

HOUSE No. 2808

The Commonwealth of Massachusetts

PRESENTED BY:

Jennifer E. Benson

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act promoting local energy investment and infrastructure modernization.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Jennifer E. Benson</i>	<i>37th Middlesex</i>
<i>Bud L. Williams</i>	<i>11th Hampden</i>
<i>Kenneth I. Gordon</i>	<i>21st Middlesex</i>
<i>Maria Duaine Robinson</i>	<i>6th Middlesex</i>
<i>José F. Tosado</i>	<i>9th Hampden</i>
<i>Danielle W. Gregoire</i>	<i>4th Middlesex</i>
<i>Stephan Hay</i>	<i>3rd Worcester</i>
<i>Christine P. Barber</i>	<i>34th Middlesex</i>
<i>Mike Connolly</i>	<i>26th Middlesex</i>
<i>Jonathan Hecht</i>	<i>29th Middlesex</i>
<i>David M. Rogers</i>	<i>24th Middlesex</i>
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>
<i>Natalie M. Higgins</i>	<i>4th Worcester</i>
<i>Carmine Lawrence Gentile</i>	<i>13th Middlesex</i>
<i>Harold P. Naughton, Jr.</i>	<i>12th Worcester</i>
<i>Christina A. Minicucci</i>	<i>14th Essex</i>
<i>Mindy Domb</i>	<i>3rd Hampshire</i>
<i>Elizabeth A. Malia</i>	<i>11th Suffolk</i>

<i>Denise Provost</i>	<i>27th Middlesex</i>
<i>Kate Hogan</i>	<i>3rd Middlesex</i>
<i>Jack Patrick Lewis</i>	<i>7th Middlesex</i>
<i>Rebecca L. Rausch</i>	<i>Norfolk, Bristol and Middlesex</i>
<i>William J. Driscoll, Jr.</i>	<i>7th Norfolk</i>
<i>Carlos Gonzalez</i>	<i>10th Hampden</i>

HOUSE No. 2808

By Ms. Benson of Lunenburg, a petition (accompanied by bill, House, No. 2808) of Jennifer E. Benson and others relative to grid modernization and the promotion of local energy investment. Telecommunications, Utilities and Energy.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-First General Court
(2019-2020)**

An Act promoting local energy investment and infrastructure modernization.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. The first sentence of subsection (b) of section 146 of chapter 164 of the
2 General Laws, as inserted by section 18 of chapter 227 of the acts of 2018, is hereby amended by
3 striking out the word “may” and inserting in place thereof the following words:- shall annually.

4 SECTION 2. Said section 146 of said chapter 164, as so inserted, is hereby further
5 amended by adding the following subsection:-

6 (d) Corporate affiliates of the electric distribution companies shall not be eligible for
7 competitive solicitations described in subsection (b).

8 SECTION 3. Chapter 164 of the General Laws is hereby amended by inserting after
9 section 147, inserted by section 19 of chapter 227 of the acts of 2018, the following section:-

10 Section 148. (a) As used in this section, the following words shall, unless the context
11 clearly requires otherwise, have the following meanings:

12 “Board,” the Grid Modernization Consumer Board.

13 “Distributed renewable generation facility,” a facility producing electrical energy from
14 any source that qualifies as a renewable energy generating source under section 11F of chapter
15 25A and is interconnected to a distribution company.

16 “Local energy resources,” distributed renewable generation facilities, energy efficiency,
17 energy storage, electric vehicles, active demand management, and load management
18 technologies.

19 (b) The department shall commence a proceeding by no later than July 31, 2019 that
20 establishes procedures for each distribution company of the commonwealth to create and file
21 with the department by October 1, 2020 its subsequent Grid Modernization Plan, as described in
22 subsection (c).

23 (1) This proceeding shall also establish specific metrics and related performance
24 incentives to evaluate the progress of the distribution companies toward establishing a grid
25 planning system to utilize and integrate local energy resources to meet customers’ energy needs.
26 Said metrics may include, but are not limited to: reducing the impact of outages, optimizing
27 system performance, interconnecting and integrating local energy resources, improving
28 workforce and asset management, and beneficial electrification;

29 (2) This proceeding shall also create protections for low-income consumers including, but
30 not limited to, (i) remote shutoff protection, (ii) restrictions and conditions on pre-paid service,
31 service limiters, and similar technologies and programs, and (iii) exemption from special grid
32 modernization cost recovery mechanisms.

