



VIA EMAIL

October 8, 2020

The Honorable Michael J. Barrett
Senate Chair, Telecommunications, Utilities & Energy
Committee

The Honorable Patricia Haddad
Speaker Pro Tem

The Honorable Thomas A. Golden, Jr.
House Chair, Telecommunications, Utilities & Energy
Committee

The Honorable Patrick M. O'Connor
Senate Minority Whip

The Honorable Cynthia Stone Creem
Senate Majority Leader

The Honorable Bradley H. Jones, Jr.
House Minority Leader

Re: A Better City's Comments to the Climate Bill Conferees

Dear Chair Barrett, Senator Creem, Senator O'Connor, Chair Golden, Speaker Pro Tem Haddad, and Minority Leader Jones:

Thank you for your continued leadership on climate change and clean energy. As our country battles wildfires raging in the west and hurricanes in the southeast, the threats of climate change are more apparent than ever and continue to knock at our doors. Both chambers of the Legislature have passed versions of a climate bill that would make meaningful progress in addressing the Commonwealth's commitments to climate change.

On behalf of our nearly 130 member companies in Greater Boston, we respectfully urge you to deliver an integrated climate bill to the Governor's desk before the end of the legislative session. We ask you to affirm the Commonwealth's commitment to net zero emissions statewide by 2050, to codify commitments to environmental justice and equity, and to include meaningful provisions to advance climate resilience. Below, we have detailed support for specific bill provisions, as well as recommended amendments to strengthen the final bill.

A Better City Supports the Following Provisions of the Climate Bills

Net-Zero Emissions Commitment (Section 3 of S.2500, Section 6 of H.4933)

We applaud both the Senate and the House for including economy-wide commitments of net-zero emissions by 2050 in both versions of the climate bill. We also applaud the establishment of interim emissions reduction targets of 50% by 2030 and 75% by 2040, as well as the bills' reflection of the need for timely promulgation of regulations to achieve these targets. As the Commonwealth works toward net zero emissions by 2050, A Better City recommends consistency with the City of Boston's 2019 Climate Action Plan Update, as well as consistency and alignment with regional emissions reduction initiatives, when possible.



Environmental Justice (Sections 15NN through 15RR of H.4933)

A Better City strongly supports the inclusion of environmental justice provisions to ensure that all communities can participate in and benefit from the Commonwealth’s transition to a low-carbon economy. We support the inclusion of environmental justice provisions in H.4933, and we urge the adoption of edits that ensure consistency with existing state policy—in particular, with the Massachusetts Environmental Policy Act.

Workforce Development (Sections 11 and 12 of H.4933)

A Better City strongly supports the enhancement of programs at the Massachusetts Clean Energy Center (MassCEC) to grow its clean energy workforce, and we applaud H.4933 for calling out a need to address clean energy *equity* workforce and market development. While we agree that more investments must be made into clean energy equity workforce development, especially in the current economic climate, we cannot support the diversion of energy efficiency funds at this time and would suggest looking to other funding sources for workforce development, potentially from the market-based compliance mechanisms detailed in H.4933 and S.2500.

Net Zero Stretch Building Code Implementation (Sections 30 and 31 of S.2500), State Building Code, & Climate Resilience Considerations

Within the City of Boston alone, buildings account for nearly 70 percent of carbon emissions, and Mayor Walsh recently voiced his administration’s support of a net zero stretch code in his letter to the Climate Conference Committee in September, 2020.

Firstly, A Better City supports the initiation of a process that will shape the creation and adoption of a new net zero stretch building code. A Better City understands that giving municipalities the option to opt-in to a net-zero stretch code is a helpful transitional tool towards promoting the construction of low-carbon buildings, and we would welcome working with the legislature to develop formal language for a net zero stretch code. Incorporating stakeholder engagement from the building sector in particular, like the perspectives of our membership, will be vital in ensuring an effective and successful net zero stretch code implementation.

Secondly, we also understand that an updated net zero stretch code could begin conversations around how to update the base building code, which would offer a more consistent pathway to promoting low-carbon building construction across all Massachusetts jurisdictions. Throughout both the net zero stretch code and base code upgrade conversations, robust stakeholder engagement will be essential in determining efficacy and success. In order to scale up energy efficiency and decarbonization efforts, A Better City also suggests earmarking a portion of the market-based compliance mechanism funds to put towards subsidy and incentive programs for deep energy retrofits and decarbonization efforts in the building sector. Whether through a net zero stretch code or emissions reduction compliance, the building sector, in particular, will need assistance from the state in order to accomplish deep decarbonization in the coming decades.



Finally, A Better City recommends that the legislature prioritize strategies for incorporating climate resilience into the state building code in order to address climate-related public safety and to align climate mitigation and adaptation building priorities when possible.

Offshore Wind Procurement (Section 17B of H.4933)

A Better City supports Section 17B of H.4933, which would require the procurement of 3,600 megawatts of offshore wind by 2027, as opposed to the current requirement of 1,600 megawatts. Without this increase, we risk falling behind other Northeastern states and missing out on the significant emissions, economic, and workforce development benefits that offshore wind has to offer.

