

July 5, 2018

Honorable Robert A. DeLeo
Honorable Patricia A. Haddad
Honorable Bradley H. Jones, Jr.

Honorable Ronald Mariano
Honorable Jeffrey Sánchez
Honorable Thomas A. Golden, Jr.

Dear Speaker DeLeo, Majority Leader Mariano, Speaker Pro Tempore Haddad, Minority Leader Jones, Chairman Sanchez, and Chairman Golden:

The Northeast Clean Energy Council (NECEC) and the Acadia Center co-chair the Alliance for Clean Energy Solutions (ACES), a “coalition of coalitions” comprising business groups, clean energy companies, environmental organizations, and health and consumer representatives dedicated to advancing clean energy for Massachusetts. Our organizations along with the undersigned members of ACES thank you and your colleagues for the enormous clean energy success that Massachusetts has seen under your leadership, which has led to cleaner air, well-paying jobs, and significant economic development in the Commonwealth. We also want to urge you to act on several House bills.

Further legislative action is needed *now* in order to realize the benefits of these ongoing clean energy efforts, such as the Renewable Portfolio Standard, the effective implementation of the new SMART solar incentive program pursuant to the Solar Policy Act of 2016, the development of storage anticipated in the Energy Diversity Act of 2016, and modernization of our energy efficiency programs to take advantage of new technologies to reduce peak demand, a key driver of customer energy costs.

Specifically, we are writing to recommend favorable action on four bills that are pending in House committees:

- H.4575 – *An Act to Increase Renewable Energy and Reduce High-Cost Peak Hours* (currently at the House Committee on Ways and Means). This bill includes an increase in the rate at which the Renewable Portfolio Standard (RPS) goes up, keeping pace with renewable energy growth in existing programs and spurring additional development.¹
- H.4576 – *An Act to Increase Grid Resiliency through Energy Storage* (currently at the House Committee on Ways and Means). This bill includes requirements for analysis of the electricity grid, and authorizes competitive solicitations for storage and clean energy resources to avoid expensive infrastructure upgrades.
- H.4577 – *An Act Relative to Net Metering* (currently at the House Committee on Steering, Policy, and Scheduling). This bill would modestly increase the net metering caps for each of the private and public sectors to enable solar and other eligible projects already under development to move forward, including community shared solar and onsite development for businesses. This is important as a transition to the SMART program but also because SMART may leave certain market segments behind
- H.1724 – *An Act Relative to Energy Efficiency* (currently at the House Committee on Bills in the Third Reading)². This revised bill would expand the technologies eligible to be included in the

¹ Contrary to the assertions of some, increasing the RPS will not undermine the pending hydro procurements under Section 83D. If future procurements of large hydro require additional financial support, the Department of Environmental Protection can adjust the Clean Energy Standard accordingly.

² The House Committee on Bills in the Third Reading is expected to amend the currently posted language as agreed by the sponsor Representative Benson and supported by a broad coalition of energy stakeholders.

energy efficiency programs, increasing opportunities for peak load reduction and benefits for customers and the electric system.

These four bills would greatly advance Massachusetts' clean energy leadership and deliver economic, energy, environmental, and health benefits to residents, businesses and industries across the Commonwealth. Prompt action by the House is needed to ensure final passage of legislation on these topics this session.

While it is essential that these bills be approved favorably by the House now, we encourage additional improvements, directly related to the subject matter of these bills, including (1) a firm MW target/requirement for energy storage and provisions for a storage rebate program; (2) resolution of the unfair and inefficient mandatory residential solar demand charge approved in Eversource's recent rate case as a Minimum Monthly Reliability Contribution (MMRC); (3) measures to ensure equitable access to solar for low-income and other customers; and (4) optional on-peak/off-peak electricity rates to provide smart price signals for the operation of energy storage, electric vehicle charging, and general energy management. Measures such as these would help ensure that legislation would continue to advance local clean energy jobs, progress in controlling peak energy demands, fair pricing for ratepayers, and clean energy benefits for all communities in Massachusetts.

Overall, enacting clean energy legislation on these important topics is necessary to meet the Commonwealth's long-term greenhouse gas emissions requirements and build a clean energy economy. Advocacy for these measures has included a substantial amount of rigorous economic analysis. In 2017, the Northeast Clean Energy Council (NECEC) and Mass Energy Consumers Alliance released an analysis of the benefits and costs of increasing the RPS. This 2017 analysis took into account both the recent grid-scale procurements of hydro and offshore wind and the SMART program and concludes that it will increase jobs, reduce emissions, and have little negative impact on ratepayers. Furthermore, a study was recently released on June 21, 2018 by the Applied Economics Clinic at Tufts University, which examined the combination of a significant RPS increase, dedicated offshore wind procurement, lifting net metering caps, and a large-scale commitment to energy storage.³ This study projected 9,800 MW of additional renewable energy capacity by 2030, over 1,800 jobs added as a yearly average, over \$263 million in additional economic development in the Commonwealth, over 600,000 fewer metric tons of annual greenhouse gas emissions by 2030, and little or no impact on ratepayers.

Thank you for your consideration. The members of the ACES coalition strongly urge you to act to ensure that this legislative session will include clean energy legislation that will deliver its benefits to the entire Commonwealth.

Sincerely,

Janet Gail Besser
NECEC

Mark LeBel
Acadia Center

Bill Ravanese
Healthcare Without Harm

Eric Wilkinson
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³ <https://aeclinic.org/analysis-of-massachusetts-an-act-to-promote-a-clean-energy-future>

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