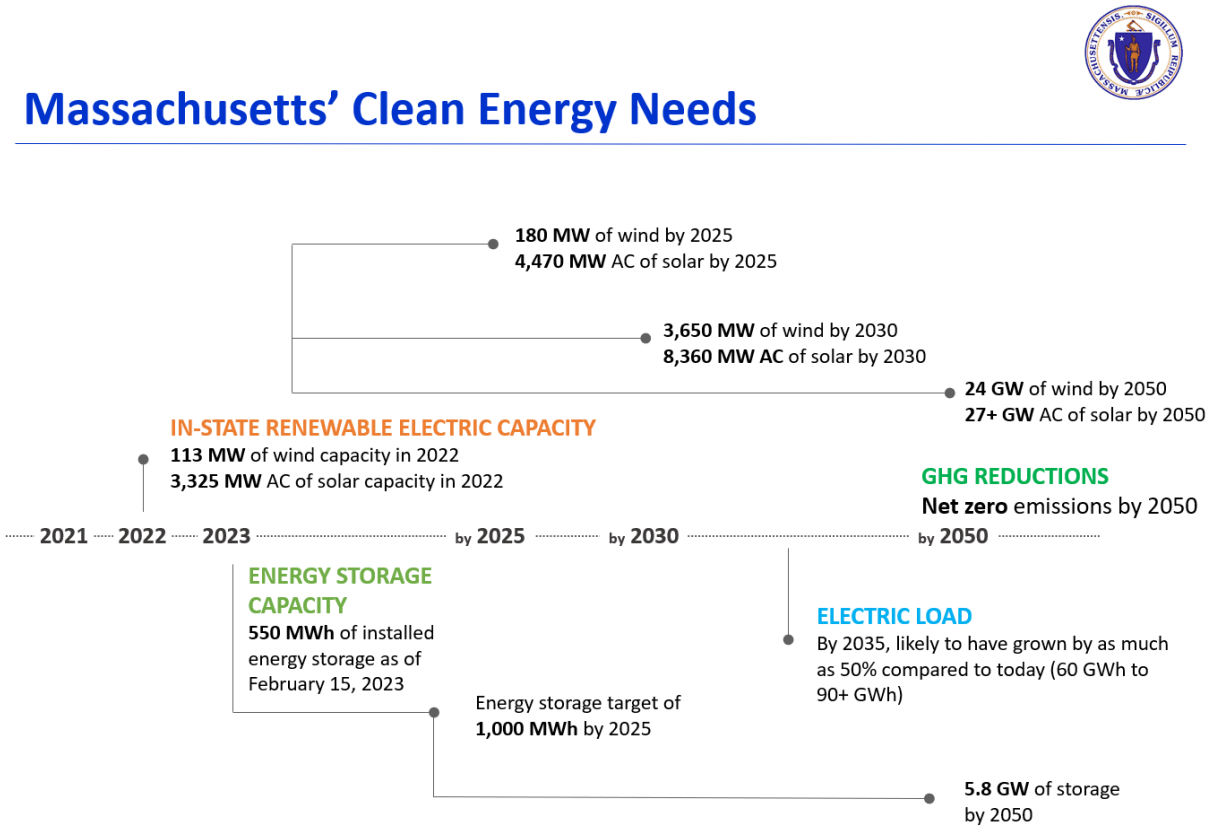
Climate Bill Legislative Summary

An Act Accelerating a Responsible, Innovative, and Equitable Clean Energy Transition

---

A critical component to combatting climate change is electrification – using electricity to power electric heat pumps for heating and cooling, electric vehicles to get around, and using efficient appliances. Similarly, we need a supportive and reliable electric grid.



