrained parts of the system (e.g., J-lateral) present significant obstacles, making EMT necessary for redundancy.
    - Reduction in reliance will depend on buy-in/action from large customers/end users.

Given initial findings, what are potential areas of focus for Phase 3?

- **Build a Safety Net and Ensure Redundancy**
    - Prioritize a strategy that ensures no failure in supply during energy transition
    - Consider how different technologies can contribute to redundancy (e.g., geothermal, electrified steam).
    - Coordinate with the DTP FAWG to consider technology alternatives.
- **Focus on Demand Reduction**
    - Develop a better understanding of EMT reliant zone demand forecasts and drivers, including customer profile, size, and opportunities for demand reduction (or growth mitigation) in those EMT reliant areas.

        - Prioritize engagement with large customers, especially universities.
        - Accelerate demand reduction education for both large customers and residential customers.
        - Evaluate how Mass Save and Integrated Energy Planning can be used to accelerate targeted electrification in EMT-reliant areas.
- **Prioritize Alternative Solutions Based on Viability**
    - De-prioritize further exploration of trucking LNG, which is inefficient, potentially unpredictable, and costly.
    - Consider the impact of stacking of smaller-scale changes (e.g. portables, increasing supply efficiency, modest upgrades).
    - Push electrification and demand response in constrained supply areas.
- **Cost Mitigation Strategies**
    - Consider how to reduce cost to ratepayers, while ensuring access to necessary supplies.
    - Assess cost implications of lower reliance on EMT for customers who remain dependent.
- **Consider Timing**
    - Should EMT FAWG begin thinking beyond 2030?
    - Assess both near-term and long-term impacts when considering recommendations to avoid investments that derail future goals in the energy transition

Feedback on the DTP FAWG

Are there clarifying questions on progress to date with the DTP FAWG or next steps?
How should the FAWG balance short vs. longer-term options to curb fossil fuel use at these facilities?

- **Utilize Existing Infrastructure and Demand-Side Solutions**
    - In support of a cost-effective transition, think about leveraging underutilized assets, existing grid infrastructure and surplus connections, etc., towards reducing the peak.
        - How are subgroups thinking about the use of other land beyond peaker sites to host alternatives (e.g., energy storage)? What changes are needed to enable?
    - Take advantage of load management analysis that's been done to think about demand response, flexible loads, and managed peak demand.
    - Consider behind-the-meter DERs and demand reduction as part of the package to reduce the peak.
    - Improve grid intelligence through smart meters, AMI, and other enablers to manage the peak in a variety of ways
- **Address System-Wide Market and Policy Challenges**

    - Recognize that subsidies and market rules have a large impact on peaker operations and identify necessary changes.
    - Identify gaps in existing policy structure that prevent energy transformation and consider technology-agnostic policies to allow the market to respond.
- **Prioritize community impacts in site assessments**
    - Community impacts should consider opportunities to directly access clean energy.
    - A high priority should be placed on avoiding continued impacts on EJ communities.
    - Emphasize multi-disciplinary approaches tailored to local context.
- **Continue to develop clear definitions and prioritization of impacts**
    - Be clear that some peakers have an outsized impact on emissions at the peak (i.e. the peak is oil).
    - Be clear about the definition of peaker.
- **Keep the door open for future technology and investment options**
    - Technologies/Policies could be de-prioritized if they are not feasible in the short term, but do not take options off the table in case of long-term potential (i.e., FAWG should consider categorizing both technology and policy options as short, medium and long term, as the transition will occur over all timeframes)
    - Can safeguards be put in place to ensure that the use of renewable fuels is short-term and replaced as soon as feasible by cleaner technologies?
- **Feedback on specific technologies**
    - Biofuels are controversial – keep on the table, but be attentive to mitigation of impacts, and collect more information on near-term supply.
    - Consider blending hydrogen and natural gas in the pipeline as an alternative to 100% hydrogen combustion.
    - Alternative thermal solutions may be less vulnerable to federal risks.
    - Consider ground source instead of air source heat pumps to reduce demand.
- **Account for Future Load Growth and System Reliability**
    - Future peaks and need for peakers will look different – ensure anticipated new loads (data centers, electrification) are accounted for, as well as shifts in season and timing of peak, given changes in demand profiles and system resource mix,
    - Cost and resource adequacy (long cold snaps) are critical – ultimate outcomes should be capable of meeting multi-day peaks.
- **Cost effectiveness and affordability are critical**
    - Collect more granular information on costs and emissions for each technology, particularly in the near-term.
    - Are there metrics such as dollars per avoided ton of CO_2 that can guide technology and policy assessments?
    - Consider how to mitigate the loss of property tax revenues from retirements and before site redevelopment (e.g. West Springfield).
- **Strengthen coordination**
    - Ensure coordination between system-level and site-specific assessments.

- Coordinate across FAWGs to ensure sharing of assessments on overlapping issues.

Feedback on the FTT FAWG

What issues, criteria, and/or outcomes are most important for the FTT FAWG to consider as it develops recommendations re: this list of alternatives for Phase 3 (e.g., near-term affordability, overall cost, feasibility of approach, etc.)?

