



STATE OF RHODE ISLAND

**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

CONSULTANT TEAM

Massachusetts Three-Year Planning Process: Integration of GHG Goals

Presented to the EERMC By:
EERMC Consulting Team

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Outline

Planning Process Background

Policy Changes

Plan Changes

DPU Ruling

Discussion



Introduction

- MA DPU Approved the 2022-2024 energy efficiency plan on January 31, 2022
- Represents a fundamental shift in the focus of the programs
 - Goal requires Plan to save at least 845,000 metric tons of CO₂e in 2030
 - Also focuses on equity and workforce development
- Presentation describes the policy drivers that enabled this shift and how they shaped the final version of the plan



Green Communities Act

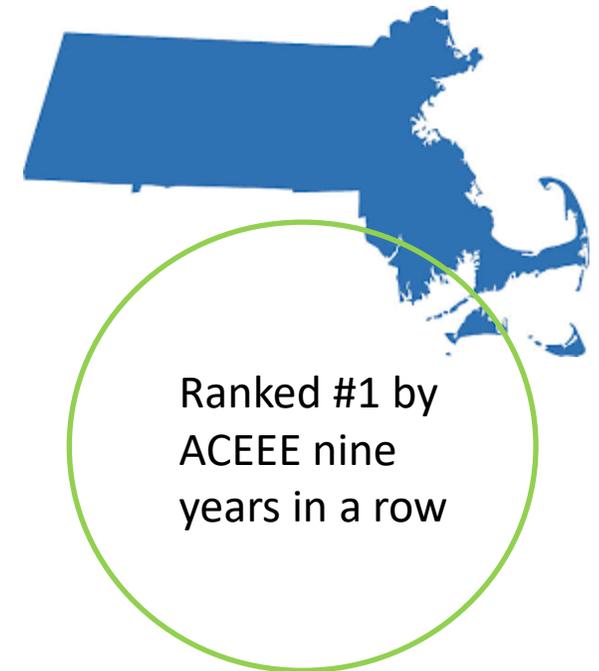
- MA's Green Communities Act (GCA) of 2008
 - Created the Massachusetts EEAC
 - Requires gas and electric Program Administrators (PAs) to file a Plan with the DPU every three years
 - Focuses on energy efficiency (EE) as a resource
 - Requires PAs to pursue all cost-effective energy efficiency and demand reduction resources





Leading up to 2022-2024 Plan

- MA has had among the most aggressive EE goals and comprehensive programs in the country
- EE programs have largely been siloed from state's GHG reduction goals
 - No explicit mandate for PAs to prioritize GHG savings
- For many years, PAs were prevented from using EE funds to incentivize fuel switching





2018 Act to Advance Clean Energy First

- 2018 Act to Advance Clean Energy First
 - Amended the GCA to expand definition of EE programs to include:
 - “energy storage and other active demand management technologies, and strategic electrification.”
 - As a result, 2019-2021 Plan included strategic electrification
 - Started measuring savings in all fuels MMBtus (in addition to KWh and therms)





2021 Act Creating a Next-Generation Roadmap for Climate Policy

- 2021 “Climate Act”
 - Established new mandates for economy-wide emissions reductions by 2030 and 2040
 - Directed the Secretary of Energy and Environmental Affairs (EEA) to set GHG emissions-reduction goals for the 3-Year EE plans
 - Expanded the benefits that can be included in cost-effectiveness screening
 - TRC must include the social value of GHG emission reductions
 - Except for conversions from fossil fuel heating and cooling to fossil fuel heating and cooling





Secretary's GHG Goal

- GHG goals established on July 15, 2021, after PAs filed draft Plan in April 2021
- Separate goals for electric and gas programs
 - Recommended sector level goals
- Based on cumulative annual, adjusted gross GHG reductions in 2030
- Letter prioritizes equity, weatherization, electrification, reduced fossil fuel incentives, and workforce development

Table 1: Greenhouse Gas Emissions Reduction Goal

	2022–2024 Joint Statewide Energy Efficiency Plan (electric)	2022–2024 Joint Statewide Gas Efficiency Plan (gas)
Emissions Reductions in metric tons of CO _{2e}	504,000	341,000



Impact on Draft Plan

- April draft plan was well under Secretary’s GHG Goal
- PAs spent next several months working with C-Team, DOER, the EEAC, and other stakeholders to revise plan to meet the goal
- Final filed version included heavy emphasis on longer lived measures and electrification

GHG Goal	Secretary's Goal - 2030 Metric Tons	% Achievement April Draft	% 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 through gas to electric fuel switching will be allowed to count for up to 6% of underachievement on electric GHG goal