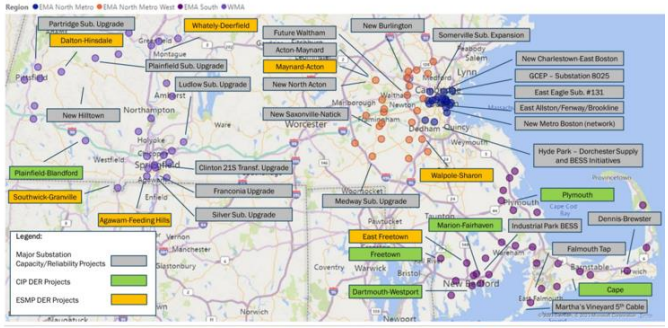
As shown in the above chart, to meet this demand with clean energy, Massachusetts needs to more than double its supply of electricity from solar energy and install more than 3,650 MW of wind by 2030. Massachusetts must build and upgrade additional electrical grid infrastructure, including distribution and transmission lines, electrical substations, and energy storage. That translates into a lot of new substations, upgraded substations, and distribution feeders as outlined in the image below.

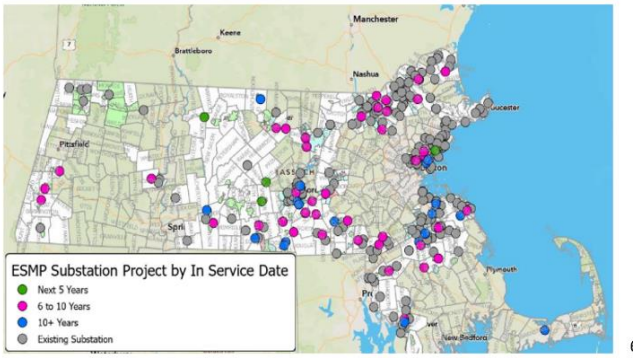
Transmission and Distribution Infrastructure

- Accommodating large amounts of clean energy and electrification will require significant investments in the transmission and distribution grids

- Eversource
  - By 2035:
    - 17 new substations
    - 26 upgraded substations
- National Grid
  - By 2035:
    - 28 new substations
    - 17 upgraded substations
    - 17 new distribution feeders

10-Year DER Capital Investment Project (CIP) Solutions





Currently, these clean energy infrastructure projects can take up to a decade to build and sometimes lacks critical community input from those most impacted as they move through the siting and permitting process. Massachusetts cannot afford to wait to build badly needed clean energy infrastructure. Thus we must overhaul these outdated siting and permitting processes to empower the Commonwealth to quickly, responsibly, and equitably deploy clean energy projects and infrastructure to meet its near-term (2030/2035) and long-term goals (net-zero 2050) and create better outcomes for communities (municipalities, including environmental justice populations and rural areas) and project proponents (utilities, and clean energy companies).

At the same time, we need to harness innovative technologies to power our green transition (advanced metering, fusion, battery storage, grid-enhancing technologies) and build out the infrastructure to support widescale adoption of electric vehicles and heat pumps. This involves generating and procuring more clean power, solving interconnection issues, and incentivizing consumers and businesses to adopt green technologies.

We accomplish these goals through a comprehensive set of reforms and adopt policies that continue to bolster the transition.

Siting and Permitting Reform (§ 1, 3 – 6, 7, 10, 14, 17, 18 – 19, 27 – 53, 57-59, 76-78, 86-94)

Right now, there are no deadlines with respect to clean energy permitting. The provisions of this bill consolidate permitting at both state and local levels and set 12-to-15-month limits for the issuance of all final permitting decisions. We also streamline the appeals process, establish community engagement requirements for developers, provide support to municipalities and organizations to better engage in permitting processes, and create guidance on the suitability of sites for future energy infrastructure development.

Consolidated State Permitting

- Consolidate all state, regional, and local permits larger projects into one consolidated permit issued by the Energy Facilities Siting Board (EFSB).
- All state and local agencies that would otherwise have a permitting role would be able to automatically intervene and would participate by issuing statements of recommended permit conditions.
- EFSB decisions can be appealed directly to the Supreme Judicial Court.
- Permit must be issued in less then 15 months from determination of application completeness.

