



MLP Policy Context

(10 points)

Introduction

Efforts to transition to clean energy and increase energy efficiency are strengthened when MLPs and municipal governments establish policy contexts that are conducive to achieving these goals. When climate goals are established, climate action plans are in place, and sufficient resources are allocated, MLPs can better mitigate the harmful effects of climate change and transition to a net zero energy future. These and other local policy tools are useful for both MLP staff and advocates in ensuring and strengthening climate mitigation in their community.

This section assesses the extent to which MLPs and the towns within MLP districts have sought to establish policies and tools that enable climate mitigation. For this report, MCAN examined whether towns and MLPs had established local climate action plans, met all criteria for Green Community Designation, and opted to participate in the Renewable Energy Trust Fund (RETF) – all steps that enhance an MLP’s ability to transition to clean energy and enhance energy efficiency. MCAN recognizes that other policies, plans, programs, and initiatives may also aid MLPs in taking progressive action on climate change. However, these three policies and tools are sufficient indicators of the policy context within which MLPs work to advance climate mitigation.

This section first presents MCAN’s methods used to assess local policy context. We then discuss our findings and conclude by offering rec-

ommendations for what advocates, MLP staff, light board members, MLP associations, and local and state government officials can do to strengthen the local policy context and accelerate MLPs’ clean energy and climate mitigation efforts.

Policy Context Scoring Methods

In scoring MLP policy contexts, MCAN evaluated MLPs’ and local governments’ efforts to create and participate in policies, plans, and programs that better facilitate the transition to a clean energy future. Points were awarded based on (1) MLPs’ participation in opt-in statewide programs that enhance capacity for climate action and (2) MLPs’ adoption of

TABLE 12

POLICY CONTEXT SCORING METRICS AND CATEGORIES

METRICS	TOTAL POINTS POSSIBLE	FACTORS	SCORING SUMMARY
CLIMATE ACTION PLAN	5	A published climate action plan, the development of a climate action plan	Scores whether MLPs had climate action plans that cover their complete district. Partial points were given for plans in development; full points were given for completed plans.
GREEN COMMUNITY DESIGNATION	3	Green Community status	MLPs whose towns had completed the process to become a Green Community were awarded full points for this category.
PARTICIPANT IN THE RENEWABLE ENERGY TRUST FUND (RETF)	2	A listed participant in the RETF	MLPs and towns that completed the process to become a member of the RETF were awarded full points in this category.
TOTAL	10 + BONUS POINTS		

TABLE 12**POLICY CONTEXT SCORING METRICS AND CATEGORIES****BONUS**

METRICS	TOTAL POINTS POSSIBLE	FACTORS	SCORING SUMMARY
ENERGY/ SUSTAINABILITY COMMITTEE	1	Existence of a committee working on issues of energy and sustainability	Full points were given if a committee existed
PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM PARTICIPATION	1	Participation in Mass Development's PACE program	Full points were awarded if a municipality in an MLPs had opted to participate in to the program
TOTAL	2		

comprehensive climate plans focused on reducing greenhouse gas emissions. A bonus point was awarded to MLPs whose municipalities had standing committees that addressed issues related to energy and climate change. An additional bonus point was awarded to MLPs whose municipalities had opted into Mass Development's Property Assessed Clean Energy (PACE) program. See **Table 12** for details.

For the purposes of this report, MCAN used the Institute of Local Government's definition of a climate action plan: "a comprehensive roadmap that outlines the specific activities that an agency will undertake to reduce greenhouse gas emissions. Climate action plans build upon the information gathered by greenhouse gas inventories and generally focus on those activities that can achieve the relatively greatest emissions reductions in the most cost-effective manner."⁷¹ As such, Municipal Vul-

nerable Preparedness reports and regional plans were not considered in this Scorecard.

MCAN used available government resources to determine MLPs' participation in the RETF and the Green Communities Program. Because participation in the Green Communities program requires multiple steps (including a final vote by town governing bodies) and the designation cannot be guaranteed until all steps are completed, MCAN did not give partial credit to MLPs in the process of receiving this designation.⁷² **Table 13** presents MLPs' Policy Context scores.

⁷¹ "Climate Action Plans" (Institute for Local Government), accessed May 27, 2021, <https://www.ca-ilg.org/climate-action-plans>.

⁷² As of or following MCAN's data review process in spring of 2021.

