



# GWSA Implementation Advisory Committee (IAC) Meeting

February 28, 2022

12:00PM - 1:30PM



# Agenda

- Review and call to approve the 12/10/2021 IAC meeting minutes
- 2025/2030 CECP public meetings and finalization
- Report out of IAC Work Group discussions and updates by state agencies
  - Updates on 2020 emissions and addendum to 1990 emissions baseline
  - Climate Justice Work Group report out
  - Updates on Commission on Clean Heat, DPU 20-80 docket, Stretch and Specialized Stretch Energy Codes, and Energy Efficiency Plan for 2022-2024
  - Buildings Work Group report out
  - Transportation Work Group report out
  - Electric Sector Work Group report out
  - Land Use and Nature-Based Solutions Work Group report out
  - Updates on public meetings and feedback thus far on natural and working lands (NWL)
  - IAC recommendations on cross-cutting policy priorities
- Other IAC business
- Public comment

# 2025/2030 CECP Public Meetings and Finalization

# Feedback from CECP Public Meeting in October 2021

- On Oct. 14 & 15, 2021, EEA presented on our proposed approach for completing the 2025/2030 CECP and gathered feedback on these questions:
  - 1. Do you have any concerns with EEA setting limits on gross emissions while tracking and lowering net emissions through goal setting and policy development?
  - 2. Do you have any concerns with EEA setting emissions sublimits to be consistent with the categories already in the statewide greenhouse gas emissions inventory?
  - 3. Do you have any concerns regarding moving forward with the described approach to complete the Clean Energy and Climate Plan for 2025 and 2030?
- Input on these questions were accepted at <a href="mass.gov">gwsa@mass.gov</a> through Dec. 24, 2021.

# Feedback from CECP Public Meeting in October 2021

- EEA received 6 comment letters from organizations:
  - 1. 350 Massachusetts
  - 2. Air-Conditioning, Heating, and Refrigeration Institute
  - 3. Group consisting of Acadia Center, Boston Physicians for Social Responsibility, Mothers Out Front Massachusetts, Pipe Line Awareness Network for the Northeast, and Sierra Club;
  - 4. Green Energy Consumers Alliance
  - 5. National Grid
  - 6. West Boylston Municipal Light Plant
- EEA also received comments and questions in emails from 6 individuals.

# Feedback from CECP Public Meeting in October 2021

## • Key take-aways from the submitted comments on EEA's questions:

- No objections with EEA setting interim emissions limits on a gross emissions basis while tracking and reducing biogenic emissions thru goal setting and policies. However, some stakeholders want EEA to include gross emissions from the production of "grey" and "blue" hydrogen, renewable biogas, and concrete and steel into our gross emissions inventory.
- Some stakeholders noted that achieving Net Zero by 2050 is not possible with carbon sequestration from NWL in MA alone so EEA should analyze the cost tradeoffs between lowering the limit on gross emissions in 2050 (beyond the 85% reduction from 1990 level) and acquiring additional carbon sequestration from other sources.
- One stakeholder wants EEA to set sublimit on gross emissions from landfills, wastewater, and agriculture and land use in MA.
- No objections to EEA releasing one CECP for 2025 and 2030, but folks want the new 2025/2030 CECP to reflect stakeholder feedback both from the Interim 2030 CECP and since passage of the 2021 Climate Law.
- EEA also received feedback on specific policies for the 2025/2030 CECP and a request for increase public outreach and education, including resources for municipal government for climate action planning.

# 2025/2030 CECP Public Meetings

- This Spring, we will present and gather feedback on:
  - 1. Proposed emissions limits and sector-specific sublimits for 2025 and 2030;
  - 2. Proposed goals for reducing emissions from and increasing carbon sequestration on natural and working lands (NWL)
  - 3. Proposed policy portfolio that aim to achieve these emission limits, sublimits, and NWL goals.

# March 31<sup>st</sup> 6PM-8PM April 1<sup>st</sup> 12PM-2PM

Focus: Power, Transportation, and Non-Energy Sectors

April 14<sup>th</sup> 12PM-2PM April 14<sup>th</sup> 6PM-8PM

Focus: Buildings Sector and

Natural and Working Lands

Public comments accepted at <a href="mass.gov">gwsa@mass.gov</a> until April 30, 2022.

