

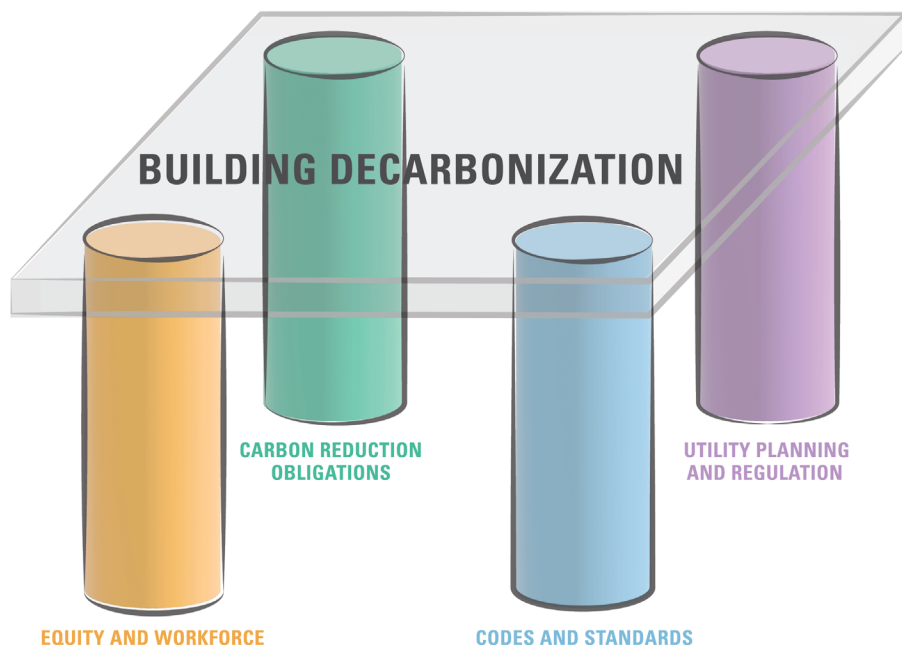


# Regional Roundup

## MASSACHUSETTS

### NEEP's 2024 Regional Roundup provides a snapshot of Massachusetts' current policies and progress towards greater energy efficiency and building decarbonization.

Policies and performance are organized across the four categories from NEEP's 2024 report, *Decarbonizing Buildings: How States can Set the Table for Success*. The categories, or "legs of the table," include Utility Planning and Regulation, Codes and Standards, Carbon Reduction Obligations, and Equity and Workforce.



- Massachusetts implements one of the top-performing energy efficiency programs in the country through its Mass Save platform. Massachusetts has been implementing energy efficiency programs since the 1990s.
- In 2021, Massachusetts passed An Act Creating a Next-Generation Roadmap for Massachusetts Climate Policy, which incorporated climate change and decarbonization efforts into energy efficiency programs through the use of greenhouse gas (GHG) emission goals, adjustments to the program's cost-benefit analysis, and discontinuation of incentives and financing for equipment powered by gas and delivered fuels.
- A GHG emissions goal makes it possible to account for fuel switching and new energy efficiency measures by focusing on the net change in emissions regardless of the type of measure. The 2025-2027 Energy Efficiency and Decarbonization Plan builds on this transformation with a focus on low-income decarbonization initiatives (employing specific goals for renters and low- to moderate-income residents) and investment in the energy efficiency workforce.
- Massachusetts is also taking steps to mandate carbon reductions through implementation of its clean heat standard and a formal transition for natural gas. Clean heat standards require obligated parties to deliver clean heat measures that reduce GHG emissions from buildings.
- Massachusetts is also advancing energy equity and carbon reduction through the creation of a Building Decarbonization Clearinghouse that will act as a centralized resource for all efficiency, electrification, storage and renewable programs in the state, as of fall 2024 this policy was still in development.



## UTILITY PLANNING AND REGULATION

1 of 4



### UTILITY PLANNING AND REGULATION

Utility Planning and Regulation identifies mandates and frameworks to ensure that utility investment, rates, and programs align with building decarbonization goals. This section includes a *Climate-Forward Energy Efficiency By-the-Numbers* table, which shows performance data for 2021 and current program goals for the state, an overview of policies the state has adopted to implement climate-forward energy efficiency programs, and any planning and regulation the state is pursuing to decarbonize the grid.