Strategies for Achieving GHG Goal

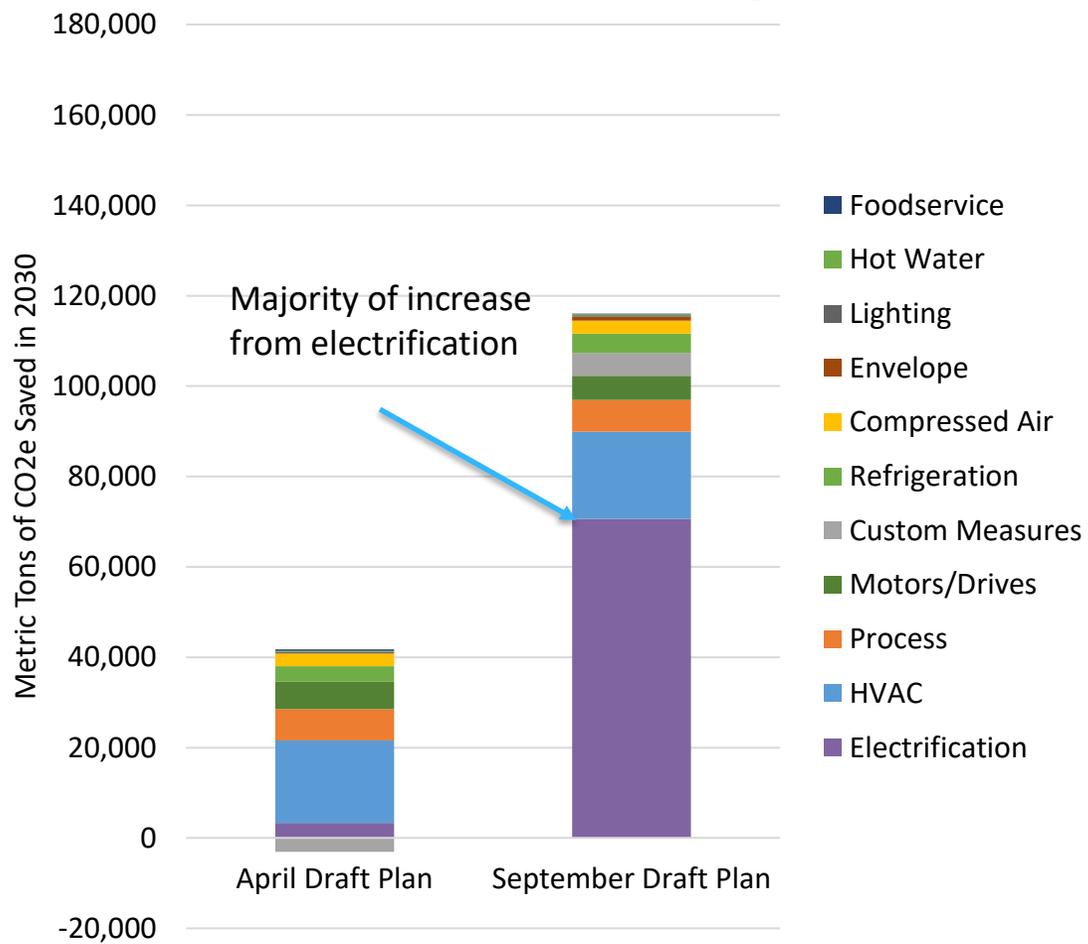
- Increased heat pump goals in residential and C&I sectors
- New incentives and goals for electrification in gas programs
- Commitment to all-electric new construction offerings
- Increased weatherization investments
- Commitment to launch deep energy retrofit offering for C&I and affordable multi-family buildings
- Deemphasis of some traditional EE measures
- Performance Incentive metric that includes a component for strategic electrification



