

April 29, 2022

Kathleen A. Theoharides, Secretary
Executive Office of Energy and Environmental Affairs
100 Cambridge Street, Suite 900
Boston, MA 02114

By Electronic Mail: gwsa@mass.gov

Re: Comments on the Massachusetts Clean Energy and Climate Plan for 2025 and 2030

Secretary Theoharides:

The New England Power Generators Association (NEPGA)¹ is committed to providing the power necessary to meet the Commonwealth's goal of net-zero carbon emissions by 2050 and appreciates the opportunity to offer the following comments on the emissions limits proposed for the Clean Energy and Climate Plan (CECP) for 2025 and 2030.

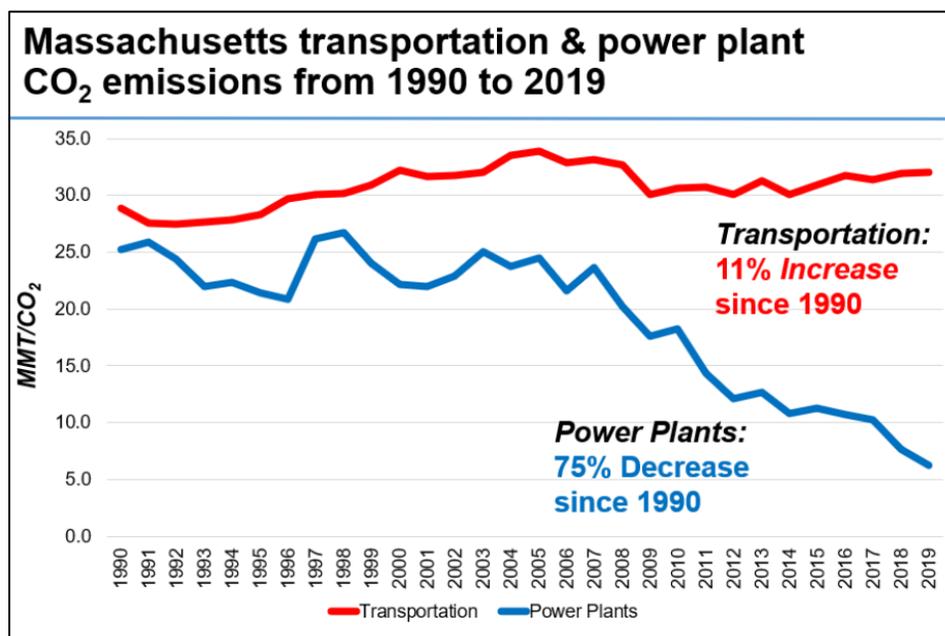
NEPGA's member companies account for more than 90% of all generating capacity throughout New England – with more 8,000 MW in Massachusetts alone. They also own and operate more than 7,500 MW of renewable and zero-carbon resources throughout the region. NEPGA companies provide well paid, highly skilled jobs to the Massachusetts workforce and pay millions of dollars in taxes to the Commonwealth and its cities and towns – and their employees pay millions more in income taxes. NEPGA's mission is to support competitive wholesale electricity markets in New England. We believe that open markets, guided by stable public policies, are the best means to provide reliable and competitively-priced electricity for consumers. A sensible, market-based approach furthers economic development, jobs, and environmental policy for the region. NEPGA therefore offers a unique perspective on how EEA establishes new emissions limits and develops plans to achieve them.

Because the Commonwealth's overall carbon reduction mandates cannot be realized through the electric power sector alone, NEPGA applauds the Commonwealth's proposed renewed focus on the significant GHG impacts from the transportation and buildings sectors. As EEA notes in its April presentation, the power sector has decarbonized significantly in the last decade and other sectors "need to carry the burden into 2030."²

¹ The comments expressed herein represent those of NEPGA as an organization, but not necessarily those of any particular member.

² <https://www.mass.gov/doc/2025-2030-cecp-public-hearings-presentationenglish/download>

On an economy-wide basis, New England’s electric power sector has been responsible for *reducing* GHG emissions – by more than half since 1990 – where other sectors have stayed steady or even *increased*. As illustrated below, in Massachusetts, the emissions reductions have been even more dramatic, with CO₂ emissions from power plants cut by 75% from 1990 to 2019, while transportation’s have increased by 11%.³ According to the Energy Information Administration, transportation is not only the one sector to see its emissions rise over that time, but it today represents more than twice the emissions from any other sector in the Commonwealth’s economy.



Source: <http://www.eia.gov/environment/emissions/state/> (Released April 13, 2022)

NEPGA appreciates that EEA is considering the role of *all* economic sectors to meet new policy imperatives through the CECP 2025 and 2030. Massachusetts has long recognized that the largest sources of GHG emissions — transportation and building heating — have yet to make a meaningful contribution to the Commonwealth’s energy and climate mandates. NEPGA therefore supports EEA’s focus on meaningful reductions in those areas; namely, to achieve a 39% reduction below 1990 levels in the transportation sector and a 40% reduction below 1990 levels in the buildings sector. NEPGA also appreciates the specific metrics that EEA has identified in meeting its goals, such as the deployment by 2030 of 900,000 passenger EVs and of electric heating in approximately 500,000 homes.

NEPGA’s membership is well positioned to be a partner as the Commonwealth continues to decarbonize its economy. As people increase their electricity use for necessities such as commuting and home heating, the reliability of the electric grid will become ever more important to the quality of life in, and economic strength of, the Commonwealth. The increased use of electricity will also likely result in even more sensitivity among businesses and families to the cost of electricity. For these reasons, we believe it is critical for the state to pursue options that

³ [State Carbon Dioxide Emissions Data - U.S. Energy Information Administration \(EIA\)](http://www.eia.gov/environment/emissions/state/)

will ensure that generating resources are compensated through the most efficient and competitive ways possible.

To drive additional reductions in electricity production, Massachusetts has also established declining hard caps via 310 CMR 7.74. These caps were specifically designed, with substantial stakeholder involvement, to meet Global Warming Solutions Act emissions mandates while maintaining power system reliability. The existing rule — combined with the development of offshore wind and other new clean energy resources that will displace energy generated from fossil units — will ensure that power sector emissions continue to decline.

The power sector has been preparing for the massive transition and eventual increased electricity demand for years. For example, ISO New England has begun its “Resource Capacity Accreditation in the Forward Capacity Market” project, which will create ways to more accurately reflect the contributions each resource makes to reliability.⁴ The ISO and regional stakeholders have also begun working on the “Day-Ahead Ancillary Services Improvements” project,⁵ which will create a market design for the new services that will be needed to reliably operate an electric grid increasingly dependent on intermittent resources.

With such efforts underway, NEPGA looks forward to continuing to work with EEA and other critical stakeholders within a regional process to better align the wholesale electricity markets with the collective goal of delivering a clean energy economy. Regional market structures will be the most efficient and competitive way to meet the necessary economy-wide emissions that Massachusetts law requires, and NEPGA urges the Commonwealth to maintain its leadership on this critical issue. If regional efforts are successful, they will pay dividends for the people of Massachusetts, who will therefore be able to more cost-effectively and efficiently decarbonize through electrification, while also protecting the reliability of the electric grid we all depend upon.

NEPGA appreciates this opportunity to provide comments on the Clean Energy and Climate Plan for 2025 and 2030 and appreciates your consideration of this important matter.

Sincerely,



Dan Dolan,
President

⁴ <https://www.iso-ne.com/committees/key-projects/resource-capacity-accreditation-in-the-fcm/>

⁵ <https://www.iso-ne.com/committees/key-projects/day-ahead-ancillary-services-improvements>