- Would apply to generation facilities >25 MW, storage facilities >100 MWh, and large new transmission projects

Local Siting and Permitting (with Statewide Standards)

- Amends DOER's powers and duties to add new authority to promulgate regulations, guidelines, and standard conditions that establish parameters for the siting, zoning, review, and permitting and clean energy infrastructure by local government. (**§ 10**)

- Allows proponents of small clean energy infrastructure facilities (<25 MW) to submit a consolidated small clean energy infrastructure facility permit application seeking a single permit consolidating all necessary local permit and approvals **(§ 14)**
- Requires local governments to issue a single, final decision on a consolidated small clean energy infrastructure facility (<25 MW) permit application within 12 months of the receipt of a complete permit application **(§ 14)**
- Clarifies that individual decisions of local government authorities, boards, commissions, offices, or other entities that would otherwise be required to issue 1 or more permits to small clean energy infrastructure facility may not be appealed or reviewed independently **(§ 14)**
- Ensures local permitting authorities retain jurisdiction over clean energy facilities less than 25 MW and energy storage facilities under 100 megawatt-hours. (**§ 33**)
- In order to reduce appeals timelines for projects undergoing permitting before the more comprehensive siting and permitting reform in this legislation go into effect, these sections clarifies that appeals of local permitting decisions pertaining to renewable energy and storage projects go directly to land court. **(§ 59, 92)**

State Siting and Permitting

- Updates the EFSB mandate consistent and incorporate MEPA statute review language. (**§ 37**)
- Establishes new EFSB clean energy infrastructure consolidated permitting requirements and processes. (**§ 51**)
    - Allows the EFSB to issue consolidated permits for large clean energy infrastructure facilities with certain application requirements and requires the state (through EFSB) to establish criteria governing the siting and permitting of large clean energy infrastructure facilities
    - Allows the EFSB to issue a consolidated permit for a small clean transmission and distribution infrastructure facility
    - Allows the EFSB to issue a consolidated state permit for small clean energy generation and small clean energy storage facilities
- To avoid delaying the deployment of large energy storage systems before the comprehensive siting and permitting reform in this legislation go into effect, this section authorizes energy storage systems larger than 100 MWh to petition the EFSB to obtain a certificate, provided they have obtained a zoning exemption from DPU under section 3 of 40A and submitted the petition for such a zoning exemption before the new EFSB consolidated permit rules go into effect on March 1, 2026. **(§ 76)**

Support for Municipalities

- Establishes a new division of clean energy siting and permitting at DOER which provides technical support and assistance to local governments. (**§ 7**)
- Establishes parameters for DOER's creation of statewide standards pertaining to local siting, review, and permitting of clean energy infrastructure, including opportunities available to local communities for support. (**§ 14**)
    - If a local government lacks the resources, capacity, or staffing to review a small clean energy infrastructure facility permit application within 12 months, the local government may, not less than 60 days after receipt of the application, request (in writing) a de novo adjudication of such application.
    - When promulgating the regulations to implement the statewide standards pertaining to local siting, review, and permitting of clean energy infrastructure, the department is required to consult local governments, the MMA, and other departments/executive offices

Community Engagement

- Updates the composition of the EFSB by adding a municipal member and require other public members to be experts in specific subject areas. (**§ 37**)
- We gain more meaningful and just community engagement by establishing mandatory requirements at the beginning of the process:
    - Requirements to post specific project information on a publicly accessible website and in locations where communities commonly gather at least 15 days prior to an initial public meeting.
    - A 60-day written public comment period prior to filing with EFSB.
    - Documentation of efforts to involve community organizations.
    - Demonstration of efforts to develop community benefit agreements, including establishing the Office of Environmental Justice and Equity with authority to develop guidance for community benefit plans and agreements and to develop a cumulative impact analysis framework to inform the EFSBs work. (**§ 1**)
        - The definition of "cumulative impact analysis" was expanded to account for public health impacts that are commonly flagged as concerns by environmental justice communities, but might not necessarily be classified as environmental damage.
    - Establishes a requirement for EEA to develop site suitability methodology to be applied by DOER/municipalities and EFSB when evaluating siting and permitting decisions (**§ 1**)
    - Requires the DPU Siting Division to create an online, real-time dashboard to monitor the accelerated, responsible deployment of clean energy infrastructure;

facilitate community input into the siting and permitting of clean energy infrastructure; and ensure the deployment of clean energy benefits is equitably shared among the Commonwealth's residents. (**§ 3)**

