



Legislation Summary:

An Act relative to local energy investment and infrastructure modernization

Initial bill number: [S1875/H1725](#) (Bill numbers will change as legislation proceeds.)

Sponsors: Sen. Marc R. Pacheco, Rep. Jennifer Benson

This bill lays out critical first steps of a meaningful grid modernization process:

1. Creating a new approach to forecasting that utilizes clean, local energy resources to meet system needs by requiring statewide grid modernization plans, stakeholder participation, and information to accelerate the integration of renewable energy. Such an approach would be directed by a Grid Modernization Consumer Board and recommend a stronger role for the Department of Public Utilities (DPU) in advocating for consumer-side improvements;
2. Fair consideration of local energy resources as an alternative to utility infrastructure investments by requiring comparison of proposed utility infrastructure projects to lower-cost and environmentally-preferable local energy resources before approval of significant expenditures;
3. Limitations on residential fixed charges to preserve clean energy incentives and protect low-income consumers;
4. Improved consumer incentives to limit peak use with opt-in time of use rates.

The need to modernize an aging and inadequate grid has been recognized for some time; the rapid adoption of clean energy in MA has added awareness that a redesign of the grid is an essential aspect of an updated system. As renewable energy sources (e.g. solar, wind, hydroelectric, etc.) are added to the electrical system, electric grids will have to accommodate the shift in power sources that has been occurring and is expected to accelerate.

A modernized grid will be the backbone of a clean energy system, allowing utilities to draw energy from many power sources for distribution to where it is needed. Reforms are required that will move from the historical model of centralized power stations and large utility infrastructure to a 21st century energy system that improves planning for clean, local, energy sources and ultimately enhances reliability, resiliency and efficiency. Such a transformation demands not only technological improvements, but a new business model for utilities and a regulatory stance that protects consumer-side services and the environment.

League Position: *From LWV 2016-2018 Impact on Issues, p. 64:* Action by appropriate levels of government to encourage the use of renewable resources and energy conservation through funding for research and development, financial incentives, rate-setting policies and mandatory standards.