Climate-Forward Energy Efficiency by the Numbers

	Massachusetts	Regional Average
Savings as a Percent of Retail Sales in 2021*	Electric: 1.83% Gas: 1.08%	Electric: 1.13% Natural Gas: .43%
Low Income Spending Per Qualified Resident in 2021*	\$46.48	\$36.00
Current Portfolio Goals	2025 Greenhouse Gas Reduction Goal†: 287,787 metric tons CO <sub>2</sub> e 2025 Fuel-Neutral Energy Savings Goal†: 57,765,020 MMBtu	

\* Data from 2022 ACEEE State Scorecard.

† Data from Mass Save 2025-2027 Energy Efficiency and Decarbonization Plan.

### Climate-Forward Energy Efficiency

<b>Energy Efficiency Program Administrator</b>	Massachusetts' gas and electric investor-owned utilities (IOUs) implement energy efficiency programs in three-year cycles. While each utility offers its own programs, the same portfolio of programs is available throughout all IOU service areas through the <a href="#">Mass Save</a> platform. The <a href="#">2022-2024 Three Year Plan</a> was approved by the Department of Public Utilities (DPU) in January 2022 and the <a href="#">2025-2027 plan</a> is filed at the DPU as of fall 2024.
<b>Program Goals</b>	The <a href="#">Mass Save 2025-2027 Energy Efficiency and Decarbonization Plan</a> follows goals set by the <a href="#">Secretary of Energy and Environmental Affairs</a> to ensure alignment with state climate goals. The goals for the upcoming cycle include: <ul style="list-style-type: none"><li>• Greenhouse Gas Reduction: 25,000 metric tons of CO<sub>2</sub>e for electric and 375,000 metric tons of CO<sub>2</sub>e for gas</li><li>• Fuel-neutral MMBtu savings: 184,319,656</li><li>• Heat pump installs in at least 119,000 homes, of which:<ul style="list-style-type: none"><li>• At least 23,000 are low- and moderate-income households</li><li>• At least 13,000 are rental units</li></ul></li><li>• Weatherize at least 184,000 homes, of which:<ul style="list-style-type: none"><li>• At least 75,000 are low- and moderate-income households</li><li>• At least 51,000 are rental units</li></ul></li></ul>
<b>Benefit Cost Analysis</b>	Base test: <a href="#">Total Resource Cost Test</a> Non-energy impacts: Fuel and water savings, <a href="#">Social Cost of Carbon</a>

continued



## UTILITY PLANNING AND REGULATION

2 of 4



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### Climate-Forward Energy Efficiency

<b>Utility Performance Incentives</b>	Under the <a href="#">2025 – 2027 Plan</a> , if approved, utilities will earn a percentage of program budgets based on performance in three categories: equity (50%), standard benefits (30%), and value or net benefits (20%).
<b>Fuel Switching Policies</b>	<ul style="list-style-type: none"><li>• An Act Creating a Next-Generation Roadmap for Massachusetts Climate Policy incorporated <a href="#">climate change and decarbonization efforts</a> into energy efficiency programs through the use of greenhouse gas (GHG) emission goals, adjustments to the program’s cost-benefit analysis, and discontinuation of incentives and financing for equipment powered by gas and delivered fuels.</li><li>• Mass Save incentives for gas, oil, and propane heating equipment have been <a href="#">discontinued</a> as of September 2024. Under the <a href="#">2025-2027 Plan</a>, gas and electric PAs will collaborate on electrification projects and share generated savings. Prescriptive electrification projects will be delivered under a centralized “Mass Save Electrification” umbrella program. The Mass Save PAs have collectively developed statewide goals for these electrification programs, and costs, savings, and benefits for these programs have been allocated to each PA.</li></ul>
<b>Statewide Qualified Contractor Network</b>	Massachusetts has delivered workforce programs as part of the Mass Save energy efficiency portfolio since 2013. The state has a contractor network under the <a href="#">Heat Pump Installer Network (HPIN)</a> .

