

THE ARGUMENT

# Should the state phase out Mass Save rebates for new oil-fired systems for heat and hot water?

Read two views and vote in our online poll

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**YES**

**Larry Chretien**

*Executive director, Green Energy Consumers Alliance; former member, Massachusetts Energy Efficiency Advisory Council; Quincy resident*



Larry Chretien

State energy officials and utilities are developing a draft plan for the energy efficiency program, Mass Save. This plan is important because state law requires that greenhouse gas emissions be reduced 50 percent by 2030 and 85 percent by 2050. Historically, Mass Save has offered generous incentives to consumers who upgrade to significantly more efficient heating systems and it made sense until now.

But the current plan would gradually eliminate rebates for new oil systems and significantly reduce them for propane and gas-fired systems. Today, that makes sense. It's time to shift spending away from anything that would encourage the purchase of new fossil fuel equipment.

A heating system bought in 2024 could last until 2050, making it impossible for Massachusetts to reach the greenhouse gas limits in state law. For that reason, we should encourage the adoption of highly efficient electric heat pumps, which result in much lower emissions than fossil fuel systems – especially in new construction. We should also insulate more existing homes, regardless of how they are heated. The tighter we can make the building envelope; the less energy of any kind will be needed to heat or cool the space.

Electric utilities have no reason to oppose eliminating rebates for upgrading oil-fired heating systems. As you might expect, heating oil dealers object to the idea. We only wish those dealers would instead contribute to reducing emissions by becoming leaders in providing heat pumps and insulation.

We would also like to see the state take a big step further to also eliminate rebates for gas-fired systems. Taking into account all emissions, from fracking to leaks in the system then up the stacks, gas is in the same league as oil. Yet, the current draft plan includes about \$190 million in continuing incentives for gas-fired systems. That money should be redirected.

In this era, heating oil dealers and gas utilities should adapt their business models to conform to the state's expanded efforts to transition from fossil fuels to clean energy. Mass Save's plan for 2022-2024 will be an important step along the way. The document will be finalized in October, so there's time to get it right.

**NO**

**Michael Ferrante**

*President, Massachusetts Energy Marketers Association; non-voting member, Massachusetts Energy Efficiency Advisory Council; Essex resident*



Michael Ferrante

The Commonwealth's gas and electric utilities, with the backing of the state's energy office, are poised to eliminate Mass Save heating equipment rebates, along with the no-interest HEAT loan for heating oil customers in Massachusetts who want to upgrade to a new heating oil system. This change would mean that if you need to replace your heating oil system with a new, high-efficiency heating oil system, you will no longer be eligible for any type of financial assistance from the state. But your next-door neighbor who wants to replace a gas heating system will be.

This is simply wrong and unfair.

Mass Save is funded by every customer served by the state's largest utilities through a monthly fee that is included on gas and electric bills. The program has helped many homeowners replace inefficient heating systems fueled by natural gas, heating oil, and propane. Now, the state wants to take millions of Mass Save dollars paid by heating oil homeowners and essentially redirect the money to incentivize the conversion of thousands of homes from heating oil to electric heat pumps.

It is unfair to pilfer energy efficiency funds paid by nearly 800,000 heating oil customers to erode the heating oil marketplace with heat pumps as a solution to climate change. This policy would force consumers to spend more money on equipment they don't need.

In Massachusetts and other states, petroleum-based heating oil is currently being replaced with advanced biofuels made from renewable products such as soy and recycled cooking oil. This fuel is reducing our dependence on carbon-based fuels and immediately reduces carbon emissions.

The state's decision to eliminate rebates and loans for oil-fired units contradicts its support for expanded biofuel use. That just seems counterproductive.

The heating oil industry in Massachusetts is committed to altering the impact of climate change by providing its customers with this clean fuel that is readily available, priced comparable to traditional heating oil, and requires no upfront retrofit costs.

If the state is truly serious about reducing its carbon footprint and not increasing financial burdens on homeowners, low-income residents, and environmental justice communities, then these incentives should remain in place.