

# Climate Change Laws & Policies in Massachusetts

2007 - Present



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## 2007 Regional Greenhouse Gas Initiative: Funding Climate Change & Electrification

Under former Governor Deval Patrick (D), Massachusetts joined 7 other northeast states and signed RGGI to develop a market-based system for reducing carbon dioxide CO<sub>2</sub> emissions from power plants.

States sell CO<sub>2</sub> allowances through auctions and invest proceeds in energy efficiency, renewable energy, and other consumer programs including electric heat pump rebate programs.

# RGGI Funds

Massachusetts received \$512.7 million in RGGI proceeds from 2008-2018.



Since 2008, Massachusetts has invested more than \$490 million in RGGI funds to advance the Commonwealth's energy goals. The majority of the RGGI funds go to energy efficiency programs including Mass Save and the Green Communities Program.

# 2008: Landmark Year for Legislation

Under Governor Patrick, state legislature enacts:

- **Global Warming Solutions Act (GWSA)**

The GWSA requires the Executive Office of Energy and Environmental Affairs (EOEEA), in consultation with other state agencies and the public, to set economy-wide greenhouse gas (GHG) emission reduction goals for Massachusetts that will achieve reductions of:

1. Between 10% and 25% below statewide 1990 GHG emission levels by 2020
2. At least 80% below statewide 1990 GHG emission levels by 2050



# 2008 Legislation

- **Green Communities Act**

Mandates comprehensive reform of the Massachusetts energy marketplace to improve the state's ability to **meet the GWSA targets**. Requires expansion in energy efficiency programs, supports the development of renewable energy resources, creates greener state building codes, removes barriers to renewable energy installations, stimulates technology innovation, and helps consumers reduce electric bills. The law established the Green Communities Program, providing cities and towns with energy efficiency and renewable energy opportunities.

The law also created the **Energy Efficiency Advisory Council (EEAC)** and mandates the EEAC develop new energy efficiency programs for the gas and electric utilities every 3 years. MEMA is a non-voting member of the EEAC. The primary vehicle for the utility programs is the Mass Save equipment rebate program that is subsidized by an energy efficiency charge paid by every customer of the state's 6 investor-owned utilities.

# 2008 Legislation

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## **Clean Energy Biofuels Act**

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Massachusetts enacts the first “biofuels” mandate in the U.S. for both home heating oil and on-road diesel. The law required a 2% (B2) blend in both fuels by July 1, 2010, B3 in 2011, B4 in 2012 and B5 in 2013.

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State energy officials suspend the implementation of the law on June 30, 2010, stating that “meeting the mandate is not feasible due to lack of supply, lack of blending facilities or unreasonable cost.”

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MEMA has worked unsuccessfully for 11 years to reinstate the mandate.



# Massachusetts Clean Energy Center

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Established by statute in 2009.

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Independent governmental entity within the Executive Office of Energy and Environmental Affairs.

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Funded by the Renewable Energy Trust – a surcharge of \$0.0005 cents per kilowatt on customers of public and municipal electric utilities.

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2021 Budget: \$24 million

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**Mission: “To grow the state’s clean energy economy while helping to meet the Commonwealth’s clean energy, climate and economic development goals.”**

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Robust “clean heating and cooling programs.”

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2021 Pilot Program: \$500,000 to provide rebates for the installation of whole-home air-source heat pump systems.

# Alternative Energy Portfolio Standard (APS)

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2014: Legislature adds several thermal technologies to the APS program (enacted in 2009). The technologies assist in incentivizing the installation of “eligible alternative energy systems” that “contribute to the Commonwealth's clean energy goals by increasing energy efficiency and reducing the need for conventional fossil fuel-based power generation.”

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Drafting of regulations for the thermal additions to APS program languished but were finally drafted and adopted in January 2018. Alternative Energy Certificates (AECs) are available to eligible technologies including liquid biofuel, electric heat pumps and combined heat & power.

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78 retail heating oil currently participate in the APS and receive AECs for biofuel sales.



**2017 COURT  
DECISION SETS  
NEW CLIMATE  
CHANGE  
AGENDA FOR  
MASSACHUSETTS**

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Conservation Law Foundation (CLF) sues Massachusetts for failure to implement carbon-reduction goals mandated by the 2008 Global Warming Solutions Act.

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Massachusetts Supreme Judicial Court rules the Department of Environmental Protection must adopt regulations to ensure volumetric reductions in greenhouse gas emissions, and that those limits must decline on an annual basis.

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CLF's attorney said, "Today our highest court declared clearly and unequivocally that our leaders can no longer sit on their hands while Massachusetts communities are put at risk from the effects of climate change."

