



COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF
ENERGY AND ENVIRONMENTAL AFFAIRS
DEPARTMENT OF ENERGY RESOURCES
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Commissioner

VIA EMAIL AND HAND DELIVERY

January 4, 2023

TO: Clerk of the House of Representatives
CC: Chairs of the Joint Committee on Telecommunications, Utilities, and Energy
RE: Submission of Participation in the Green Communities Program for Municipalities Served by Municipal Light Plants – 225 CMR 25.00

Dear Clerk:

Pursuant to M.G.L. Chapter 25A, Section 12 (Section 12), please find enclosed:

- 225 CMR 25.00 – Participation in the Green Communities Program for Municipalities Served by Municipal Light Plants
- Summary of the proposed regulations in layman's terms

In the development of amendments to 225 CMR 25.00, the pertinent provisions of Chapter 30A, except section five, have been complied with.

In addition to the requirements of Section 12, the Department of Energy Resources has made additional information available to the public regarding these proposed regulations. That information is accessible through the Department's website:

<https://www.mass.gov/info-details/municipal-light-plant-communities>

Please direct questions and comments on these proposed regulations to:

Johannes Buchanan
Legislative Director
857-268-0011
Johannes.K.Buchanan@mass.gov

Sincerely,

[Digital Signature]

Elizabeth Mahony
Commissioner, Department of Energy Resources

Enclosures

Summary of Proposed 225 CMR 25.00

On September 30, 2022, the legislature passed An Act Relative to Municipal Light Plant Participation in Green Communities (Act), St. 2022, c. 230. The Act creates a new avenue for municipalities that receive electricity service from municipal light plants (MLPs) that serve multiple municipalities to join the Department of Energy Resources' (Department) Green Communities Designation and Grant Program (Green Communities Program) implemented pursuant to G.L. c. 25A, § 10.

These regulations set out the process for communities covered by the Act to join the Green Communities Program. These regulations also put into regulation existing Department guidelines about how other types of municipalities served by MLPs may qualify for the Green Communities Program. Pursuant to G.L. c. 25A, § 10(e), there is a separate application process for the Green Communities Program for municipalities that receive electricity service from MLPs. The manner in which one of these municipalities qualifies for the program depends on how its residents pay the "Renewable Energy Charge," a \$0.0005 per kWh surcharge on electric bills that funds the Massachusetts Renewable Energy Trust Fund, established under G.L. c. 23J, § 9. These regulations lay out the qualification pathways and required documentation for each type of municipality to qualify as a Green Community.

HOUSE No. 4239

Communication from the Department of Energy Resources of the Executive Office of Energy and Environmental Affairs (under the provisions of section 12 of Chapter 25A of the General Laws) submitting 225 CMR 25.00 – Participation in the Green Communities Program for Municipalities Served by Municipal Light Plants. Telecommunications, Utilities and Energy.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Third General Court
(2023-2024)

1 **225 CMR: DEPARTMENT OF ENERGY RESOURCES**

2

3 **225 CMR 25.00 Participation in the Green Communities Program for Municipalities**
4 **Served by Municipal Light Plants**

5

6 Section

7 25.01 : Purpose

8 25.02 : Definitions

9 25.03 : Administration

10 25.04 : Applicability

11 25.05: Municipalities Joining the Green Communities Program

12

13 25.01 : Purpose

14 The purpose of 225 CMR 25.00 is to establish the process for communities that receive electric
15 distribution service from municipal light plants to become eligible to become designated as a
16 Green Community and participate in the Department’s Green Communities Designation and
17 Grant Program.

18

19 25.02 : Definitions

20 “Department”, the Department of Energy Resources.

21 “Distribution Company,” a company engaging in the distribution of electricity or owning,
22 operating or controlling distribution facilities as defined in M.G.L. c. 164, § 1.

23 “Distribution Service,” the delivery of electricity to customers as defined in M.G.L. c. 164, § 1.

24 “Green Community,” a municipality designated as a Green Community pursuant to M.G.L. c.
25 25A, § 10.

26 “Green Communities Program,” the Green Communities Designation and Grant Program
27 implemented pursuant to M.G.L. c. 25A, § 10.

28 “Massachusetts Renewable Energy Trust Fund”, the fund established pursuant to M.G.L. c. 23J,
29 § 9.

30 “Municipal Light Plant,” a municipal lighting plant established pursuant to the provisions of
31 M.G.L. c. 164.

32 “Service territory”, the geographic area in which a distribution company provides distribution
33 service.