# State Updates & IAC Work Groups Report Out

- 1. Updates on 2020 emissions and addendum to 1990 emissions baseline
- 2. Climate Justice Work Group report out
- 3. Updates on Commission on Clean Heat, DPU 20-80 docket, Stretch and Specialized Stretch Energy Codes, Energy Efficiency Plan for 2022-2024
- 4. Buildings Work Group report out
- 5. Transportation Work Group report out
- 6. Electric Sector Work Group report out
- 7. Land Use and Nature-Based Solutions Work Group report out
- 8. Updates on NWL public meetings and feedback thus far
- 9. IAC recommendations on cross-cutting policy priorities

# Clean Heat Commission Updates

# Commission on Clean Heat Members

- Undersecretary Judy Chang, Chair
- William Akley, Eversource
- Lauren Baumann, New Ecology, Inc.
- Kenan Bigby, Trinity Financial
- Harry Brett, UA of New England
- Alexander Bross, MassHousing
- Andrew Brown, The HYM Investment Group
- Emerson Clauss III, Home Builders and Remodelers Association of Massachusetts
- Rebecca Davis, Massachusetts Competitive Partnership
- Eric Dubin, Mitsubishi Electric Trane HVAC US
- Mike Duclos, HeatSmart Energy Alliance
- Madeline Fraser Cook, Local Initiatives Support Corporation

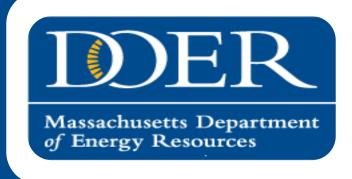
- Eugenia Gibbons, Independent
- **Dharik Mallapragada**, MIT Energy Initiative
- Cammy Peterson, Metropolitan Area Planning Council
- Robert Rio, Associated Industries of Massachusetts
- Kimberly Robinson, Pioneer Valley Planning Commission
- Dorothy Savarese, Cape Cod 5
- Tamara Small, NAIOP Massachusetts
- Richard Sullivan, Economic Development Council of Western Massachusetts
- Charles Uglietto, Cubby Oil & Energy
- Dennis Villanueva, Mass General Brigham
- Jolette Westbrook, Environmental Defense Fund

# Interagency Decarbonization Task Force Members

- Undersecretary Ashley Stolba, Housing and Economic Development
- Nicole Cooper, Energy and Environmental Affairs
- Peter McPhee, Massachusetts Clean Energy Center
- Samantha Meserve, Department of Energy Resources
- **Benjamin Miller**, Energy and Environmental Affairs
- William Space, Department of Environmental Protection

# Public Engagement with Commission on Clean Heat

- Three scheduled dates for public meetings (two sessions each date):
  - Tuesday, March 1, 2022, 12:30pm-2:00pm and 6:00pm-7:30pm
    - Summarize Executive Order 596 and Commission's Charge and gather public feedback
  - Thursday, March 24, 2022, 12:30pm- 2:00pm and 6:00pm -7:30pm
    - Provide update on key elements of Commission's work to date and gather public feedback
  - Thursday, April 14, 2022, 1:00pm- 3:00pm and 6:00pm -8:00pm
    - Provide update on Buildings Sector and Natural and Working Lands related to CECP development
    - Provide update on work of Commission and gather public feedback
- Public comments are accepted at any time via <a href="mass.gov/orgs/commission-on-clean-heat">mass.gov/orgs/commission-on-clean-heat</a> or by emailing them to GWSA@mass.gov
- Public comments will be shared with the Commission on Clean Heat



# COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF ENERGY RESOURCES

Patrick Woodcock, Commissioner

# DOER Buildings Update for IAC: Mass Save and Building Code

February 2022



### **Building Energy Code in MA state law**

#### **2008 Green Communities Act**

#### Base Energy Code:

"To adopt and fully integrate the latest International Energy Conservation Code (IECC) and any more stringent amendments thereto as part of the state building code, in consultation with DOER."

MGL CH143, Section 94(o)

Created DOER Green
 Communities Program and
 Stretch energy code:

"minimize, to the extent feasible, the life-cycle cost of the facility by utilizing energy efficiency, water conservation and other renewable or alternative energy technologies."