Issues and Criteria to Prioritize:

- **Feasibility and Overall Impact**
  - Explore and evaluate examples from other places where similar strategies have been attempted or applied (e.g., California, New York, European jurisdictions) to help clarify practical and political challenges, and improve recommended design.
    - Caution about assuming it is "apples to apples" when applying tools used in other contexts to distribution infrastructure.
    - Look at lessons learned from existing programs like RGGI.
    - Suggestion to focus on the "art of the possible" in weighing alternatives.
  - Consider potential for regional application of alternatives and partnership with other states.
  - Consider how the FAWG's recommendations tie into what the DTP FAWG is working on, and efforts to reduce rate increases by improving efficiency/addressing costs of Mass Save.
- **Intergenerational Equity (near vs. long-term impacts)**
  - Evaluate the risk over time, and be clear about who bears the risk.
  - Consider both the time it takes to complete a project, and the time it takes to for it; distinguish clearly between near-term cost savings versus spreading out costs versus overall costs.
  - Be clear about who is responsible for paying. If ratepayers, clearly define which ratepayers (e.g. average households, or large businesses, or both).
- **Combinability**
  - How can alternatives be combined to maximize impact?
- **Impact on LMI Communities**
  - Prioritize the impact of alternatives to positively address LMI concerns. Assessments to date have focused on the impact of the alternative relative to traditional rate making, but haven't focused on the relative ability of different alternatives to accommodate LMI concerns.
- **Cost Transparency and Weighting of Alternatives**
  - Consider creating quantitative assessments for large and smaller versions of the alternatives (or case studies) to model the size of potential savings.
  - The color coding is appropriate for an initial review but likely needs more specificity for developing recommendations.

- To help with decision-making, consider developing a clear set of statements articulating the FAWG's overarching goals and/or adding a weighting system to the color coding.
- Recommendations need to be explicit and transparent about the assumptions being made.

Should the FTT FAWG move forward with the two additional approaches surfaced by FAWG members at this time?

- **GHG Fee and State Revolving Fund**
  - Questions raised about the design and feasibility of the GHG Fee proposal, its complexity, consistency with other states, introducing cross-subsidies from other sectors, and ensuring the FAWG builds off the substantial work on the issue already conducted by other stakeholder commissions (e.g., TCI).
  - Concern that the GHG fee will be in conflict with the overall goal of bringing down costs and could have a negative impact on the Commonwealth's economy and ability to retain industry.
  - General support for a GHG Fee to be considered further, but clear that there are many questions and no recommendation.

- **DER Aggregation and Rate Reduction Bonds**
  - Caution about using rate reduction bonds for forward-looking financing (in contrast to fixed cost, fixed duration projects) due to timing risks, cost uncertainty, and ongoing operational considerations.
  - Comment that rooftop solar is more expensive than ground based solar.
  - Questions raised about cost comparison of rooftop and small scale solar versus ground mounted solar.
  - DER Aggregation can be a useful tool for diversification of supply and climate resiliency.
  - General support for DER Aggregation and Rate Reduction Bond proposal to be considered further, but clear that there are many questions and no recommendation.

- **General Comment on Additional Proposals:** Questions raised about the number of alternatives under consideration and the capacity of the FAWG to conduct a robust assessment of all alternatives. Suggestions were made to de-prioritize continued focus on alternatives if early assessments deem them to be infeasible for one reason or another.

Voting/Decisions and Next Steps

Toby Berkman called for a vote on:

- The Advisory Board affirms that the EMT FAWG's assessment of alternatives provides an appropriate basis for the FAWG to proceed with Phase 3 deliberations.
    - This includes recommendations made in small groups, which focus on cost reduction, strategic demand reduction, and a deeper dive on demand/end uses in EMT reliant zones.

  VOTED: to affirm the EMT FAWG's assessment of alternatives and to allow the FAWG to proceed with Phase 3

  In the room: None opposed, one abstained
  Online: None opposed, none abstained

- The Advisory Board affirms the direction and approach of the DTP FAWG, including using facility-level information to inform system-level alternatives, pathways, and policy needs. The Advisory Board approves the DTP FAWG to continue with their Phase 2 assessment and begin Phase 3 planning.

  VOTED: to allow the DTP FAWG to continue to move forward with their approach, Phase 2 assessment and Phase 3 planning.

  In the room: One opposed, none abstained
  Online: None opposed, none abstained

- The Advisory Board affirms that the FTT FAWG's assessment of costs and impacts of alternative financing structures provides an appropriate basis for the FAWG to proceed with Phase 3 deliberations.

  VOTED: to affirm the FTT FAWG assessment and to allow the FTT FAWG to proceed with Phase 3.

  In the room: None opposed, two abstained
  Online: None opposed, none abstained

- The Advisory Board affirms advancing the proposal for DER Aggregation financed by RRBs as an additional alternative approach for further consideration by the FTT FAWG.

  VOTED: to affirm the advancement of DER Aggregation financed by RRBs for further consideration.

  In the room: One opposed, none abstained
  Online: None opposed, none abstained

- The Advisory Board affirms advancing the proposal for a GHG Fee/SRF as an additional alternative approach for further consideration by the FTT FAWG.

  VOTED: to affirm the advancement of a GHG Fee/SRF for further consideration.

  In the room: One opposed, four abstained
  Online: One opposed, one abstained

Next Steps

- OET will distribute meeting minutes by September 18th, detailing recommendations made by the Advisory Board. Advisory Board Members are invited to contact OET if any recommendations are missing from the minutes. These recommendations will guide the next steps in each FAWG.
- OET will distribute an availability survey for the next ETAB meeting, likely in January 2026.