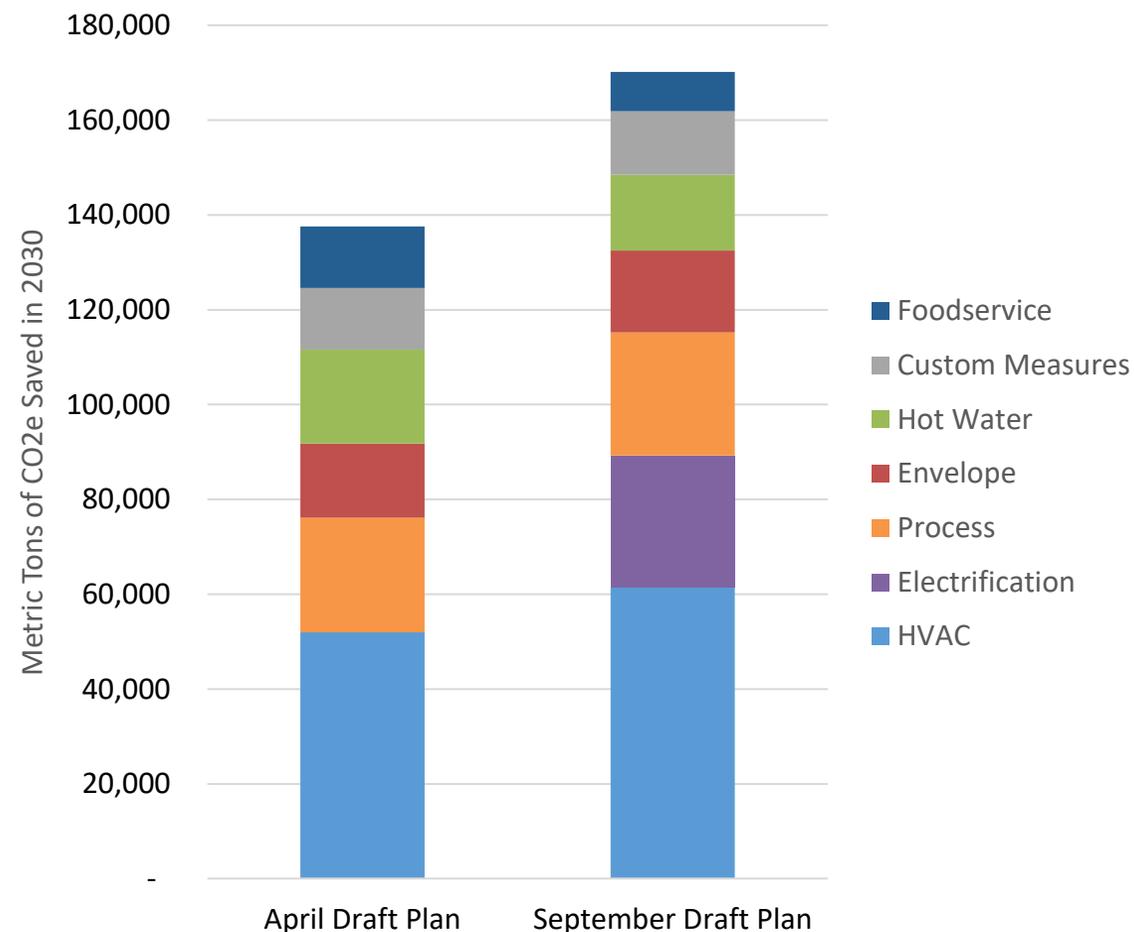


C&I Adjustments by End Use

C&I Electric GHG Savings



C&I Gas HG Savings





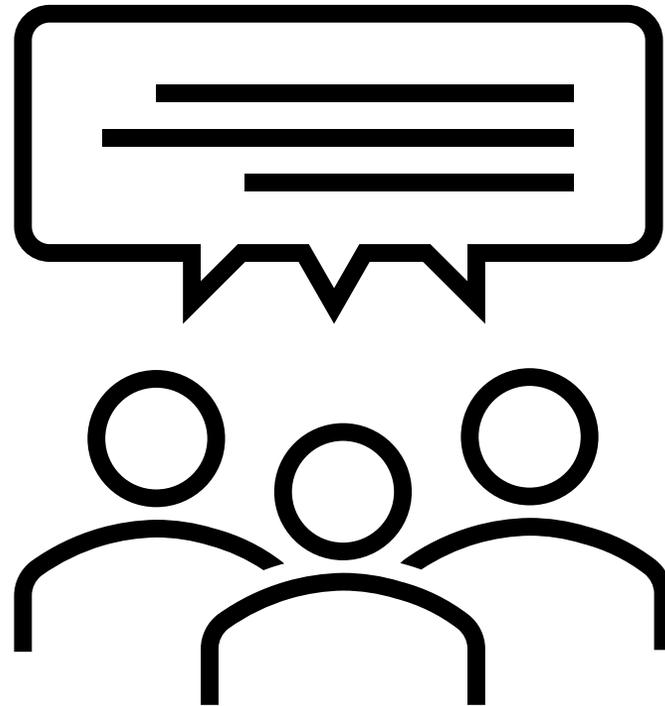
DPU Order on 2022-2024 Plan

- As approved, the 2022-2024 Plan is transformational and better aligns programs with state climate goals
- Included some modifications and clarifications, for example:
 - DPU supportive of electrification, but stressed importance of simultaneous efficiency
 - DPU allows PAs to implement electrification measures that are not cost-effective at the measure level
 - Added lighting back into home energy assessments, directed evaluation of renter lighting purchasing habits
 - Certain fossil fuel heating measures added back into plan
 - Directed PAs to use a different social value of GHG emissions reductions



