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PRESS RELEASE

DPU Approves Plans to Modernize Electric Sector to Accelerate Clean Energy Transition

Plans from the state's electric utility companies are designed to boost reliability and resiliency for Massachusetts' decarbonized future

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MEDIA CONTACT

Alanna Kelly, Communications Director

Phone Online

857-283-3794 (tel:8572833794) **alanna.kelly@mass.gov** (mailto:alanna.kelly@mass.gov)

BOSTON — The Massachusetts Department of Public Utilities (DPU) has issued an **order** (https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/19554888) approving the Electric Sector Modernization Plans (ESMPs) from the state's electric distribution companies (EDCs) as strategic roadmaps to enable an equitable and cost-effective clean energy transition in Massachusetts.

Massachusetts is among the first states in the nation to encourage forward-thinking plans to modernize the electric grid and increase the state's ability to decarbonize safely, equitably, and efficiently. Implementing the investments outlined in the ESMPs is expected to create over 5,200 clean energy jobs.

These plans were filed as a result of the 2022 Climate Law and build on the DPU's ongoing efforts to support the clean energy transition in Massachusetts and achieve net zero emissions by 2050. The Grid Modernization Advisory Council (GMAC) was established to engage in a deliberative process with the utilities and stakeholders to make recommendations on necessary criteria needed to shape the final ESMPs. This new process resulted in the ESMP filings with the DPU in late January 2024.

"The ESMPs are the backbone of our clean energy transition," **said Chair James Van Nostrand**. "With the DPU's approval as indicated in the order, the utilities, government, stakeholders, and the public can work to decarbonize while ensuring the transition is cost-effective, safe, and equitable."

"With this order, the Department approves the EDCs' plans with modifications to make certain investments to enhance the electric system to enable the Commonwealth to achieve its decarbonization, climate and clean energy goals," said Commissioner Cecile Fraser.

"Today's decision is a meaningful leap forward in the effort to achieve a clean energy transition that centers equity," **said Commissioner Staci Rubin**. "With directives for the utilities to convene stakeholder processes about equitable siting of electric infrastructure and long-term system planning, historically marginalized voices will be at the table collaborating with the utilities and clean energy developers."

The proposed investments in these strategic plans aim to improve grid reliability and resiliency in anticipation of more frequent and extreme weather events. These investments are also designed to prepare the grid for rapid deployment of renewable energy sources, and to support energy storage and emerging electrification technologies essential for reducing carbon emissions. This includes a focus on increasing electrification in transportation and buildings while minimizing the impact on ratepayers. Each utility has developed and relies on its five- and ten-year demand forecasts to determine necessary investments to improve grid resilience.

The ESMPs establish net benefits to ratepayers through proposed investments to meet the statutory objectives. The DPU's decision allows each utility the flexibility to prioritize upgrades according to customer demand while providing reliable electricity.

Ratepayers can expect health and other benefits from cleaner transportation through the DPU's continued support for the electric vehicle programs offered by the utilities. The DPU also approved each company's strategic plan for making the infrastructure investments necessary to accommodate other energy efficient projects, such as heat pumps and battery storage systems, that will improve the state's ability to electrify, supporting the state's clean energy goals.

Enhanced electrification and interconnection of clean energy into the grid in Massachusetts is necessary to reduce dependence on fossil fuels and associated price volatility from inventory concerns, changing weather patterns, and unforeseen factors. The framework outlined in the ESMPs would accelerate infrastructure investment, ultimately reducing the state's reliance on fossil fuels as well as limit stressors on the ratepayer energy wallet. Climate change-induced weather events can disrupt service. To protect ratepayers and ensure reliability, the DPU has mandated that each utility's climate vulnerability assessments should be consistent with one other. The order also requires utilities to provide detailed explanations of their planned resiliency investments in the first biannual report. This modification enables the EDCs to incorporate climate resiliency measures in future grid planning.

The DPU enforces strict oversight of utilities and their operations to ensure infrastructure is resilient against weather and climate change-related impacts. This is in alignment with the state's climate mitigation policies, including the Massachusetts Integrated State Hazard Mitigation and Climate Adaptation Plan (SHMCAP). These policies were developed after thorough reviews of climate vulnerability assessments and flood mitigation efforts to confirm that utilities consistently evaluate critical infrastructure, high-risk hazards, and system vulnerabilities.

To ensure an equitable clean energy transition, the DPU instructs the EDCs to work with stakeholders to provide fair distribution of the benefits and costs associated with the framework and investments outlined in the ESMPs. The DPU also determined that the EDCs should apply the equity framework for all large electric projects before the Department, whether planned or proposed. This equity framework should meet the goal of increasing public awareness and increasing stakeholder engagement.

After this order there will be additional steps. In the next proceeding, which is expected to begin in 2025, stakeholders will be able to engage in these processes and provide input.

The DPU will set up a streamlined process to quickly review specific infrastructure upgrade proposals that can be implemented in the near future. This will help reduce interconnection costs and speed up the deployment of solar and distributed generation resources. By October 1, 2024, the utilities will create a Long-Term System Planning Program (LTSPP) Working Group with stakeholders and start a six-month process to plan for future infrastructure upgrades. Additionally, the EDCs are expected to submit status reports to the DPU that summarize meetings and discussions with stakeholders in the LTSPP Working Group. These reports should cover factors that were previously identified by the GMAC and the utilities themselves concerning generation capacity and capability, cost allocations, procedural updates and changes, and projected electricity demand to optimize the deployment of infrastructure for future renewable and electrification plans. The first status report is due February 3, 2025.

Each utility is expected to provide the DPU with the next ESMP that forecasts from 2030 to 2035 by September 11, 2029.

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Media Contact

Alanna Kelly, Communications Director

Phone

857-283-3794 (tel:8572833794)

Online

alanna.kelly@mass.gov (mailto:alanna.kelly@mass.gov)



Department of Public Utilities

The Department of Public Utilities (DPU) oversees investor-owned electric power, natural gas, and water companies in Massachusetts. In addition, the DPU regulates the safety of bus companies, moving companies, and transportation network companies. We also oversee the safety of natural gas pipelines.



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