TABLE 13

MLP SCORES IN POLICY CONTEXT

MUNICIPAL UTILITY	CLIMATE ACTION PLAN	GREEN COMMUNITY DESIGNATION MAKING	PARTICIPANT IN THE RETF	BONUS	POLICY CONTEXT SCORE	
	5 PTS	3 PTS	2 PTS	2 PTS	10 PTS	
IPSWICH	5	3	2	1	11	
CONCORD	5	3	0	2	10	
BELMONT	5	3	0	1	9	
HOLYOKE	0	3	2	2	7	
NORWOOD	1	3	0	2	6	
ASHBURNHAM	0	3	2	0	5	
CHICOPEE	0	3	0	2	5	
GROTON	1	3	0	1	5	
HINGHAM*	1	3	0	1	5	
READING	5	0	0	0	5	
TEMPLETON	0	3	2	0	5	
WELLESLEY	1	3	0	1	5	
BRAINTREE	0	3	0	1	4	
GEORGETOWN*	0	3	0	1	4	
LITTLETON*	0	3	0	1	4	
MIDDLEBOROUGH	0	3	0	1	4	
TAUNTON	0	3	0	1	4	
CHESTER	0	3	0	0	3	
HUDSON*	0	3	0	0	3	
MERRIMAC*	0	3	0	0	3	
N. ATTLEBOROUGH	0	3	0	0	3	

TABLE 13

MLP SCORES IN POLICY CONTEXT

MUNICIPAL UTILITY	CLIMATE ACTION PLAN 5 PTS	GREEN COMMUNITY DESIGNATION MAKING 3 PTS	PARTICIPANT IN THE RETF 2 PTS	BONUS 2 PTS	POLICY CONTEXT SCORE 10 PTS
SHREWSBURY	0	3	0	0	3
WEST BOYLSTON	0	3	0	0	3
WESTFIELD*	0	3	0	0	3
HOLDEN	0	0	2	0	2
HULL	1	0	0	1	2
MARBLEHEAD	1	0	0	1	2
PRINCETON	1	0	0	1	2
RUSSELL	0	0	2	0	2
STERLING	1	0	0	1	2
WAKEFIELD	0	0	0	2	2
PAXTON	1	0	0	0	1
PEABODY	1	0	0	0	1
SOUTH HADLEY	0	0	0	1	1
BOYLSTON	0	0	0	0	0
DANVERS*	0	0	0	0	0
GROVELAND	0	0	0	0	0
MANSFIELD	0	0	0	0	0
MIDDLETON*	0	0	0	0	0
ROWLEY	0	0	0	0	0
GOSNOLD	N/A	N/A	N/A	N/A	N/A

* indicates MLPs that did not submit questionnaires or provide feedback to MCAN for the purpose of this report

Results and Observations

Summary of Policy Context Scores

The results above provide a useful snapshot of the steps MLPs and municipalities are taking to develop local policy tools that support proactive climate action measures. MLPs' average Policy Context score was 3.4 points with a median score of 3 points. The majority of MLPs (i.e., 22 out of 40) scored between 0 and 5 points, and 11 MLPs scored 5 points or more. Ipswich, Concord, and Belmont were the top three scorers in this category, earning 11, 10, and 9 points, respectively.

⁷³ MCAN did not provide partial points for MLPs that were in the process of receiving the Green Communities designation.

The overall scores in this section suggest that more can be done in most MLPs to improve the policy context within which they operate. The following subsections discuss the results of subcategories and present important observations that enable us to better understand what actions MLPs should take to improve the policy context across MLPs.

Climate Action Plans

Four MLPs – Belmont, Concord, Ipswich, and Reading – had district-specific climate action plans. Ten additional MLPs reported that climate action plans were underway. However, given confusion around the definition of a climate action plan during reporting, some uncertainty existed about whether those plans would meet the criteria for “climate action plan” used for this assessment.

Participation in Statewide Programs and Designations

As shown in **Figure 16**, participation in statewide programs and designations varied. As of the spring of 2021, municipalities in 23 MLPs had completed the process to become designated as a Green Community. Several additional municipalities including Mansfield, Rowley, and Wakefield were in the process of becoming Green Communities.⁷³

