Peak Energy Demand Reduction FAWG

Phase 1 Work Plan

October 2026

PEDR FAWG Purpose

Governor Healey's Executive Order 654 set a goal of bringing 10 gigawatts (GW) of new energy resources online, under contract, or under development by the end of 2035. The Order required 3.5 GW of those new resources to come from demand management and new load management strategies, such as virtual power plants, electric vehicle charging management, energy efficiency, and demand response programs, alongside a goal of 5 GW of new energy storage capacity. Subsequent to EO 654, the Everett Marine Terminal Focus Area Work Group (EMT FAWG) issued its final report that included, as a finding, that peak gas demand reduction in locationally specific areas is critical to reducing and ultimately eliminating reliance on EMT by local gas distribution companies (LDCs) in Massachusetts.

In alignment with EO 654 and the findings and recommendations from the EMT FAWG, the Peak Energy Demand Reduction Focus Area Working Group (PEDR FAWG) seeks to develop a prioritized set of electric and gas peak demand reduction actions for Massachusetts to avoid future supply and infrastructure investments and enable the affordable, reliable, and equitable achievement of the Commonwealth's clean energy and climate goals. The PEDR FAWG will convene stakeholders from across the energy ecosystem, to identify, discuss, and prioritize strategies that either reduce system-wide peak electric and gas demand, or reduce peak demand growth in targeted locations so as to defer the need for electric infrastructure upgrades or continued LDC reliance on EMT.

PEDR FAWG Distinctive Contribution

Several state-run forums already touch on this peak energy demand reduction — for example, the Energy Efficiency Advisory Council (EEAC), the Grid Modernization Advisory Council (GMAC), the Integrated Energy Planning (IEP) Working Group, the Clean Energy and Climate Plan (CECP) process, and several active Department of Public Utility (DPU) dockets. Each of these efforts seek to adjust current operational paradigms (such as energy efficiency programs, utility planning processes, and state policies and initiatives) to, among other goals, lay the groundwork for additional demand reduction and new load management strategies across the system. While these processes engage in detailed analysis of various aspects of the energy system, none individually provides a fully coordinated perspective on the Commonwealth's efforts to enable and achieve peak energy demand reduction on the electric and gas systems, concurrently, or on pathways to achieve the goals of EO 654 and the recommendations of the EMT FAWG.

At its June 2026 meeting, the Energy Transformation Advisory Board (ETAB) asked OET to clarify the "value add" of the PEDR FAWG and the process to catalyze approaches, opportunities and actions across efforts, which is provided below:

1. **It provides a whole system perspective while identifying diverse solutions that meet the needs of a range of specific contexts.** Demand and usage patterns on the electric grid interact with demand and usage patterns on the gas system; so too, local distribution system demand patterns interact with bulk system-wide demand. These systems must be understood collectively to deliver results efficiently and effectively. For example, the same solutions installed to deliver overall electricity demand reduction and/or storage targets from the EO may deliver the greatest value when targeted toward specific local system needs (such as feeder capacity issues).
2. **It is unconstrained by an existing planning cycle or statutory mandate.** Several of the other groups exploring demand reduction are tied to particular cycles and programs that limit the scope of their impact.

GMAC is tied to the Electric Sector Modernization Plans (ESMPs), and the EEAC to the three-year plans. The PEDR FAWG can ask what the Commonwealth and other actors should do, then work to identify the appropriate vehicles and timing to achieve outcomes.

3. **It convenes a wide range of critical actors.** Advancing load management involves requires looking beyond EEA, to stakeholders including technology providers and investor-owned utilities to consumers, state policymakers, municipal representatives, and others. The PEDR FAWG brings these actors together in one forum to explore broadly workable solutions, without limitations of group size or ecosystem segment.
4. **It focuses on barriers, policies, and implementation.** DOER's "Peak Potential" report established the range of technical possibility for peak energy demand reduction and offered high-level policy direction. Moving forward requires identifying who needs to act, what mechanisms to employ, and how to address any barriers that exist. Research on the gas side has presented similar issues. The PEDR FAWG will close the gaps between policy and technical research and real-world implementation, with on-the-ground perspectives and creative solutions.
5. **It is bottom-up, structured, and flexible.** In line with the established FAWG process, participation is open, with members asked to contribute via work streams. The group works toward consensus recommendations, but in areas where alignment is not possible, differing views are documented and shared up.

