

H.3150/S.2117 An Act Advancing Clean Energy, Equity, and Innovation within Municipal Utilities

BILL SUMMARY

This bill addresses the equitable distribution of benefits and burdens of the clean energy transition by requiring municipal utilities (also known as Municipal Light Plants or MLPs) to adhere to the same clean energy goals and requirements as Investor Owned Utilities (IOUs). In particular, the bill requires MLPs to meet the Renewable Portfolio Standard (RPS) and the Clean Peak Standard (CPS) by 2030 - requirements that the rest of the state is already meeting now. It also establishes a \$50 million fund to accelerate the transition to clean energy for environmental justice communities, low- or moderate-income housing, and elderly housing that is being served by MLPs.

BACKGROUND

In Massachusetts, there are 41 MLPs that collectively account for approximately 14% of the electricity distributed in the Commonwealth. MLPs have historically been regulated differently than the rest of the state and are frequently exempted from policies that are central to climate action in Massachusetts like the RPS and the CPS. This differentiated regulation significantly affects the state's ability to meet its climate targets and rapidly transition to an equitable clean energy future.

WHY IS THE BILL IMPORTANT

1. It encourages MLPs to catch up on providing clean energy

An analysis of data from 2020 found that, while the rest of the state was legally required to have 16% clean energy in their energy mix, MLPs had only 2.4%. This bill will address this discrepancy and ensure that, over time, every community has the same clean energy requirements

2. It discourages unjust and harmful investments to meet peak energy demand

The lack of accountability or incentives for MLPs to provide clean energy to meet peak demand has led to harmful and dirty investments, like the Peabody Peaker - a brand new, \$85 million oil and gas facility currently under construction in an environmental justice neighborhood in the city of Peabody. This bill will change this by requiring that MLPs adhere to the same clean peak energy requirements that are currently being met by the rest of the state.

3. It enhances environmental justice

In order for there to be environmental justice, there must be an equitable distribution of burdens in meeting our clean energy transition. This bill enhances environmental justice by ensuring that communities served by municipal utilities – communities that are, on average, wealthy and less diverse – are required to meet the same clean energy requirements as the rest of the state.

Learn More about H.3150/S.2117: bit.ly/MLPBill

Organizational letter of support: bit.ly/MLPReformSignOn