MGL CH25a. Section 10(c)

#### 2021 Climate Act

- 50% emission reduction in 2030 (sub-limits to be established for buildings sector)
- DOER to update the Stretch Code from time to time, in consultation with BBRS
- DOER to develop: a municipal opt-in specialized stretch energy code that includes:
  - net-zero building performance standards
  - a definition of net-zero building
  - designed to achieve MA GHG emission limits and sub-limits.
  - may by phased in by building type
     Session Laws of 2021 Chapter 8:
     Section 31

#### **Statutory Timeline**

- July 2022: EEA must establish specific 2025 and 2030 emissions reduction targets for the buildings sector
- December 2022: DOER must promulgate new specialized opt-in code
- January 2023: New Base
   Energy Code expected to go
   into effect
- 2030: Massachusetts must achieve at least 50% reduction in GHG emissions

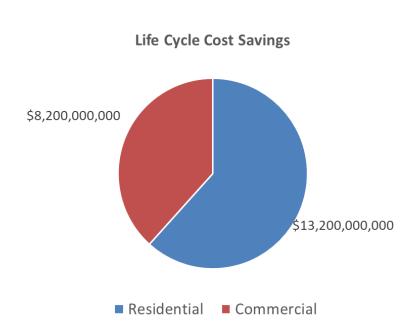


## **DOER Straw Proposal – Economic and Emissions Impact**

#### DOER is proposing two updates:

- Update Stretch Energy Code, align with timing of the base energy code update
- ➤ Issue new Specialized Opt-in Code as required by 2021 Climate Roadmap legislation by Dec 2022
- 500,000\* tons/year of GHG reductions in 2030,
  - > rising to 694,000 tons/year by 2035
  - Other economic, health, resiliency and grid benefits
- Over \$21 Billion in life cycle cost savings (combined construction and operating costs)

<sup>\*</sup>Note: Emissions reduction and cost savings forecasts are conservative as they currently do not account for any solar PV additions to new construction or methane leakage from natural gas supply and use.





## **Straw Proposal for Comment**

DOER is seeking comments on its Straw Proposal updating the Stretch Energy Code and Proposing the new, Specialized Stretch Energy Code.

Information Posted here: <a href="https://www.mass.gov/info-details/stretch-energy-code-development-2022">https://www.mass.gov/info-details/stretch-energy-code-development-2022</a>

DOER highly encourages written comments be submitted electronically to <a href="mailto:stretchcode@mass.gov">stretchcode@mass.gov</a> with the subject line "Stretch Code Straw Proposal Comments". Responses will be accepted until 5 pm on March 9, 2022. Written comments may also be submitted via mail to the Department of Energy Resources, 100 Cambridge Street, Suite 1020, Boston, Ma 02114, attention Nina Mascarenhas.



## **Hearing Schedule**

Hearing Focus	Date
Western Region	March 2, 6:00 pm – 8:00 pm
Metro Boston and Northeastern Region	March 3, 9:00 am – 11:00 am
Environmental Justice Communities	March 4, 6:00 pm – 8:00 pm
Central Region	March 7, 3:00 pm – 5:00 pm
Southeastern Region	March 8, 3:00 pm – 5:00 pm

Sign up for email list or register to provide public comment: <a href="mailto:stretchcode@mass.gov">stretchcode@mass.gov</a>

https://www.mass.gov/info-details/stretch-energy-code-development-2022



## **Expected Timeline for code adoption**

	Winter 2022	Spring 2022	Summer 2022	Fall 2022	Winter/Spring 2023	Summer 2023 and beyond
Updated Base Code	Draft on BBRS 10 <sup>th</sup> edition code webpage		BBRS Public hearing on 10 <sup>th</sup> edition	BBRS vote on final 10 <sup>th</sup> edition	Effective Jan. 2023 as part of 10th edition Code (MA IECC 2021)	
Updated Stretch Code	Outreach, public hearings, and comments on straw proposal	Draft code language available for public comment	Public hearings on draft code	Finalize code proposal & Publish Code	Effective Jan. 2023 to align with 10 <sup>th</sup> edition	Phase-in HERS requirements in Dec 2023
New Specialized Opt-in Code	Outreach, public hearings, and comments on straw proposal	Draft code language available for public comment	Public hearings on draft code	Finalize code proposal & Publish Code	Finalize Dec. 2022 - Municipal adoption begins	Likely effective dates - July 1, 2023, Jan 1, 2024

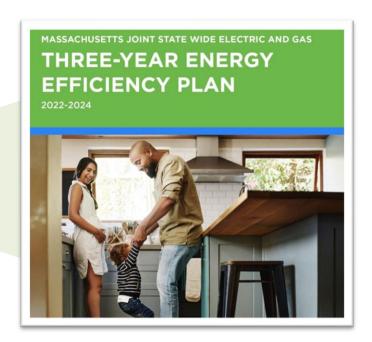


## **Questions?**



## 2022-2024 Energy Efficiency (EE) Plan

- On October 27<sup>th</sup>, 2021, the Energy Efficiency Advisory Council (EEAC), chaired by DOER, voted unanimously to approve its Resolution supporting the Mass Save program administrators' 2022-2024 statewide Three-Year Energy Efficiency Plan for Mass Save
- This \$3.94 billion investment plan represents a transformational shift of these programs to better align with Massachusetts' climate requirements and environmental justice goals with strong commitments to electrification, weatherization and equity
- On January 31<sup>st</sup>, 2022, DPU issued its Order approving the Plan with modifications.





