



The General Court of the Commonwealth of Massachusetts
State House, Boston, MA 02133

April 2, 2024

Chair James Van Nostrand
Department of Public Utilities
1 South Station, 3rd floor
Boston, MA 02110

Commissioners Cecile M. Fraser
Department of Public Utilities
1 South Station, 3rd floor
Boston, MA 02110

Commissioner Staci Rubin
Department of Public Utilities
1 South Station, 3rd floor
Boston, MA 02110

RE: Meeting State Climate Goals, Utility Geothermal Incentives, Proposed Expansion Programs, Competitive Procurement, and DPU Budget and Staffing

Dear Chair Van Nostrand, Commissioners Fraser, and Commissioner Rubin,

We would like to thank Chairman Van Nostrand for the meeting and discussion we had on Wednesday, March 27th with DPU staff members.

As co-chairs of the Clean Energy Caucus (CEC), we have been discussing the current clean energy landscape and the progress in the environmental sector with former caucus members and clean energy advocates. The CEC is a coalition of legislators committed to the clean energy transition, the advancement of green energy sources and technology, the reduction of greenhouse gas emissions, and the promotion of clean energy jobs and environmental justice communities through legislation, stakeholder collaboration, educational briefings, and public awareness. On Wednesday, March 27th, the CEC co-chairs met with members of your team — Katie Zilgme, Andrew Strumfels, and James Van Nostrand — to discuss many of the issues we have raised below. Please consider this correspondence a formal response to that meeting, which we greatly appreciated having.

As we continue with the 193rd Session — and in recognition of your continued leadership and

advocacy in the clean energy space — we are encouraged, hopeful, and committed to working with you to find solutions to the following issues:

Aligning the Utility Business Model with State Climate Goals: Your staff shared with us that in response to the DPU's 20-80 docket, LDCs have issued a petition for more clarification and will be filing an order soon. Although gas companies follow an obligation to serve, the 20-80 docket requires that companies must consider non-gas pipeline alternatives in their service areas. If a gas company wants to extend its service, its services must be consistent with state climate goals. We are interested in continuing to follow this matter and receiving any updates.

Utility Geothermal Incentive Structure: From our understanding, the DPU has not yet formally thought about implementing an incentive infrastructure, but the Department does agree that they are needed. Utilities essentially follow the signals that are given to them.

Utilities' Proposed Expansion Programs: Based on our conversation, it looks like the DPU already has the tools to ensure compliance for any proposed expansion program. The 20-80 docket outlined a climate compliance plan that allows utilities to have some leverage to demonstrate that they are following the right path. We would still like to explore the potential for independent third parties to review proposed expansion plans, considering that it is a possible avenue.

Competitive Procurement and Transmission Infrastructure: The DPU currently follows a Right of First Refusal dynamic while at the federal level, there is opposition to this dynamic in favor of a competitive bidding structure. This issue is more relevant at the ISO-level. The DPU also follows a prudence review system, but because it is very labor intensive, there aren't enough staff to work on these cases. We are interested in continuing to follow conversations on this issue.

DPU Staffing and Budget: We understand that in order to successfully implement laws and carry out dockets, the DPU would require a larger budget for staffing. Lawyers are working overtime and the Department anticipates having a heavy workload with the Climate Bill. Although the Department could not provide us with ideal budget figures, we are interested in continuing to have this conversation so that we can best assist DPU staff.

As we continue this legislative session, we hope to continue the conversation on the issues addressed above and those that remain unresolved.

Thank you for your continued and thoughtful leadership on clean energy issues in the Commonwealth, and thank you for your consideration of the issues outlined above. We look forward to having more conversations with your department in the future.

Sincerely,

Handwritten signature of Jamie Eldridge in blue ink.

Jamie Eldridge
State Senator
Middlesex & Worcester District

Handwritten signature of Steve Owens in blue ink.

Steve Owens
State Representative
29th Middlesex