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## UTILITY PLANNING AND REGULATION

3 of 4



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### Climate-Forward Energy Efficiency

#### Centering Equity in Climate-Forward Efficiency Programs

- Massachusetts' [Energy Efficiency Advisory Council Equity Working Group](#) focuses on equity in energy efficiency programs, including moderate-income customers, customers with limited English proficiency, renters, and small businesses.
- The 2025-2027 plan tracks multiple equity-focused metrics. They include total spending in designated equity communities, including incentives, technical assistance, and community funding, by income-qualification status and renter status, Community First Partnership communities and awards, PA supplier diversity efforts, language access, thermostat incentives, and installations at the zip code level for weatherization and heat pumps.
- Mass Save's [Community First Partnership](#) (CFP) program partners with local community-based organizations and municipalities, who have local knowledge and trusted relationships with their communities. CFP aims to increase participation in the priority customer groups of renters, landlords, low- and moderate-income households, customers who speak languages other than English, and small businesses.
- Massachusetts' [Clean Energy Pathways Program](#) aims to grow and diversify the energy efficiency workforce and is tailored explicitly to serve individuals from underserved communities. Job seekers are offered paid training and hands-on experience, as well as job placement assistance, and mentorships.

continued

## UTILITY PLANNING AND REGULATION

4 of 4



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### Long-Term Planning

#### Utility Clean Heat and Building Decarbonization Programs

Massachusetts is currently drafting a clean heat standard that will regulate natural gas and electric utilities as well as fuel dealers in the state. For more information, see Carbon Reduction Obligations section below.

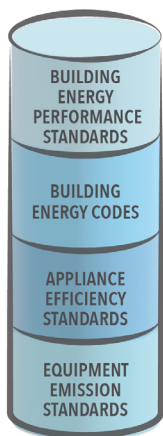
#### Long-Term Utility Planning

- Massachusetts' [DPU announced a framework](#) (Docket No. 20-80, "Investigation by the Department of Public Utilities on its own Motion into the role of gas local distribution companies as the Commonwealth achieves its target 2050 climate goals") to shift gas utilities away from a sole focus on fossil gas and towards promotion electrification of heating, in line with the state's goal to reach net-zero GHG emissions by 2050. [The DPU will no longer allow](#) for cost recovery of gas asset investments without proof that non-gas alternatives were considered. Additionally, gas utilities will have to file Climate Compliance Plans every five years to ensure compliance with state emissions limits.
- In 2021, Massachusetts passed [S.9: An Act creating a next-generation roadmap for Massachusetts climate policy](#). S.9 modifies the mandate for the Department of Public Utilities (DPU) so that it is required to balance priorities for system safety, system security, reliability, affordability, equity, and reductions in greenhouse gas emissions.



## CODES AND STANDARDS

1 of 2



### CODES AND STANDARDS

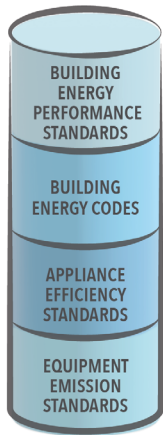
Codes and standards establish a clear timetable for improving the energy performance of new and existing buildings, appliances, and equipment, spurring changes in technologies and building practices. The Regional Roundup provides additional information on policies in this area that operate at the city level to highlight how communities are taking the lead. Programs such as benchmarking and home energy labeling programs are also included, even when just voluntary, as they can be a precursor for BPS or mandatory home energy score programs.

<b>Building Energy Codes</b>	Massachusetts adopted the 2021 IECC as part of the 10 <sup>th</sup> edition of the Massachusetts State Building Code 780, which will be made publicly available soon and can be accessed <a href="#">here</a> . The concurrency period with the 9 <sup>th</sup> edition of the Massachusetts State Building Code 780 will end on January 1, 2025.
<b>Stretch Energy Codes</b>	Massachusetts has <a href="#">two versions of a stretch code</a> , the Stretch energy code and a more stringent Municipal Opt-In Specialized code. Both are based on the 2021 IECC with strengthening amendments. The Specialized code was created to support the goal of achieving net-zero GHG emissions from the buildings sector no later than 2050. As of 2024, there are 50 municipalities using the base energy code, 256 municipalities using the Stretch code, and 45 that have adopted the Specialized code.
<b>Building Performance Standards</b>	<ul style="list-style-type: none"><li>Local policies exist in the cities of <a href="#">Boston</a> and <a href="#">Cambridge</a>. Boston's Building Emissions Reduction and Disclosure Ordinance (BERDO) was established in 2021 and mandates emissions standards for buildings over 20,000 square feet and multifamily properties with 15 or more units. For buildings that do not meet the emissions standard, BERDO has an <a href="#">alternative compliance payment</a> of \$234 per metric ton of CO<sub>2</sub>e.</li><li>Cambridge initially established its <a href="#">Building Energy Use Disclosure Ordinance (BEUDO)</a> in 2014 and added an emissions standard component in 2023. It mandates carbon neutrality by 2035 for non-residential buildings 100,000 square feet or larger and by 2050 for non-residential buildings over 25,000 square feet or larger. For buildings that do not meet the emissions standard, BEUDO has an <a href="#">alternative compliance payment</a> of \$234 per metric ton of CO<sub>2</sub>e.</li></ul>