33 (c) Every 3 years, on or before July 1, each electric distribution company shall prepare a
34 Grid Modernization Plan. Each plan shall comply with the requirements set forth by the
35 department in the proceeding described in subsection (b), or as modified by the department, and
36 shall be prepared in coordination with the Grid Modernization Consumer Board established by
37 subsection (f). Each plan shall:

38 (1) Evaluate locational benefits and costs of local energy resources currently located on
39 the system and identify optimal locations for local energy resources over the next 10 years. This
40 evaluation shall be based on reductions or increases in local generation capacity and demand,
41 avoided or increased investments in transmission and distribution infrastructure, safety benefits,
42 reliability benefits, and any other savings the local energy resources provide to the electric grid
43 or avoided costs to ratepayers;

44 (2) Provide information about the interconnection of distributed renewable generation
45 facilities in publicly accessible hosting capacity maps that are updated on a continual basis;

46 (3) Include updated interconnection procedures for distributed renewable generation
47 facilities, including (i) measures to equitably allocate the costs of system upgrades that benefit
48 multiple generation facilities and all ratepayers and (ii) prompt disclosure of timelines and
49 reasonable interconnection fees;

50 (4) Propose or identify locational based incentives and other mechanisms for the
51 deployment of cost-effective local energy resources that satisfy planning objectives;

52 (5) Propose a rollout of advanced metering functionality to be completed by December
53 31, 2026.

54 (6) Propose cost-effective methods of effectively coordinating existing programs,
55 incentives, and tariffs to maximize the locational benefits and minimize the incremental costs of
56 local energy resources;

57 (7) Identify any additional spending by the distribution company necessary to integrate
58 cost-effective local energy resources into distribution planning consistent with the goal of
59 yielding net benefits to ratepayers; and

60 (8) Identify any additional barriers to the deployment of local energy resources.

61 (d) Any distribution infrastructure necessary to accomplish the Grid Modernization Plan
62 is eligible for pre-authorization by the department, through a review of the company's proposed
63 investments and cost estimates, as supported by a business case that includes benefit-cost
64 analysis.

65 (e) Each Grid Modernization Plan prepared under subsection (c) shall be submitted for
66 approval and comment by the Grid Modernization Consumer Board every 3 years, on or before
67 July 1.

68 (1) The electric distribution companies shall provide any additional information requested
69 by the board that is relevant to the consideration of the plan. The board shall review the plan and
70 any additional information and submit its approval or comments to the electric distribution
71 companies not later than 3 months after the submission of the plan. The electric distribution
72 companies may make any changes or revisions to reflect the input of the board.

73 (2) The electric distribution companies shall submit their plans, together with the board's
74 approval or comments and a statement of any unresolved issues, to the Department every 3

75 years, on or before October 1. The department shall consider the plans and shall provide an
76 opportunity for interested parties to be heard in a public hearing.

77 (3) Not later than 120 days after submission of a plan, the department shall issue a
78 decision on the plan which ensures that the electric distribution companies have satisfied the
79 criteria set forth by the department and shall approve, modify and approve, or reject and require
80 the resubmission of the plan accordingly.

81 (4) Each Grid Modernization Plan shall be in effect for 3 years.

82 (f) There shall be a Grid Modernization Consumer Board to consist of the commissioner
83 of the department of energy resources, or a designee, who shall serve as chair, and 8 members
84 including the attorney general, or a designee, the commissioner of the department of
85 environmental protection, or a designee, and additional members appointed by the Governor: 1
86 shall be a representative of residential consumers, 1 shall be a representative of the low-income
87 weatherization and fuel assistance program network, 1 shall be a representative of the
88 environmental community, 1 shall be a representative of the clean energy technology industry, 1
89 shall be a representative of municipal interests or a regional public entity, and 1 shall be a
90 representative of businesses, including large commercial and industrial end users. Interested
91 parties shall apply to the governor for designation. Members shall serve for terms of 6 years and
92 may be reappointed. There shall be 1 non-voting ex-officio member from each of the electric
93 distribution companies.

94 (1) The board shall, as part of the approval process by the department outlined in
95 subsection (e), seek to maximize net benefits through use of distributed energy resources and
96 achieve transmission, reliability, climate and environmental goals. The board shall review and

97 approve Grid Modernization Plans and budgets, and work with electric distribution companies in
98 preparing resource assessments. Approval of Grid Modernization Plans and budgets shall
99 require a two-thirds majority vote.

100 (2) The board may retain expert consultants, provided, however that such consultants
101 shall not have any contractual relationship with an electric distribution company doing business
102 in the commonwealth or any affiliate of such company. The board shall annually submit to the
103 department a proposal regarding the level of funding required for the retention of expert
104 consultants and reasonable administrative costs. The proposal shall be approved by the
105 department either as submitted or as modified by the department. The department shall allocate
106 funds sufficient for these purposes from the Grid Modernization Plan budgets.

107 (3) The electric distribution companies shall provide quarterly reports to the board on the
108 implementation of their respective plans. The reports shall include a description of progress in
109 implementing the plan, an evaluation of the metrics identified by the department in the
110 proceeding described in subsection (c), and such other information or data as the board shall
111 determine. The board shall provide an annual report to the department and the joint committee
112 on telecommunications, utilities and energy on the implementation of the plan which includes
113 descriptions of the programs, investments, cost-effectiveness, and savings and benefits during the
114 previous year.