Work Plan and Process Principles

The proposed structure for Phase 1 of the FAWG follows the following basic process design principles:

Three phases. Per its Charter, the FAWG follows the same three-phased approach as the other OET FAWGs: **Phase 1** focuses on building a shared understanding; **Phase 2** focuses on defining strategies/solutions and evaluation criteria; and **Phase 3** focuses on evaluating and prioritizing strategies/solutions and developing recommendations to the ETAB.

This three-phased approach allows for front-loading foundation building; early meetings provide substantial education and knowledge sharing between members. This is intentional: the group cannot identify a common set of outcomes or high-potential recommendations without a common fact base. The group will build on existing research like DOER's "Peak Potential" report, E3's load management study, and the Everett Marine Terminal and Decarbonizing The Peak FAWG findings, rather than restarting their respective investigations from square one. Throughout the process the PEDR FAWG will ensure:

- **Cross-sector integration.** Peak demand on the electric and gas systems will be addressed together rather than siloed.
- **Ongoing coordination.** The planning team will maintain a running crosswalk of related forums (e.g., the 2035 CECP process) and legislative developments, and the group will screen potential policy changes and reforms in the context of if and when they are being decided and/or considered elsewhere. The goal is for effective information sharing both into and out from the FAWG to align and build on concurrent efforts.
- **Program-, sector-, and technology-neutral**. The full range of programs, sectors, and technologies will be assessed on an equal footing based on neutral, agreed-upon criteria, including existing and proposed building, electric, and transportation sector programs; opportunities spanning both the residential and commercial and industrial (C&I) sectors; and both existing and new/emerging technologies and programs. Assessments will be grounded in data and reflect actual customer behavior.
- **Workstreams are flexible and form from what the group surfaces.** Work streams will be used to leverage member expertise on specific topics and enable a deeper dive into potential solutions. The content of work stream topics is not pre-determined.
- **Members fully vet and comment on all draft and final deliverables.** The consultant team will prepare initial drafts and content to support the work of the three-phases, which members will clarify, challenge,

and extend, as well as templates/matrices for members to fill out in small groups. This preparation lowers burden to participate, structures the dialogue, and produces comparable outputs across work streams.

- **Recommendations driven toward effective, equitable outcomes**. The FAWG will work to identify concrete outcomes necessary to achieve its stated goals and to develop clear pathways for implementation. Measures will focus on shaping and managing existing load and integrating new demand in ways that minimize or avoid increases in peak energy demand and associated energy supply and infrastructure needs. Initial feedback from FAWG members is that solutions should be cost-effective and equitable, keeping ratepayer impacts front and center, with dedicated attention to program access and impacts for customers and communities already experiencing high energy burdens.

Phase 1 Deliverable and Supporting Work Plan

Phase 1 will conclude with a **foundation document** adopted by the PEDR FAWG that will include:

- Working definitions of peak on both the electric and gas systems, incorporating both system peak and local peak;
- An inventory of existing Massachusetts strategies and programs affecting peak demand;
- A characterization of the needs and opportunities the group has surfaced, organized by work stream; and
- An initial view of the criteria the group expects to apply to candidate reforms.

To develop this document, OET has established the following meeting schedule, which incorporates feedback to date form PEDR FAWG members:

Phase 1 Meeting Sequence

Meeting	Timing	Presentations/Information Sharing	Discussion	Output
Meeting 1: FAWG Kickoff	August 11, 2026	Charter, norms, and the basics of electric and gas peaks.	Hopes for the process and information needs.	Draft work plan.
Meeting 2: Foundation — *Definitions, program inventory, work plan*	September 17, 2026	Meaning/importance of peak, system vs. local peak, methods for addressing peak, and existing programs/mechanisms for doing so. Proposed Phase 1 Workplan.	Feedback on Phase 1 work plan and deep-dive webinar slate; solicit submissions for potential speakers and topics.	Revised work plan for ETAB consideration.
Meeting 3: Electric sector — *Where are we now and where are we going?*	October 16, 2026	Background on Peak Potential Report: technical potential for demand response programs; assumptions and methodology behind forecasts; interplay of different programs and technologies; interactions across gas and electric sectors.	Additional electric sector information needs, barriers, perspectives on report's vision.	Initial list of (electric sector) needs to inform future analysis.
Meeting 4: Gas sector — *Where are we now and where are we going?*	November 17, 2026	Review of EMT reliant areas and customer usage, gas sector information needs, opportunities for gas demand response, and barriers to implementation; interactions across gas and electric sectors.	Additional gas sector information needs, barriers, and pathways.	Initial list of (gas sector) needs to inform future analysis.