- Establishes a Department of Public Utilities and Energy Facilities Siting Board Intervenor Support Trust Fund (using developer application fees and assessments) to help certain entities participating in permitting proceedings (**§ 5, 6, 57**)
- Establishes the Division of Public Participation at DPU which is tasked with helping stakeholders with business before the DPU/EFSB (**§ 5**).
    - This includes assisting parties with DPU issues:
        - Navigating filing requirements
        - Opportunities to provide comment and intervene
        - Facilitating dialogue among parties to proceedings
    - With respect to siting and permitting matters under the jurisdiction of the EFSB, the Division of Public Participation shall assist individuals, local governments, community organizations, project applicants, and other entities with:
        - Navigating pre-filing consultation and engagement requirements
        - Clarifying filing requirements
        - Identifying opportunities to intervene
        - Facilitating dialogue among stakeholders involved in the permitting process
        - Coordinating with other state, regional, and local officials (including the office of environmental justice and equity)

Consolidated Local Permitting

- Local governments (municipalities and regional commissions such as the Cape Cod and Martha's Vineyard Commissions) retain all permitting powers for projects not subject to review by the EFSB.
- Local governments may continue to run separate approval processes concurrently (e.g., wetlands, zoning, etc.).
- Local governments would be required to issue a single permit that includes individual approvals for clean energy infrastructure.
- Permit must be issued in within 12 months.
- Local governments can refer permitting review directly to the EFSB if they do not have sufficient resources.
- Permit applications can also be reviewed by EFSB following a local government's final decision if a review is requested by parties that can demonstrate they are substantially and specifically impacted by the decision, then further appealed directly to the Supreme Judicial Court.
- DOER would create a standard municipal permit application and a uniform set of baseline health, safety, and environmental standards to be used by local decision makers when permitting clean energy infrastructure.

- Would apply to generation facilities <25 MW, storage facilities <100 MWh, and non-EFSB jurisdictional transmission and distribution projects

These provisions incorporate feedback received through a TUE Committee public hearing, stakeholder meetings, and Governor Healey's Commission on Clean Energy Infrastructure Siting and Permitting (which itself included two public listening sessions and 1500-plus public comments and 15 Commission meetings).

Clean Power

Long-Term Procurements **(§ 64, 66, 74)**

- Calls for a new procurement of 9.45 million megawatt-hours of clean energy resources, including existing nuclear generation. **(§ 66)**
- Allows future offshore wind and clean energy contracts to be extended up to 30 years, an increase from the current limit of 20 years **(§ 64)**
- Directs the Department of Energy Resources (DOER) to review the effectiveness of existing 83C offshore wind solicitations and procurements in contributing to statewide emissions goals and submit recommendations for changes to the Legislature. **(§ 74)**

Market-Based Mechanisms for Clean Energy Generation Development **(§ 70, 71)**

- Upon completion of an investigation in consultation with DOER and DPU, if the EEA Secretary finds that using or participating in regional or multi-state competitive market-based mechanisms or competitive solicitations to facilitate the development of clean energy generation would be beneficial to the Commonwealth, they are to direct DOER to promulgate regulations establishing such mechanisms. **(§ 70)**
- Regulations promulgated by DOER to this effect may include long-term contracts, ISO New England administered markets or any other exchanges, banking, credits, charges, exactions, or electricity transactions. **(§ 71)**

Energy Storage **(§ 13, 66)**

- Requires DOER, distribution companies, in coordination with DOER, to procure up to 5,000 megawatts of energy storage **(§ 66)**. Of the 5,000-megawatt target:
    - 3,500 MW shall be mid-duration energy storage
    - 750 MW shall be long-duration energy storage
    - 750 MW shall be multi-day energy storage
- Authorizes DOER to develop a statewide energy storage incentive program to encourage the continued development of energy storage resources connected to the distribution system throughout the commonwealth (in response to the December 2023 CETWG Report that was required in the 2022 climate bill) (**§ 13)**.