A Better City Opposes the Following Provision of the Climate Bills

Massachusetts Climate Policy Commission (Section 21Q of S.2500)

Although implementation and enforcement of greenhouse gas emissions reduction compliance in Massachusetts will prove to be an ongoing challenge, A Better City opposes the current governance structure, scope, and funding source of the proposed Massachusetts Climate Policy Commission in Section 21Q of S.2500. We are concerned about how duplicative this commission will be of existing groups like the Global Warming Solutions Act Implementation Advisory Committee and the Energy Efficiency Advisory Council monitoring the utilities' three-year energy efficiency plans. A Better City is concerned that the introduction of this new commission will cause more confusion and silos in climate policy implementation, and would divert funding from Regional Greenhouse Gas Initiative (RGGI) money, a funding source that is vital to supporting energy efficiency programs and is already diminishing in size. A Better City recommends to either strike out Section 21Q entirely, or to instead consider the establishment of a Climate Resilience Commission to address regional climate adaptation efforts—including funding and governance models for critical infrastructure and community resilience upgrades—a need that has yet to be met at the state-level. See proposed language in Attachment A.

Thank you for your time and consideration, and for your continued leadership on this critically important issue. In addition to the comments listed above, please see Attachment B, which provides a bulleted list of our members' comments relevant to climate legislation implementation, which were shared as we solicited input for the climate conference committee. A Better City members look forward to working with climate conferees to help pass climate legislation this session, and to continuing to work together on how to implement decarbonization in Massachusetts over the coming decades.

Sincerely,

Rick Dimino
President and CEO
A Better City

Cc: The Honorable Karen Spilka, Senate President
The Honorable Robert DeLeo, Speaker of the House



Attachment A

Proposed Bill Language from A Better City Regarding a Resilience Commission as Related to Bill H.825 An Act establishing the commission for a climate-ready commonwealth

By Mr. Madaro of Boston, a petition (accompanied by bill, House, No. 825) of Adrian C. Madaro and others for legislation to establish a special commission to study how to fund, implement, and prioritize climate resilience and climate adaptation infrastructure projects that will protect against and avoid risks posed and expenses incurred by climate change. Environment, Natural Resources and Agriculture.

SECTION 1. The commission for a climate-ready commonwealth is hereby established to advise the general court on executing a comprehensive strategic action plan, to fund, prioritize, and implement, climate resilience and climate adaptation infrastructure projects that will protect against and avoid risks posed and expenses incurred by climate change, including sea-level rise, coastal flooding and storm surge, intense precipitation, inland flooding, heat waves, drought, and high winds.

SECTION 2. The commission shall consist of up to 17 members, including a chair. The members shall include: 4 members appointed by the speaker of the house of representatives, comprising 1 mayor or town manager, or their designee, from a coastal municipality, 1 member of an environmental organization, 1 member of a business organization, and 1 expert in infrastructure finance who is not a member of the executive branch; 4 members appointed by the senate president, comprising 1 mayor or town manager, or their designee, from an inland municipality, 1 member of an environmental organization, 1 member of a business organization, and 1 expert in structural engineering who is not a member of the executive branch; and 6 members appointed by the governor, comprising 1 mayor or town manager, or their designee, from a coastal municipality, 1 mayor or town manager, or their designee, from an inland municipality, 1 member of an environmental organization, 1 member of a business organization, 1 representative of a regional planning agency, and 1 representative of a community-based organization in a low-income environmental justice community that will be disproportionately impacted by climate change. In addition, the mayor of the city of Boston, or his designee, the secretary of the executive office of energy and environmental affairs, and the commissioner of the department of revenue shall each serve as a member of the commission. Each member, including the chair, shall serve, without compensation, in an advisory capacity, until the report referenced in Section 6 is delivered, whereupon the commission shall disband.

SECTION 3. The commission shall, at a minimum, investigate the following topics: (i) create a strategic governance plan for a regional approach to climate adaptation and resilience in the Commonwealth, determining in what capacity the commonwealth should be responsible for, or have oversight of, climate change resiliency and adaptation infrastructure proposed to protect impacted communities from the effects of climate change and planning for, funding, and implementing said infrastructure, and whether the commonwealth should create a new authority, agency, or department to be responsible for, or provide oversight of, funding, planning for, and implementing climate change resiliency and adaptation infrastructure or expand the powers and responsibilities of existing authorities, agencies, or departments of the commonwealth; (ii) identify diversified sources of both short- and long-term funding for the planning, construction, and maintenance of climate change resiliency and adaptation infrastructure projects; (iii) develop procurement strategies as well as standards and metrics to award funding for the planning, construction, and maintenance of climate change resilience and adaptation infrastructure projects; and (iv) identify existing legal, regulatory, financial, and governance barriers to expediently planning for and constructing climate change resiliency and adaptation infrastructure projects and provide recommendations to overcome said barriers, including proposed changes to existing laws and regulations.



SECTION 4. The commission may create committees and working groups to inform the commission's investigation of the topics referenced in Section 3 and the commission may conduct its work and provide its report and recommendations referenced in Section 6 in phases. The commission, its committees and its working groups may procure services, including consulting services, and otherwise involve experts, stakeholders, and members of the public.