## CODES AND STANDARDS

2 of 2



### CODES AND STANDARDS

Codes and standards establish a clear timetable for improving the energy performance of new and existing buildings, appliances, and equipment, spurring changes in technologies and building practices. The Regional Roundup provides additional information on policies in this area that operate at the city level to highlight how communities are taking the lead. Programs such as benchmarking and home energy labeling programs are also included, even when just voluntary, as they can be a precursor for BPS or mandatory home energy score programs.

<b>Benchmarking</b>	<ul style="list-style-type: none"><li>• Massachusetts established statewide benchmarking for commercial and large multifamily buildings with the passage of the <a href="#">2022 Climate and Clean Energy Bill</a>. The <a href="#">Commonwealth Building Energy Intelligence</a> program provides real-time, whole-building data on many buildings in the state. State-owned buildings have been benchmarked as part of the <a href="#">Leading By Example</a> program since 2021.</li><li>• In 2022, the town of Lexington passed a <a href="#">local benchmarking law</a>. In 2024 The Chelsea City Council passed a <a href="#">Building Energy Reporting and Disclosure Ordinance (BERDO)</a>.</li><li>• The city of Boston mandates benchmarking through its <a href="#">Building Emissions Reduction and Disclosure Ordinance (BERDO)</a>, which was established in 2021.</li><li>• The city of Cambridge mandates benchmarking through its <a href="#">Building Energy Use Disclosure Ordinance (BEUDO)</a>, which was established in 2014.</li></ul>
<b>Home Energy Labeling</b>	Massachusetts DOER is starting <a href="#">building energy labeling pilot programs</a> through its <a href="#">Home MPG ratings pilot</a> (residential) and <a href="#">Commercial Office Rating pilot</a> . These programs aim to spur investment in cost-effective energy efficiency upgrades by promoting knowledge about the relative energy performance in buildings.
<b>Appliance Efficiency Standards</b>	Massachusetts introduced appliance standards through the <a href="#">Act Relative to Energy Savings Efficiency (Energy SAVE)</a> and improved on these standards in the 2021 Climate Act. For information on which appliances are covered, see <a href="#">NEEP's Federal and State Appliance Standards Tracker</a> .
<b>Equipment Emission Standards</b>	No current policies in place.



## CARBON REDUCTION OBLIGATIONS



### CARBON REDUCTION OBLIGATIONS

Carbon reduction obligations set performance requirements for obligated parties, such as energy providers, to reduce greenhouse gas (GHG) emissions or install clean heating systems. This section also includes any policies that articulate statewide climate goals and involvement in a regional cap and invest program because both programs are aligned with the policies under carbon reduction obligations and can be a part of a future clean heat standard or statewide cap and invest.

<b>Climate Goals</b>	The <a href="#">Global Warming Solutions Act of 2008</a> established Massachusetts' climate goals: 50% GHG emission reduction by 2030; 75% reduction by 2040; net zero and 85% reduction by 2050 ( <a href="#">from a 1990 baseline</a> ).
<b>Clean Heat Standard</b>	MassDEP is currently designing its <a href="#">Clean Heat Standard</a> (CHS), which will catalyze building electrification. The draft regulation, published in November 2023, can be viewed <a href="#">here</a> . The 2022 Massachusetts <a href="#">Clean Energy and Climate Plan</a> directed MassDEP to develop the CHS to meet state goals for emissions limits on building space heating. The CHS will impose GHG emission limits on retail sellers of gas, heating oil, propane, and electricity. The CHS also requires the completion of residential “full electrification” projects (at least 25% of which must be in households eligible for low-income electric rates). As of December 2024, MassDEP plans to initiate the rulemaking process in early 2025.
<b>Regional Cap-and-Invest</b>	Massachusetts participates in <a href="#">RGGI</a> , which caps electric utility carbon emissions. <a href="#">MA primarily uses RGGI proceeds</a> to fund projects in energy efficiency, its <a href="#">Green Communities</a> program, beneficial electrification, and GHG abatement.
<b>State Cap-and-Invest</b>	No current policy in place.
<b>Centering Equity in Carbon Reduction Obligations</b>	The <a href="#">proposed Clean Heat Standard</a> would require that households that qualify for low-income electric rates receive full electrification projects. Each year, regulated entities must complete at least 25% of their full electrification projects in these households.