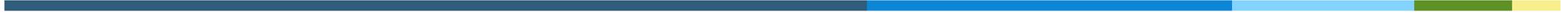


Council Member Discussion





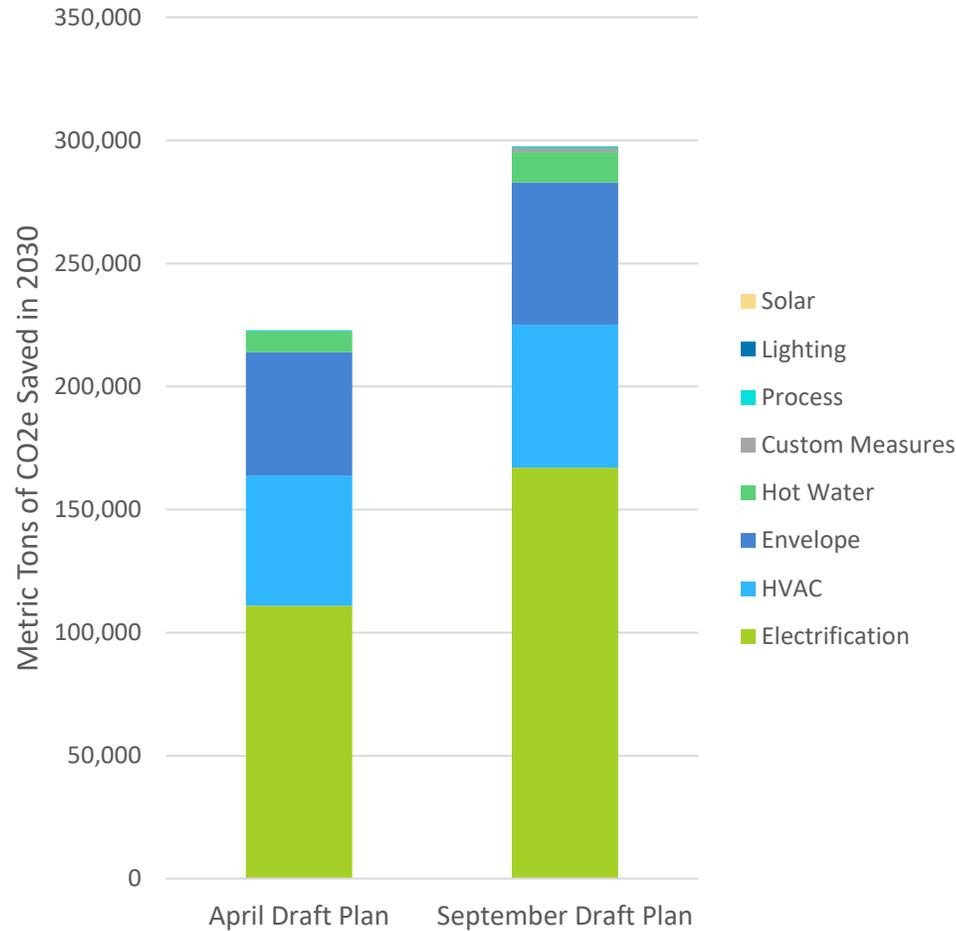
Appendix



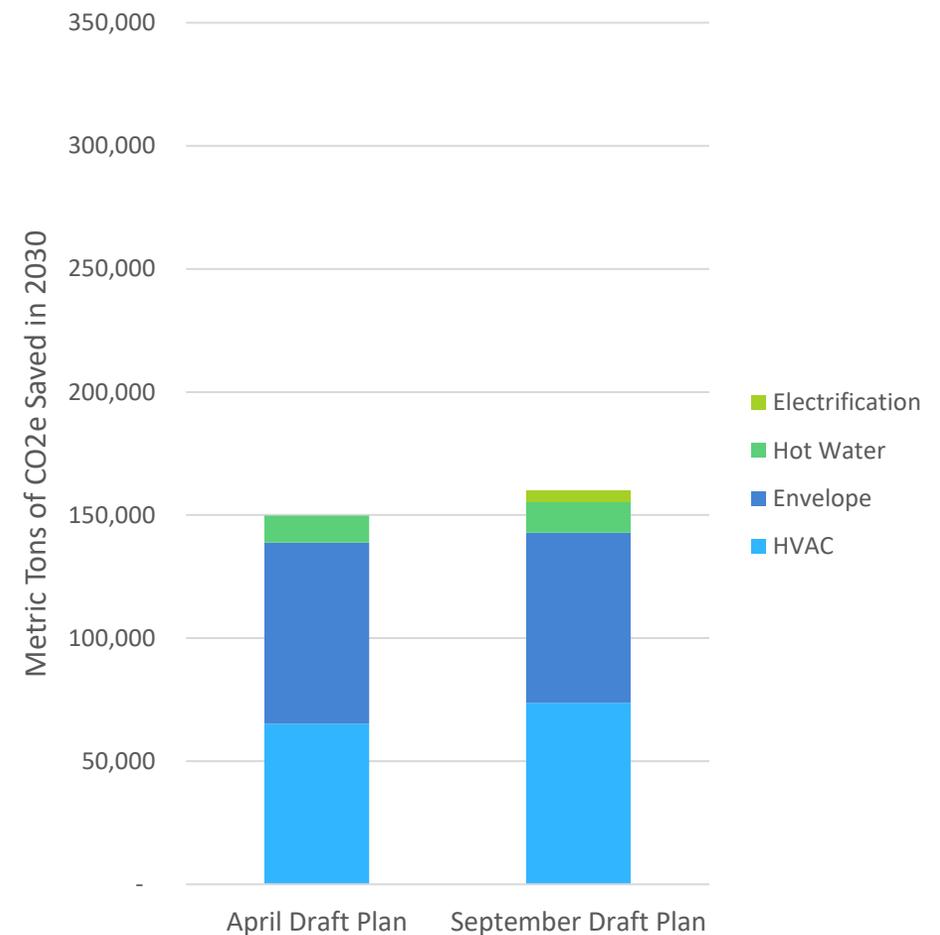


Residential Adjustments by End Use