Meeting	Timing	Presentations/Information Sharing	Discussion	Output
Meeting 5: Current Usage Patterns	December 2026	Level-set on existing demand programs: data from utilities on current and projected customer usage patterns based on actuals; participation in existing programs like ConnectedSolutions; how technology could unlock additional potential.	Implications of "ground-truthed" forecasts vis-a-vis assumptions and considerations for next steps.	Updated list of needs and opportunities.
Meeting 6: Needs and Opportunities	January 2027	Possibilities presented by emerging technologies and policies, such as ISO-NE Market Reforms, AMI-enabled utility programs, new technology and partnerships, etc.	Opportunities for solutions surfacing in MA and elsewhere to address barriers, potential workstreams.	Components for development of Phase 1 Foundation Document.
Meeting 7: Phase 1 Foundation Document	February 2027	Feedback on document draft: How can we take what we've learned, and explore policy and regulatory reforms, program redesign, and new technologies to unlock peak demand's potential?	Aligning on definitions, inventory, opportunities, and workstreams.	Revised Phase 1 Foundation Document for ETAB review/ approval.
Meeting 8: Phase 2 Kickoff	March 2027	Phase 2 Kickoff.	TBD	TBD

Between-Meeting Work

Between formal meetings, PEDR FAWG members asked that additional sessions be available for members to learn more about specific subject areas, reports, technologies, and existing programs. To achieve this, OET will organize "deep-dive" webinars, similar to those held to support the Decarbonizing the Peak (DTP) FAWG. These webinars will be optional and recorded, seeded by member input, and held at a regular cadence (day of the week/time, roughly biweekly) between formal PEDR FAWG meetings. Candidate topics and proposed schedule is below and will evolve as PEDR FAWG members identify other topics.

Deep-dive Session	Indicative Timing	Potential Information Sharing	Potential Speakers
Session 1	October 21, 2026s	Level-set on maturity of existing utility capabilities, including foundational technologies, platforms, and programs for load management, demand response and distributed energy resources (DER).	Program administrators/technical experts from each of the utilities; potential expert from other utility to showcase the landscape in other states.
Session 2	November / TBD	Additional explanatory session / Q&A on Energy and Gas demand response – extension of October and November meetings	E3/DOER authors of "Peak Potential" and other reports; Authors of EMT FAWG report

Deep-dive Session	Indicative Timing	Potential Information Sharing	Potential Speakers
Session 3	Early November	Demand Response Tech Session, from companies in both Massachusetts and from around the country.	Representatives from technology companies included in FAWG, especially those with a presence in MA (or interest in establishing one)
Session 4	Late November	Perspectives from ISO-NE and MA DPU on load management capabilities, forecasts, and ongoing projects and initiatives.	Representatives from ISO-NE, DPU, consumer liaison group members.
Session 5	Early December	Thermal Energy Network (TEN) information session – background on TENS and update on progress in MA.	Representatives from Eversource's TEN in Framingham; from Green Ribbon Commission (BosTEN); an institution with a customer-owned thermal loop system; a company building utility residential geothermal; and a company working on geothermal drilling
Session 6	Late December	Inventory of needs/barriers to load management implementation: perspectives from large customers, institutions, etc.	Major consumers and institutions working on demand reduction programs
Session 7	*Later*	Continuation of barriers discussion and/or opportunity for another sidebar session organized based on survey responses. Additional topics could include: rate design and incentives that reward off-peak use; equity & access to load management programs; integrated energy planning...	TBD

In addition to deep-dive sessions, members will have the opportunity to review and comment on interim and draft work products, including the Phase 1 Foundation document. The planning team may host "office hour" sessions between formal FAWG meetings to facilitate discussion and comments on drafts.

Advisory Board Alignment

- **September 2026.** Report on FAWG launch, membership, and work plan.
- **December 2026.** Share/vet key emerging understandings from Phase 1.
- **March 2027.** Review/confirm Phase 1 Foundation Document and proposed Phase 2 approach.
- **June 2027.** Vet potential Phase 2 findings; review the Phase 3 approach.
- **September 2027.** Final recommendations for Board action.