

# Massachusetts 2008 Energy Bill

An Act to Generate Renewable Energy & Efficiency Now  
Senate Bill No. 2468



**Environment  
Northeast**

This summary by Environment Northeast of Massachusetts Senate Bill No. 2468, *An Act to Generate Renewable Energy and Efficiency Now*, focuses on the environmental and energy efficiency elements. The bill was approved unanimously by the Senate on January 9, 2008 and follows the November 14, 2007 passage of a similar version of the legislation in the House of Representatives.

The bill significantly reforms the state's energy policies, ramps-up the state's commitment to energy efficiency, renewables, and clean fossil like combined heat and power. It includes virtually all of ENE's highest priority policy recommendations for utility reform and efficiency and clean energy investments. These provisions are supplemented by parallel proceedings to decouple utility revenue from sales ongoing at the Department of Public Utilities.

## Summary of Major Bill Provisions

- ***Electric Energy Efficiency and Demand Resources:*** requires electric distribution utilities to increase investments in energy efficiency and demand resource programs for all customers by mandating that all demand side resources that are cost-effective and cheaper than supply are captured, reducing consumers' energy bills, reducing emissions, and reducing our reliance on imported fossil fuels. The current efficiency systems benefit charge is maintained.
- ***Natural Gas Energy Efficiency:*** the natural gas distribution utilities are required to increase their investments in energy efficiency programs for all customers to ensure that all cost-effective energy efficiency is captured, reducing consumers' energy bills, reducing emissions, and reducing our reliance on imported fossil fuels.
- ***Energy Efficiency Program Design and Oversight:*** a new oversight Council is established to ensure that demand resource plans maximize economic benefits to consumers. The Council will hire independent technical consultants and is comprised of a broad array of stakeholder constituencies including low-income, commercial and industrial, manufacturing, environmental and efficiency experts.
- ***Renewable Portfolio Standard:*** the RPS has been divided into two classes. Class I, which includes new solar, wind, new and incremental hydro, and low-emission advanced biomass technologies, carries a target of 14% of MA energy sales by 2020. Class II eligible technologies includes existing low-emission biomass and waste-to-energy; targets for Class II RPS requirements will be set by Division of Energy Resources.
- ***Long Term Renewable Contracting:*** as part of a 5 year pilot program, utilities are mandated to enter into long term contracts of 15-20 years in length for up to 3% of their total load to spur construction and financing of new renewables. This requirement is in addition to their RPS obligations.
- ***Alternative Energy Portfolio Standard:*** a new portfolio standard is established to support combined heat and power, gasified coal, flywheel, and paper cube technology, with strict carbon dioxide emissions. To qualify for this performance standard, technologies must be at least as clean as a new combined-cycle natural gas plant.

- ***Building Energy Codes:*** the bill requires the Board of Building Regulations and Standards (BBRS) to adopt the latest edition of the IECC energy code at least every three years. In addition, the BBRS must develop regulations (1) to require all new construction and major renovations comply with the energy conservation code and (2) to certify and train energy inspectors.
- ***Home Energy Scoring:*** the bill requires the Board of Registration of Home Inspectors to develop regulations mandating a home energy scoring program for residential buildings (single family and up to 5-unit multiple family dwellings). Energy scoring will occur at the time of sale as part of the home inspection.
- ***Green Communities:*** creates the Green Communities program, aimed at providing financial assistance (through award grants, loans and financing assistance) for a variety of efficiency and conservation projects at the municipal level. In addition, the Green Communities program is aimed at spurring cities and towns to taking proactive steps to reduce and improve the efficiency of their energy use. In order to qualify for financial assistance, the town must agree to a streamlined permitting process for new renewable projects. Funding for the Green Communities program will come, in part, from the Renewable Energy Trust Fund and from Alternative Compliance Payments relating to Renewable Portfolio Standards.
- ***Net Metering:*** establishes provisions around net metering, the aggregate capacity of net metering shall not exceed 1 per cent of the distribution company's peak load. The Department will continue to remove any impediments to the development of efficient, low-emissions distributed generation.



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Environment Northeast is a nonprofit research and advocacy organization focusing on the Northeastern United States and Eastern Canada. Our mission is to address large-scale environmental challenges that threaten regional ecosystems, human health, or the management of significant natural resources. We use policy analysis, collaborative problem solving, and advocacy to advance the environmental and economic sustainability of the region.