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Governor Baker issues Executive Order No. 569, Establishing an Integrated Climate Change Strategy for the Commonwealth, directing the Secretary of Energy and Environmental Affairs to publish comprehensive energy plans.

# ENERGY PLANS PROMOTE ELECTRIFICATION

## 2018 MA Comprehensive Energy Plan

- Plan calls for, “Aggressive fuel switching to electrification and biofuels.”
- “Increase adoption of heat pumps to an average of 25% of oil-heated homes” by 2030.

**“The heating oil industry needs a plan of its own before it’s electrified out-of-business.”**

Patrick Woodcock

Former Undersecretary of Energy, Massachusetts

Currently Commissioner, MA DOER



# ENERGY PLANS PROMOTE ELECTRIFICATION

## 2020 MA Interim Clean Energy & Climate Plan & 2050 Roadmap to Decarbonization

- Plan targets net-zero emissions by 2050.
- Plan states, “Sales of electrified and other clean or renewable heating alternatives need to ramp up quickly.”
- Plan states, “About one million residential gas, oil, and propane furnaces and boilers will likely reach their end-of-life between 2021 and 2030. Heat pump systems, which provide both winter heating and summer cooling, are poised to provide a ready, cost-effective 2050-compliant replacement as they can provide efficient heating in cold climates.”
- Plan states, “Heat pump systems will translate to overall societal cost savings in the coming decades.”
- Plan aims to “accelerate efficiency and electrification primarily through a high-performance stretch energy code.”

# MA ENERGY EFFICIENCY ADVISORY COUNCIL

- Proposed 2022 three-year energy efficiency plan for gas and electric utilities will cut Mass Save equipment rebates to heating oil customers for heating oil equipment upgrades and remove access to the no-interest Heat Loan.
- Millions of dollars will be redirected for expanded and higher incentives for electric heat pumps installed in heating oil & propane heated homes.

# 2021 CLIMATE CHANGE LAW

March 2021 -- Governor Baker signs **An Act Creating a Next-Generation Roadmap for Massachusetts Climate Policy**. The law:

- Establishes new interim goals for GHG emissions reductions.
- Increases protections for Environmental Justice communities across Massachusetts.
- Authorizes state energy officials to implement new, voluntary energy efficient building codes for municipalities.
- Allows the Commonwealth to procure an additional 2,400 Megawatts (MW) of offshore wind energy by 2027.
- Orders analysis of greenhouse gas emissions generated and projected to be generated by combustion of biomass fuels.
- Authorizes \$12 million for MassCEC for development of a clean energy workforce, training for heating oil dealers on electric heat pumps and retraining of fossil fuel workers.

# EXPANDED USE OF BIOFUEL

April 2021: Governor Baker Issues **Executive Order No. 594: Decarbonizing and Minimizing Environmental Impacts of State Government**

- Reduce GHG emissions from onsite heating oil use at state-owned buildings by using at least a B10 blend of “biofuel” and reduce emissions in state-owned vehicles by using at least a B5 blend of “biofuel.”
- Emissions reduction goals under Executive Order:  
20% by 2025, 35% by 2030, 60% by 2040 and 95% by 2050

# CLIMATE CHANGE: LOCAL ACTION

- Cities & towns in Massachusetts are addressing climate change with local bylaws and ordinances to ban fossil fuels.
- In 2019, the Town of Brookline overwhelmingly approved a bylaw banning fossil fuel installations in any new construction and major building rehabs.
- MEMA challenged the bylaw before the Attorney General arguing that it superseded the state's building code and was contrary to case law. The AG agreed and overturned the Brookline bylaw.
- Brookline is pursuing a modified bylaw.
- More cities and towns, including Concord, are pursuing similar action to ban fossil fuel installations.



# FUTURE DEVELOPMENTS: 2021

- Potential movement on the stalled regional Transportation Climate Initiative (TCI) supported by Governor Baker. TCI would cap and reduce greenhouse gas emissions from the transportation sector across the Northeast and Mid-Atlantic with the proceeds invested in cleaner energy and infrastructure improvements.
- Formation of the Commission and Task Force on Clean Heat as outlined in the MA 2030 Interim Clean Energy & Climate Plan.
- Potential discussion on a declining emissions cap on heating fuels as outlined in the MA 2030 Interim Clean Energy & Climate Plan and the potential development of a regional Low Carbon Fuel Standard (LCFS).
- Reinstatement of the 2008 biofuels mandate in Massachusetts.
- Long awaited regulatory changes to the APS regulation (225 CMR 16:00) that could increase the percentage of AECs available for liquid biofuel and expand the feedstocks Massachusetts will accept as “eligible” under the program.