NPA Working Group Meeting #2 November 6, 2024 75 State Street, Boston, MA

#### Meeting Materials:

20-80 NPA WG Meeting Overview & Discussion Presentation 11-06-24.pdf 20-80 NPA Framework Elements Presentation 11-06-24.pdf

Agenda:

Time	Торіс
10-10:15	Overview and Process
10:15-11:30	Utility Presentation of Framework Elements
11:30-12:15	Lunch
12:15-1:45	Discussion of Framework
1:45-2	Wrap Up, Next Steps

### Utility Presentation of Framework Elements:

**Summary:** The LDCs presented an overview of the key steps involved in a Non-Gas Pipeline Alternatives (NPA) Framework, and the list of what constitutes a "promising NPA candidate." The presentation providing information into each of the considerations, walking through compliance obligations, safety, reliability, timing, planning, and Environmental Justice considerations. To bring the information to life, the LDCs presented illustrative examples of NPA projects, as well as case studies to walk through potential NPA candidates. To conclude the presentation, LDCs presented the questions that are asked during the review within each of the key steps of the framework. Discussion across stakeholders included the below key points, as well as educational questions around modeling capabilities, and how LDCs implement pipeline investment processes currently.

### Key Points from Stakeholders:

- **Timeline considerations** around NPAs. Is there risk associated with the additional time NPAs may take?
  - LDCs shared that currently gas pipeline projects can take anywhere from 3 weeks to 2-3 years depending on permitting. Average of 12 months, from inception to construction, but noted that this is a wide range around this timing. NPAs will increase the timeline, but by how much is unknown. Safety remains the top priority, which won't change with the NPA framework.
  - Balance of identifying NPA opportunities proactively without looking too far ahead, since conditions can change on a street/pipeline section.

- The challenges around **customer engagement** are great it will be difficult to get 100% of customers on board with an NPA.
  - The overall complexity of implementing NPAs on a house-by-house basis was acknowledged, needing to convince each customer.
  - Discussed that there will be customer types (ex. Hospitals) that may be less feasible for NPAs.
  - LDCs brought up the opportunity to leverage Energy Efficiency programs, pilot programs, Electric Sector Modernization Plan (ESMP) for customer incentives, delivery mechanisms, and insight into what would be more successful in terms of customer engagement.
- **Cost implications** for both customers and the utilities should be discussed.
  - Customer cost burden in terms of equipment installation, rates, and future heating costs.
  - Cost-effectiveness calculations should also include carbon and climate goals.
    - It was noted similar to the TRC test in energy efficiency
  - Need to have a scalable and reasonable approach.
  - Environmental Justice was discussed in relation to ensuring communities are not disproportionately impacted by the gas system transition
- The goal of the NPA framework is not to solve decarbonization in MA (refer to the group's <u>charter</u>). It's important to consider there are many other initiatives in MA that will have impact on the work the NPA Framework is trying to achieve, like the Clean Heat Plan and the Interagency Rates Working Group.

### **Action Items:**

- Risk profiling LDCs to provide more information about risk tolerance risk, safety, time. Noting how DIMP and GSEP outline risk.
- The group to consider for future discussions, or within the Technical Subcommittee: how should the different framework considerations be weighted?

# Discussion of Framework:

**Summary:** Apex led a discussion to collect feedback and questions on the NPA Framework. The slides took visuals from the LDCs presentation and paired them with open ended questions. Key points from the earlier session were revisited and expanded upon, listed below in the key points.

### Key Points from Stakeholders:

- Importance of defining criteria further, particularly around safety risks, cost, and compliance obligations.
- Continued discussion around cost considerations, customer engagement, and timing, as mentioned above.
- Cost and benefits for EJ communities, as well as Low Income customers must be prioritized.

- Several participants highlighted the impact of gas system transitions on the electrical system, stressing the need for coordinated planning between gas and electric systems to avoid unforeseen challenges.
- Participants discussed the need for workforce development and customer education, particularly around heat pump installations and other energy-efficient technologies, ensuring that both workers and customers are informed and up to date on new systems.
- Several stakeholders emphasized the need for clear goals and metrics to track progress on scalability, cost-effectiveness, and environmental impact
  - LDC response: Spoke the importance of flexibility (instead of tying to one specific numerical goal) to avoid conflicting with safety requirements. Gas pipeline management requires flexibility given the nature of the infrastructure.
- Stakeholders are interested in the framework including/considering: How many real projects can be done per year, with metrics including number of projects, number of customers benefitting, number/dollars of infrastructure avoided.

### **Action Items:**

- LDCs to present framework at January meeting, with considerations of what stakeholders shared on Nov 6.
  - Stakeholders open to framework as presented but want utilities to provide more details in certain areas like benefits and cost analysis, and customer engagement.

# Wrap Up:

**Summary:** Next Working Group Meeting will be Wednesday, December 4<sup>th</sup>. The Technical Subcommittee will be having their first meeting on November 18<sup>th</sup>. Feedback can be emailed to <a href="mailto:npaworkinggroup@apexanalyticsllc.com">npaworkinggroup@apexanalyticsllc.com</a> or submitted through the "Contact Us" form on the website: <a href="mailto:www.npaworkinggroup.com">www.npaworkinggroup.com</a>.

### Action Items:

- Seeking Stakeholder(s) who are interested in presenting their ideas around NPA frameworks for the December 4<sup>th</sup> meeting. Notify Apex by 11/13 if you are interested in presenting. Presentation due 11/26.
  - Please use the email address or website for written feedback, links above.
- Spread the word: Public Listening Sessions will be on 11/14 and 11/18, with live captioning translation available (Working Group members encouraged but not required to attend).
  - o Public Listening Session Announcement (English).pdf
  - <u>Anuncio de la sesión pública de escucha (Spanish) Public Listening Session</u> <u>Announcement.pdf</u>
  - <u>Anúncio de sessão pública de escuta (Portuguese) Public Listening Session</u> <u>Announcement.pdf</u>
- LDCs to present framework at January meeting, with considerations of what stakeholders shared on Nov 6.