34 “Trust Administrator,” the entity that administers the Massachusetts Renewable Energy Trust
35 Fund.

36

37 25.03 : Administration

38 225 CMR 25.00 shall be administered by the Department.

39

40 25.04: Applicability

41 225 CMR 25.00 shall apply to all municipalities with at least one property that receives electric
42 distribution service from a municipal light plant.

43

44 25.05 Municipalities Joining the Green Communities Program

45 (1) Municipalities that receive electric distribution service from a municipal light plant with a
46 service territory limited to one municipality and where there are no investor-owned
47 electric distribution company customers may join the Green Communities Program under

48 this subsection if the municipal light plant that provides electric distribution service to the
49 municipality has adopted the renewable energy charge pursuant to M.G.L. c. 25, § 20(b).

50 a. The Department will accept the following documentation to demonstrate that the
51 above requirement has been met:

52 i. A signed copy of an agreement between the trust administrator, the
53 municipality, and the municipal light plant that provides electric
54 distribution service to the municipality defining the terms of the municipal
55 light plant's contributions to the Massachusetts Renewable Energy Trust
56 Fund.

57 (2) Municipalities that receive electric distribution service from a municipal light plant with a
58 service territory limited to one municipality and where there is at least one investor-
59 owned electric distribution company customer may join the Green Communities Program
60 under this subsection by either of the following methods:

61 a. Providing proof that the investor-owned electric distribution company customer in
62 the municipality pays into the Massachusetts Renewable Energy Trust Fund.

63 i. The Department will accept the following documentation to demonstrate
64 that the above requirement has been met:

65 1. a letter from the investor-owned electric distribution company
66 verifying that they provide electric distribution service to the
67 property, and

68 2. property card(s) or other information from the municipality
69 demonstrating that the customer's property is located in the
70 municipality.

71 b. Providing proof that the municipal light plant has adopted the renewable energy
72 charge pursuant to M.G.L. c. 25, § 20(b).

73 i. The Department will accept the following documentation to demonstrate
74 that the above requirement has been met:

75 1. a signed copy of an agreement between the trust administrator, the
76 municipality, and the municipal light plant that provides electric
77 distribution service to the municipality defining the terms of the
78 municipal light plant's contributions to the Massachusetts
79 Renewable Energy Trust Fund.

80 (3) Municipalities that receive electric distribution service from a municipal light plant with a
81 service territory that covers more than one municipality and where there are no investor-
82 owned electric distribution company customers may join the Green Communities
83 Program under this subsection by any of the following methods:

84 a. providing proof that the municipal light plant has adopted the renewable energy
85 charge pursuant to M.G.L. c. 25, § 20(b) or that the municipality has adopted the
86 renewable energy charge pursuant to M.G.L. c. 25, § 20(c).

87 i. The Department will accept the following documentation to demonstrate
88 that the above requirement has been met:

89 1. a signed copy of an agreement between the trust administrator, the
90 municipality, and or the municipal light plant that provides electric

91 distribution service to the municipality defining the terms of the
92 municipal light plant's contributions to the Massachusetts
93 Renewable Energy Trust Fund.

94 (4) Municipalities that receive electric distribution service from a municipal light plant with a
95 service territory that covers more than one municipality and where there is at least one
96 investor-owned electric distribution company customer may join the Green Communities
97 Program under this subsection by any of the following methods:

98 a. Providing proof that the municipal light plant has adopted the renewable energy
99 charge pursuant to M.G.L. c. 25, § 20(b) or that the municipality has adopted the
100 renewable energy charge pursuant to M.G.L. c. 25, § 20(c).

101 i. The Department will accept the following documentation to demonstrate
102 that the above requirement has been met:

103 1. a signed copy of an agreement between the trust administrator, the
104 municipality, and the municipal light plant that provides electric
105 distribution service to the municipality defining the terms of the
106 municipal light plant's contributions to the Massachusetts
107 Renewable Energy Trust Fund.

108 b. Providing proof that the investor-owned electric distribution company customer
109 pays into the Massachusetts Renewable Energy Trust Fund.

110 i. The following documentation is required to prove this requirement has
111 been met:

112 1. a letter from the investor-owned electric distribution company
113 verifying that they provide electric service to the property, and
114 2. property card(s) or other information from the municipality
115 demonstrating that the customer's property is located in the
116 municipality.

117
118 REGULATORY AUTHORITY 225 CMR 25.00:

119 M.G.L. c. 25A, § 10.