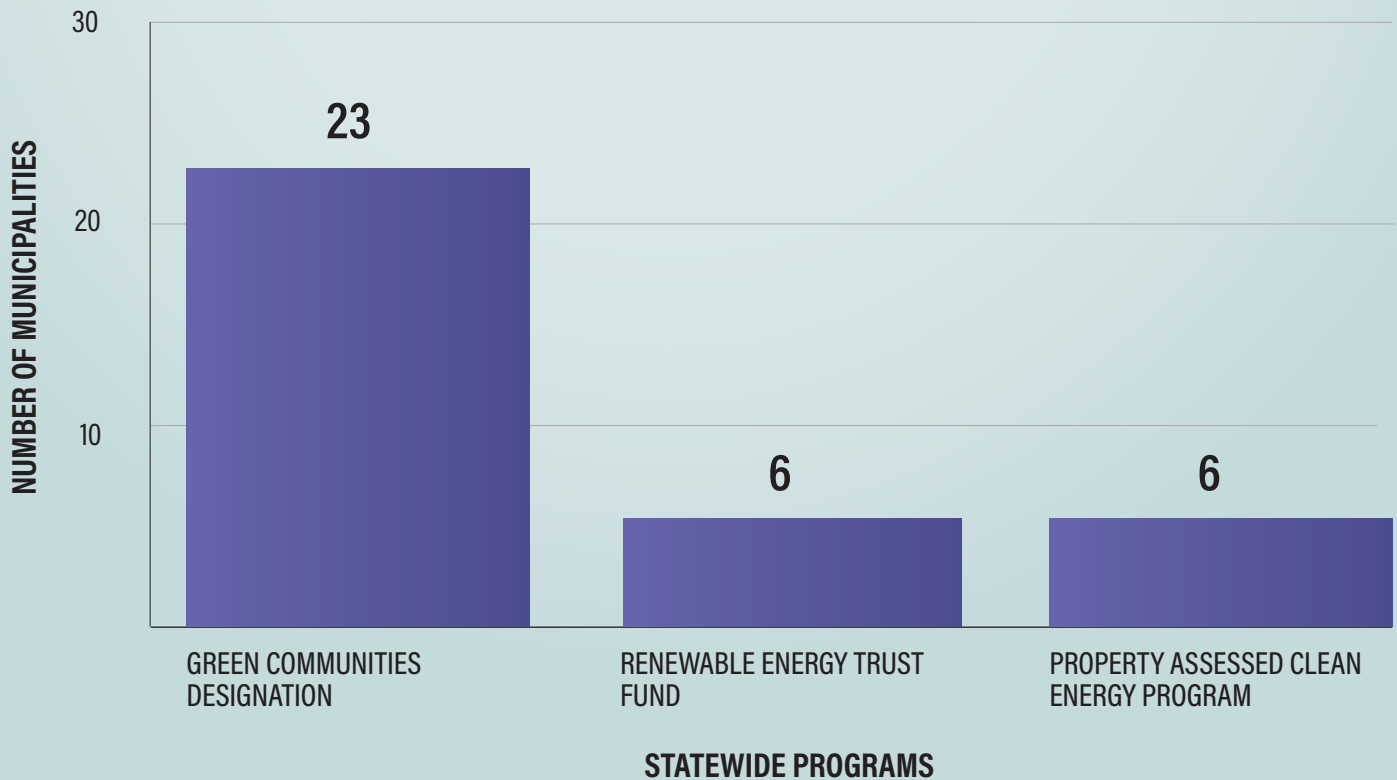
Of the 23 MLPs, a few (e.g., Taunton and Littleton) had some municipalities in their MLP districts that were not designated Green Communities. This is partly due to state regulations which make it far more difficult for these municipalities to receive the Green Communities Designation. As discussed below, such regulations are unnecessary barriers to MLP

communities' participation in statewide programs. Legislative action should be taken to eliminate these obstacles.

Participation in the RETF was considerably lower. Only six MLPs had signed contracts to participate as of this report's publication. No indications were given that additional MLPs intended to participate in the RETF in the near future.

MCAN observed a similarly low level of participation in the PACE program, with only six municipalities served by MLPs opting in. However, low levels of participation were likely due in part to the program being relatively new. Increased participation is expected as MLP staff and municipal officials become more aware of the program's benefits.

FIGURE 16 PARTICIPATION IN STATEWIDE PROGRAMS



MCAN's Recommendations for Developing Strong Local Policies for Climate Mitigation and Clean Energy

MCAN recommends that MLP staff, light boards, MLP associations, state officials, and advocates consider taking the following steps to establish strong local policies supporting action on climate mitigation and clean energy in MLP districts:

1

Work with towns to establish climate action plans

- ▶ Work with town government and community members to implement climate action plans
- ▶ Conduct an inventory of MLP emissions and develop a long-term plan for reducing emissions to net zero by or before 2050

Developing a roadmap that outlines specific actions MLPs and other town agencies should take to reduce greenhouse gas emissions is a widely accepted approach to facilitate a timely clean energy transition. MCAN encourages MLPs and town governments within MLP districts to collaborate on developing such plans. During the development phase, MCAN encourages MLPs to engage residents and other stakeholders in their districts. In particular, MLPs should actively engage with low-income residents, communities of color, non-English speaking residents, and renters to ensure that these groups' needs are being met by these climate action plans and that the plans specifically alleviate all disproportionate burdens on these communities.

2

Participate in statewide programs focused on increasing efficiency and transitioning to clean energy

- ▶ Work with towns to attain Green Community Designation
- ▶ Participate in the Renewable Energy Trust Fund (RETF)
- ▶ Opt into the Property Assessed Clean Energy (PACE) program

Green Community Designation comes with numerous benefits and provides access to resources that help communities increase their energy efficiency and transition to clean energy.⁷⁴ MCAN encourages all MLPs to work with municipalities in their territories to achieve Green Community Designation.