Grid Enhancing Technologies **(§ 57)**

- Requires the utilities to conduct cost-effectiveness and timetable analyses of multiple strategies, including deployment of grid enhancing technologies, when proposing capital investments **(§ 57)**

Advanced Metering Infrastructure **(§ 22, 55, 82, 83)**

- Creates definition for "Advanced Metering Infrastructure" (AMI) **(§ 22)**.
- Requires EDCs deploying AMI to jointly create a centralized data repository to provide access to access detailed AMI customer data, subject to customer approval and protections **(§ 55)**
- Establishes an opt-out option available for electric customers, who will be charged reasonable and necessary fees for delivering non-advanced metering service **(§ 55)**.
- The AMI provisions included in §55 shall be implemented not later than 1 year after the effective date of this act. **(§ 82)**

- All distribution companies shall submit plans for the implementation of AMI data access protocols to the DPU no later than 180 days of the effective date of this act **(§ 83)**.

Interconnection **(§ 54, 84)**

- Directs DPU to promulgate time limit rules for the interconnection and cost allocation process as established by c.164 §92E(b) within 270 days following legislation's enactment **(§ 84)**.
- Establishes an interconnection cost allocation framework proportionate to project size **(§ 54)**.
- Forms a working group to review interconnection tariffs, standards, and processes **(§ 54)**.

Fusion Energy **(§ 12, 23, 25)**

- Adds fusion energy to the list of RPS Class I renewable energy generating sources **(§ 12)**
- Defines "fusion energy" as energy generated when nuclei from light atoms, such as hydrogen, combine to form a single heavier atom, such as helium **(§ 23)**
- Adds fusion energy to definition of "renewable energy" in Chapter 164 **(§ 25)**

Moderate-Income Discount Rate **(§ 26, 56, 81)**

- Grants DPU authority to establish criteria for a moderate-income discount rate in addition to the existing low-income discount rate. **(§ 26, 56, 81)**
    - In January 2024, DPU opened an investigation into energy affordability for Massachusetts ratepayers. The docket will allow DPU to consider improvements to current energy affordability programs to reduce the energy burden that impacts residential ratepayers.
    - The costs of these discounts will be included in the rates charged to all other customers of a distribution company upon approval by the department.

Offshore Wind Tax Credit **(§ 20, 21)**

- Lowers the threshold of full-time employees a lessee of an offshore wind facility needs to be eligible for the offshore wind tax credit from at least 200 full-time employees to at least 50 full-time employees **(§ 20)**
- Lowers the threshold of full-time employees a lessee of an offshore wind facility needs to be eligible for the refundable credit for capital investment from at least 200 full-time employees to at least 50 full-time employees **(§ 21)**

Transportation Electrification and Building Decarbonization

Geothermal **(§ 24)**

- Revises the definition of "gas company" to clarify that gas companies may make, sell, or distribute utility-scale non-emitting thermal energy, including networked geothermal and deep geothermal energy

Applicance Standards **(§ 16)**

- Allows the DOER Commissioner to update appliance standards to facilitate the deployment of flexible demand technologies, which can help reduce greenhouse gas emissions by scheduling, shifting or curtailing appliance operations with consumer consent. (**§ 16)**

Electric Vehicle Infrastructure (**§ 68, 72, 79)**

- Adds the executive director of MassCEC, or their designee, and the attorney general, or their designee, to the electric vehicle infrastructure coordinating council (EVICC) **(§ 68)**
- Requires the Department of Energy Resources, in consultation with MassDOT and other key stakeholders, to forecast electric vehicle charging demand through 2045 along highways and major roadways as well as service plazas and identify sites to create a statewide network of Fast Charging Hubs along Massachusetts highways and major roadways. **(§ 72)**
- Directs the Department of Environmental Protection, in consultation with the Board of Fire Prevention and Regulations and DOER, to issue guidance on the public health, safety, and environmental impacts of electric battery storage and EV chargers within six months of the effective date of the legislation. **(§ 79)**