

MASSACHUSETTS CLEAN HEAT STANDARD

TECHNICAL SESSION:
**MASS SAVE COORDINATION &
MEASURE VERIFICATION**

JULY 2023

MassDEP



CLEAN HEAT STANDARD TECHNICAL SESSIONS

Monday, July 24

- Compliance flexibility/banking
- Alternative Compliance Payment level

Tuesday, July 25

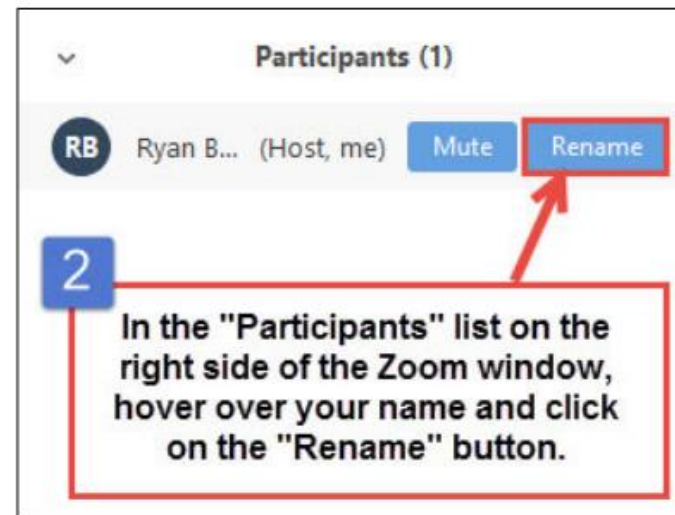
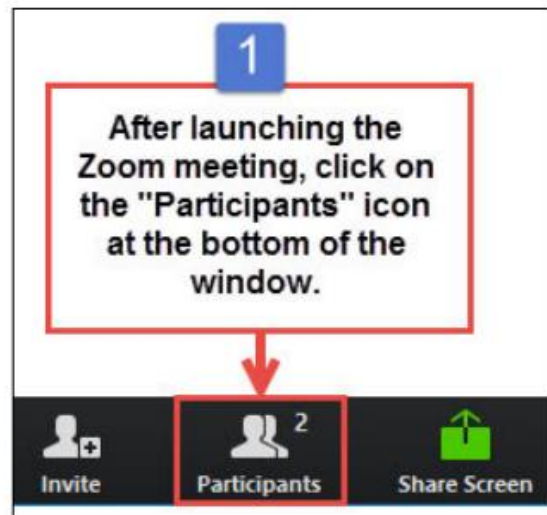
- Calculation of credits by technology
- Hybrid heat system credits

Wednesday, July 26

- Mass Save coordination
- Measure verification

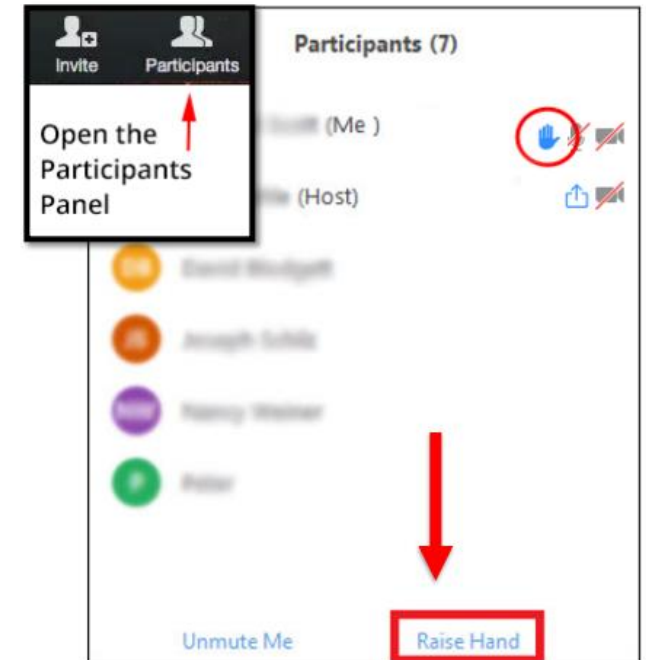
ZOOM MEETING LOGISTICS

- This meeting is being recorded
- To minimize background noise, attendees are on mute
- Please enter your full name, and affiliation if relevant, in the Participants panel



HOW TO PARTICIPATE VIRTUALLY

- There will be opportunities for clarifying questions throughout the presentation and the latter half of the meeting will be dedicated to receiving substantive questions and comments
- To ask a question or provide a comment, raise your hand
- When it is your turn, we will:
 - Notify you by chat
 - Announce your name
 - Unmute you and lower your raised hand



AGENDA

Part I (approx. 45 min)