The RETF is another state program that can significantly enhance an MLP's capacity to transition to clean energy. In particular, being a part of the RETF makes MLPs eligible for grants and programs offered by the Massachusetts Clean Energy Center (MassCEC).⁷⁵ MassCEC offers more than 25 programs and incentives that promote renewable energy, energy efficiency, and electrification for residents, businesses, nonprofits, and local governments. These programs are useful supplements to the host of programs that MLPs already offer to their customers and would support MLP districts in transitioning to a net zero future.

Finally, the PACE program is a relatively new and potentially immensely beneficial program that can help MLPs and municipalities increase energy efficiency and expand the use of clean energy among commercial buildings and multi-family housing. Through this program, property owners can finance energy efficiency upgrades and renewable energy adoption through a betterment assessment and lien on their property, thereby enabling them to have a longer payback period and to receive other financial benefits.^{76, 77} These aspects make such projects more financially feasible and provide a powerful incentive for local commercial and industrial actors to make necessary energy efficiency and clean energy upgrades. Furthermore, with Mass Development serving as the primary program administrator, there are few financial or administrative costs associated with opting in. Given the PACE program's overwhelming benefits and minimal costs, as well as a general lack of commercial energy efficiency programs in MLP communities, MCAN strongly recommends that all municipalities served by MLPs adopt this program.

Reduce barriers for MLPs to participate in statewide programs

74 "Becoming a Designated Green Community" (Green Communities Division), accessed May 26, 2021, <https://www.mass.gov/guides/becoming-a-designated-green-community>.

75 "Municipal Lighting Plant Communities" (Massachusetts Clean Energy Center, January 17, 2020), <https://www.masscec.com/municipal-lighting-plant-communities>.

76 "Massachusetts Launches Financing Program for Energy Improvements to Commercial, Industrial, AND Multifamily Buildings," MassDevelopment, July 28, 2020, <https://www.massdevelopment.com/news/massachusetts-launches-financing-program-for-energy-improvements-to-commercial-industrial-and-multi-family-buildings>.

77 "Property Assessed Clean Energy (PACE)," MassDevelopment, accessed August 2021, <https://www.massdevelopment.com/pace>.

3

- ▶ Ensure there are no additional barriers to MLP towns attaining Green Community status
- ▶ Reduce the barriers and requirements for MLP participation in the Renewable Energy Trust Fund (RETF)
- ▶ Develop new state-sponsored programs to support MLPs in addressing climate change and increasing energy efficiency

Statewide environmental programs should seek to reduce unnecessary barriers to MLP communities' participation. Enabling MLP districts and municipalities within those districts to join existing state programs quickly and easily will enhance our ability to meet the Commonwealth's climate targets while ensuring that no community is left behind. As two highly beneficial programs, removing barriers to MLPs' participation in the Green Community program and the RETF is particularly important.

With respect to the Green Community program, unnecessary barriers exist for communities in MLP districts that serve multiple municipalities. Specifically, requirements are imposed which mandate that, if an MLP municipality wishes to become a Green Community, *the entire MLP* district must adopt a renewable energy charge. However, because other municipalities in the MLP may (1) not wish to be a Green Community or (2) have already received the designation without adopting the charge because part of the region is served by an IOU (which automatically imposes a renewable energy charge), such municipalities are not realistically able to receive the designation. To ensure that all municipalities have access to this program, the law must be changed to ensure that municipalities in MLP districts can adopt a renewable energy charge and obtain the Green Community Designation regardless of the status of other municipalities in their district.

Given that participation of MLPs is so low in the RETF, efforts should also be made to identify and reduce any unnecessary barriers keeping MLPs from participating. While there may be others, one way to lower barriers for MLPs is to remove or relax the requirement that MLPs must stay in the RETF in perpetuity once they join. A more flexible form of membership could allow MLPs who are not able to commit to indefinite membership an opportunity to contribute to and benefit from the RETF. In general, MCAN recommends that state officials and the state legislature enable MLPs to participate in all new and existing programs

that support local municipalities in transitioning to clean energy or in enhancing energy efficiency. Further, we support efforts to remove unnecessary barriers that inhibit MLPs' participation in these programs. Although MLPs are independent utilities focused on addressing the needs of their communities, the state has a responsibility to ensure that those communities are not being left behind.

Conclusions

The policy context within which MLPs and municipalities seek to advance the energy transition and increase energy efficiency substantially shapes potential community progress. Whether implementing climate action plans, participating in statewide programs, or developing other policy tools that enhance climate mitigation objectives, MLPs, municipalities, state agencies, legislators, and advocates should strive to enhance MLPs' policy contexts. This way, MLP staff will have resources at their disposal and a clear direction that enables an effective energy transition for their communities. These efforts will promote long-term and effective change that brings us closer to an equitable clean energy future.