## EQUITY AND WORKFORCE



### EQUITY AND WORKFORCE

Equity and workforce investments address housing and workforce inequities by empowering historically marginalized communities and ensuring that the energy transition is just and inclusive. This section includes policies that prioritize community empowerment through defining environmental justice communities and/or convening community members to have meaningful input on climate and energy policies in the state. It also highlights any statewide goals or metrics that mandate programs to deliver a certain level of benefits to communities. Finally, it provides a snapshot of the inclusive workforce programs and policies within each state.

### Statewide Equity Initiatives

<b>Community Empowerment</b>	<ul style="list-style-type: none"><li>Massachusetts' <a href="#">Energy Efficiency Advisory Council Equity Working Group</a> focuses on equity in energy efficiency programs, including moderate-income customers, customers with limited English proficiency, renters, and small businesses.</li><li>Mass Save's <a href="#">Community First Partnership</a> (CFP) program partners with local community-based organizations and municipalities that have local knowledge and trusted relationships with their communities. CFP aims to increase participation in the priority customer groups of renters, landlords, low- and moderate-income households, customers who speak languages other than English, and small businesses.</li><li><a href="#">S.9, An Act Creating a Next-Generation Roadmap for Massachusetts Climate Policy</a>, defines environmental justice populations as "neighborhoods where the median household income is 65% or less of the statewide median, minorities comprise 40% or more of the population, 25% or more of households lack English proficiency, or minorities comprise 25% of the population and the median household income does not exceed 150%."</li></ul>
<b>Metrics and Goals</b>	The <a href="#">Mass Save EE and Decarbonization plan for 2025-2027</a> enumerates multiple equity-focused metrics. They include total spending in designated equity communities, including incentives, technical assistance, and community funding, by income-qualification status and renter status, Community First Partnership communities and awards, a metric on PA supplier diversity efforts, a metric on language access, thermostat incentives, and installations at the zip code level for weatherization and heat pumps.



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#### Statewide Equity Initiatives

##### Home Upgrade Hubs

Massachusetts is developing a [Building Decarbonization Clearinghouse](#) that will serve as a one-stop shop for building owners and residents to navigate building energy solutions. The Clearinghouse was originally recommended as part of the [MA Commission on Clean Heat Final Report](#).

#### ***Inclusive Workforce Development***

##### Inclusive Workforce Development

- In 2021, An [Act Creating a Next Generation Roadmap for Massachusetts Climate Policy](#) created the [Clean Energy Pathways Program](#), which aims to grow and diversify the energy efficiency workforce and focuses on distributive justice as it is open and tailored explicitly to serve individuals from disadvantaged communities. Job seekers are offered paid training and hands-on experience, as well as job placement assistance and mentorships.
- In 2020, the Mass Save program released a [Massachusetts Energy Efficiency Workforce Development Needs Assessment](#). The assessment was commissioned by the Mass Save program administrators to help meet the state's energy efficiency and decarbonization goals.



## MASSACHUSETTS'S BUILDING DECARBONIZATION TABLE

### UTILITY PLANNING AND REGULATION



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**Mass Save**

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**Future of Gas Regulatory Proceeding**

### EQUITY AND WORKFORCE



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**EEAC Equity Advisory Group**

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**Decarbonization Clearinghouse**

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**Clean Energy Pathways**

### CARBON REDUCTION OBLIGATIONS



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**Climate Goals**

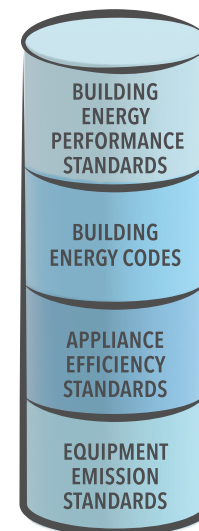
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**RGGI**

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**Clean Heat Standard**

### CODES AND STANDARDS



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**2021 IECC**

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**Benchmarking**

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**Energy SAVE Appliance Standards**