Residential Electric GHG Savings



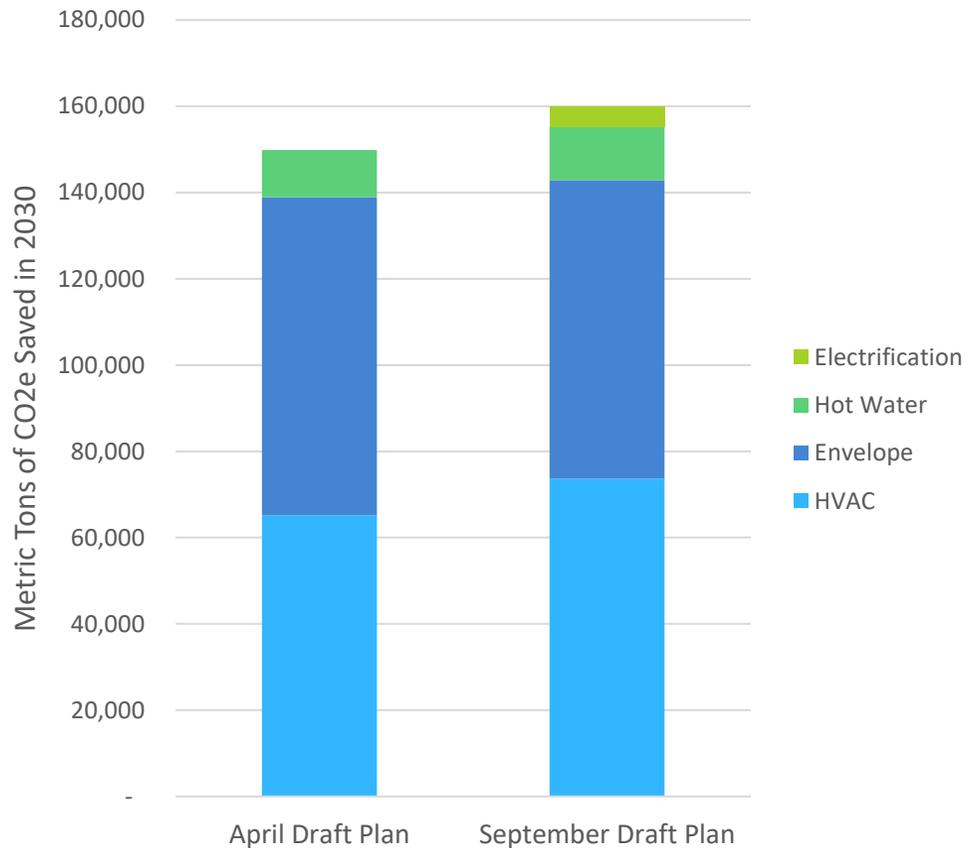
Residential Gas HG Savings





Income Eligible Adjustments by End Use

IES Electric GHG Savings



IES Gas HG Savings