## **Summary of DPU Order**

- DPU Order on 22-24 Plan issued on 1/31
- Generally, the Plan was approved with modifications, including:
  - > Targeted Communities criteria
  - > Social Value of Greenhouse Gas Emissions
  - Strategic Electrification
  - > Performance Incentive Mechanism
- Budgets approved, with caps established
- Planning process and timeline changes
- PAs have multiple compliance filings due in the coming months
- PAs filed and DPU Issued Motion for Clarification on two issues:
  - > (1) Gas to electric electrification and (2) weatherization requirement for heat pump water heaters.



#### **Climate Act and GHG Reductions**

- **GHG reduction goal:** July 15, 2021 Secretary Theoharides submitted letter to PAs detailing the goals for the 2022-2024 Plan term
  - $\gt$  845,000 metric tons of CO<sub>2e</sub> aggregate goal for electric and gas programs
  - > The final approved plan meets the Secretary's Goal

GHG Goal	Secretary's Goal - 2030 Metric Tons		% Achievement Oct 6	% Achievement Final Plan	Final Plan 2030 Metric Tons
Electric	504,000	57%	90%	94%	474,000
Gas	341,000	96%	110%	108%	371,000
Aggregate	845,000	73%	98%	100%	845,000

Note: 30,000 metric tons of GHG reduction in gas programs is coming from gas-to-electric fuel switching

 Social Value of GHG: Approved plan includes \$128/ton social value of GHG emissions reduction for measures except for fossil fuel heating (note: DPU approved lower value than filed value of \$363/ton)



## **GHG** and **Electrification** highlights

- \$800 million investment in electrification for Residential and C&I sector
  - > Includes new goals and incentives for electrification in gas programs
- Commitment to launch all-electric new construction offerings in 2022 for both Residential and C&I
- Commitment to launch two new Deep Energy Retrofit offerings for affordable multifamily and commercial buildings launching in 2022
- Increased Weatherization Investments:
  - Residential and Moderate Income: \$533 million
  - Income Eligible: \$107 million
- Continuing incentives and support for Passive House multi-family
- New market transformation investments, including customer education and heat pump installer network

Note: Some of the specific budgets may change as Program Administrators update data tables for compliance filings.



## **Equity highlights**

Beginning in 2020, EEAC convened an **Equity Working Group** to establish equity targets, budgets, and reporting for 2022-2024 Plan.

#### Equity commitments Include:

- **Community partnerships**, including \$6M for municipal and community partnerships to increase participation by underserved customer groups with focus on EJ communities
  - > 2022 Partners announced in February
- Moderate Income: \$136M investment for enhanced incentives
  - > 75% coverage for electrification, 100% weatherization
  - New pre-weatherization barrier funding
  - > Streamlined income verification process (details to be determined)
- Language Isolated Residents: Commitment to developing language access plan to be implemented by 2023 (\$9M investment)
- Renters/Landlords: commitment to prepare strategic plan for serving renters and landlords to be complete and filed with DPU by Q3 2022
  - New increased incentives for small rental properties including 100% weatherization coverage
- Small Business: Commitment to 2,100 small business weatherization projects, including targeted efforts to host Main Streets events in EJ neighborhoods



## **Workforce Development Highlights**

Workforce development efforts during the 2022-2024 Plan term will focus on cultivating a diverse and highly skilled workforce to meet aggressive energy savings goals in the upcoming three-year term. Workforce Development highlights include:

- ➤ Workforce Development investment of over \$49M (inclusive of MassCEC budget)
- Clean Energy Pathways (CEP) internship program
- Diversifying PA pool of business partners through increasing contracting and subcontracting opportunities diverse business enterprises
- ➤ Heat pump specific trainings for HVAC contractors
- > Collaboration with MassCEC
- > Training for building operators



## **Questions?**