Mass Save coordination

- Background
- Summary of comments received
- Questions and Comments



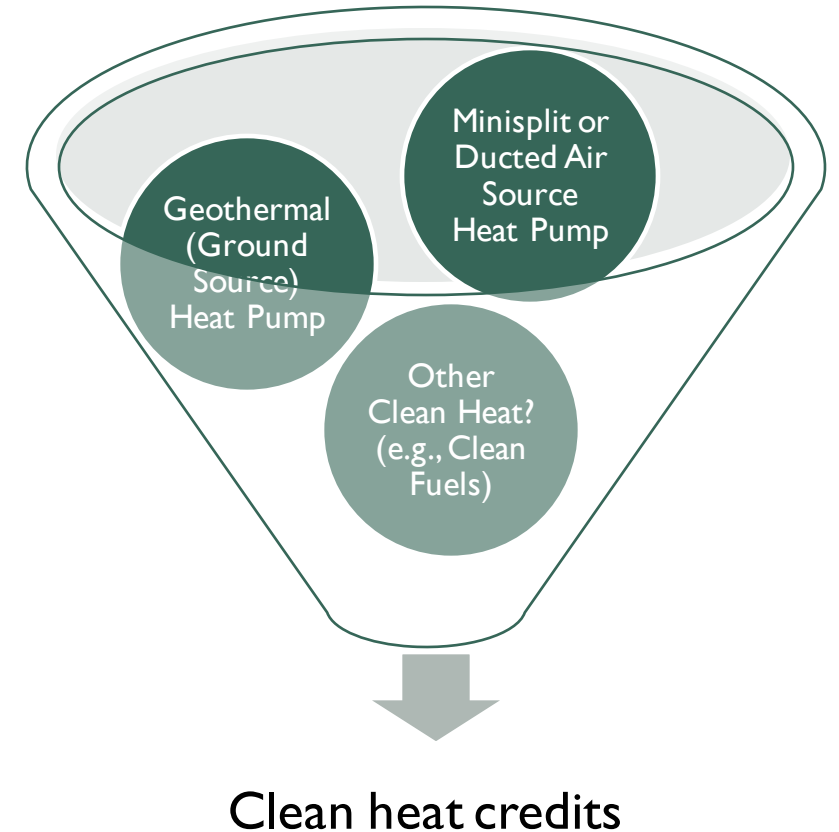
Part II (approx. 45 min)

Measure verification

- Background
- Summary of comments received
- Questions and Comments

WHAT IS A CLEAN HEAT STANDARD?

- A Clean Heat Standard is a regulatory program that requires heating energy suppliers to reduce their GHG emissions over time by acquiring clean heat credits
- Regulated companies (suppliers) would include suppliers of heating oil, propane, natural gas, and possibly electricity
- Suppliers would demonstrate emissions reductions through clean heat credits
- Suppliers could implement clean heat themselves or purchase credits from third parties, such as heat pump installers
- Clean heat credits would be generated by implementing clean heat, such as electric heat pumps



MassDEP is evaluating and seeking stakeholder input on program design details

MASS SAVE COORDINATION

- Mass Save is a "collaborative of Massachusetts' electric and natural gas utilities and energy efficiency service providers" that "empower[s] residents, businesses, and communities to make energy efficient upgrades" From Mass Save, "[About Us](#)"
- "Currently, Mass Save provides most of the funding for state programs related to building decarbonization through ratepayer funding." From MA Commission on Clean Heat Final Report
- "In general, the CHS would complement other policies by providing a new or additional incentive to deploy clean heat technologies and, perhaps more importantly, a requirement to deploy clean heat technologies at a pace consistent with the requirements of the 2025/2030 CECP." From MassDEP Stakeholder Discussion Document

Commenters that discussed Mass Save suggested:

Methodology

- Applying Mass Save's methodology for evaluating energy savings and benefits to the CHS (*many*)
- Aligning Mass Save incentives with CHS goals (*few*)
- Designing the CHS to reach sectors of the energy market not currently covered by Mass Save (*few*)

Equity

- Inclusion of protections for renters in the CHS because landlords may increase rent after building improvements (*many*)
- Coordination with stakeholders about equity pitfalls in Mass Save to prevent them from occurring in the CHS (*many*)

ANY QUESTIONS OR COMMENTS ON MASS SAVE COORDINATION?

QUESTIONS TO STAKEHOLDERS

Which elements of the CHS should MassDEP coordinate with Mass Save?

Are there any outstanding questions or comments on how the CHS can coordinate with Mass Save?

AGENDA

Part I (approx. 45 min)

Mass Save coordination

- Background
- Summary of comments received
- Questions and Comments



Part II (approx. 45 min)

Measure verification

- Background
- Summary of comments received
- Questions and Comments

MEASURE VERIFICATION

- Annual reporting and verification measures, such as third-party verifiers, "help ensure accuracy, and could remove administrative burdens if verifiers bring sufficient expertise."
- Verifiers can confirm that implemented measures meet CHS targets, such as goals regarding greenhouse gas emissions reductions and equity.
 - "For example, blended biofuels will require ongoing monitoring of blend levels and feedstocks, and heat pump installations that retain fossil fuel backup systems may require monitoring of the degree to which the heat pumps are being used to reduce fossil fuel consumption."
 - "There may also be a need to identify credits that represent benefits to LMI consumers, renters, or communities that suffer from poor air quality."

QUESTIONS TO STAKEHOLDERS

Should MassDEP require third party verification? If so, what specific requirements are appropriate?

How should MassDEP define and identify credits that support equitable outcomes?

Commenters that discussed measure verification expressed:

General support
(*many*)

How utility data
could be useful for
verification (*many*)

That aggregators
could act as a third-
party verifiers (*few*)

That verifiers can
reduce the risk of
fraud (*few*)

The importance of
consumer privacy
(*few*)

How verification
must be regular to
be effective (*few*)

That reporting and
verification can be
burdensome (*few*)

That verifiers should
calculate reductions
using EPA or CA
standards (*few*)

ANY QUESTIONS OR COMMENTS ON MEASURE VERIFICATION?

QUESTIONS TO STAKEHOLDERS

Which elements of the CHS may require verification by a third party?

What type of verification would be effective?

Are there any existing programs that require third party verification that MassDEP can use as a model for the CHS?

CLEAN HEAT STANDARD TECHNICAL SESSIONS

Monday, July 24

- Compliance flexibility/banking
- Alternative Compliance Payment level

Tuesday, July 25

- Calculation of credits by technology
- Hybrid heat system credits

Wednesday, July 26

- Mass Save coordination
- Measure verification

GENERAL QUESTIONS AND COMMENTS



MassDEP [CHS web page](#)



Submit comments and questions
to climate.strategies@mass.gov



[Sign up](#) for the CHS email list