SECTION 5. The commission shall be supported by staff from the executive office of energy and environmental affairs and the Massachusetts department of environmental protection.

SECTION 6. The commission shall provide its report and recommendations to the joint committee on environment, natural resources and agriculture of the general court within eighteen months of the date on which the [seventeenth](#) member has been appointed to the commission.



Attachment B

A Better City's Comments For Consideration re: Long-term Implementation of Climate Legislation

These comments were submitted to A Better City by our membership in response to our climate committee comment letter. Although these comments do not relate to immediate opportunities as presented in S2500 or H4933, we wanted to share their perspectives with conferees in an effort to portray our members' concerns around implementation, incentive and penalty structures, and how to address varying needs by sector and building type as we commit to deeper emissions reductions. While our membership remains supportive of the legislature's consideration of net zero emissions by 2050 and interim emission reduction targets, we need to be thoughtful about where to target our collective action in as collaborative and cost-effective a way as possible.

Defining Net Zero Emissions by 2050:

- A Better City recommends alignment with the Baker administration's definition of net zero that commits to 85% direct emissions reduction by 2050
 - While some critics have claimed that 85% direct emissions reduction is not an aggressive enough commitment for the Commonwealth under its definition of net zero emissions by 2050, we want to stress that 85% direct emissions reduction by 2050 is still going to be an *extremely* heavy lift for the business community, particularly the commercial sector.

Accomplishing Net Zero Emissions by 2050:

- Since BERDO and the City of Boston are still trying to define what net-zero by 2050 will look like, it is difficult for our members to determine how they can realistically accomplish anticipated emissions reduction targets. Although our membership understands that these targets are being suggested as statewide, economy-wide targets, there are considerable challenges to accomplishing these targets in the building sector in particular.
- Given the different usage profiles of various building types throughout Boston and across the Commonwealth, it is difficult to define reasonable and actionable regulations and expectations at this time and A Better City's members would appreciate more clarity.
- Sector-specific decarbonization pathways and interim emission reduction targets will be critical. For example, expectations and approaches to implementation may differ substantially for hospitals and research facilities that do not have the ability to reduce hours of operation. These building types also have limited flexibility on power source and rooftop use that will make deep emissions reductions extremely challenging.

Incentives and Penalties for Non-Compliance

- What incentives and penalties will be associated with the proposed climate legislation? If targets are not met, then what kind of financial penalties would be enforced for non-compliance?
- Particularly considering budgetary constraints and economic shortfalls in the context of the coronavirus pandemic, how can the State help building owners to be early actors in deep energy retrofits and energy efficiency improvements?



District Energy Solutions

- The Maytep Power Plant/Longwood Medical Area is an example of why district energy solutions must be at the forefront of the Commonwealth's path to decarbonization. With many energy-intensive stakeholders locked in to a multi-decades long contract with Maytep, their options are limited for how to decarbonize their energy supply in the Longwood Medical Area. Users that are bound to contracts like that of the Maytep Plant should not be penalized for Maytep's energy-associated emissions. Targeting district energy solutions would hold considerable impact in working towards the Commonwealth's emission reduction targets.
- A carve-out for Customers of District Energy Plants:
 - District Energy Plants offer excellent energy efficiency benefits and increase energy security of Customers over typical in-situ building equipment. In the City of Boston, customers of District Energy Plants report their energy use to the Energy Star Portfolio Manager, which calculates their Direct and Indirect Greenhouse Gas Emissions. Customers of District Energy Plants may be at a disadvantage to reduce emissions to net zero because the Plants do not have an incentive to change their power generation equipment to renewable energy, or low carbon emitting sources. The Customers report the majority of emissions from a District Energy Plant, and are limited in their options for reducing these associated emissions.
 - A price on carbon-emitting fuels would only be passed on to the Customers of district energy plants like Maytep. Severe penalties should not be levied on Customers of such Plants. A carve-out for the emissions reported by Customers or incentives for District Energy Plants to convert equipment is needed to remove this disparity.

Renewable Energy Certificates and Carbon Offsets

- RECs and Offsets should be allowed to promote renewable energy sources for carbon emission reductions. However, A Better City recognizes that if done incorrectly, then such programs can be ineffective at best and actively harmful at their worst. It will be important to provide flexibility in allowable methods of purchase, but also to prioritize permanence, additionality, verifiable, enforceable, and real (no leakage present) offset and REC options. A Better City is in the process of completing our carbon offsetting recommendations for the Commonwealth, and we look forward to working with the legislature, EEA, the City of Boston, and others in order to ensure that our offsetting and REC options in Massachusetts are transparent and provide accountability in our long-term emission reduction efforts.
- RECs and Carbon Offsets should be allowed until the total cost of distributed and supplied electricity promotes the switching of conventional combustion equipment to purely electrical technologies.

Funding to Promote Alternative Fuels

- Renewable Natural Gas (RNG) or Hydrogen fuel sources and distribution systems should be promoted to support fuel conversion of high efficiency combined heat and power plants.