

TSC Meeting #5: Framework Follow-up

Non-Gas Pipeline Alternatives Stakeholder Process

March 11th, 2025



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Agenda

Time	Topic
10:00-10:05	Welcome
10:05-11:45	Framework read out
11:45-12:00	Wrap up and next steps

Goals of today's discussion

1. Review comments on the draft framework and LDC responses
2. Collect additional feedback that will be reflected in the [NPA Stakeholder Process Report](#)





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Framework read out

Overarching feedback on the draft NPA Framework

Strengths: thoughtful proposal that ensures many projects are evaluated for NPA potential while maintaining flexibility to allow more projects to advance

TSC Feedback

Proactive NPA planning needed

NPA Framework adequately addresses avoiding stranded gas asset costs but does not adequately address meeting MA climate goals

Limited time for the Framework development process

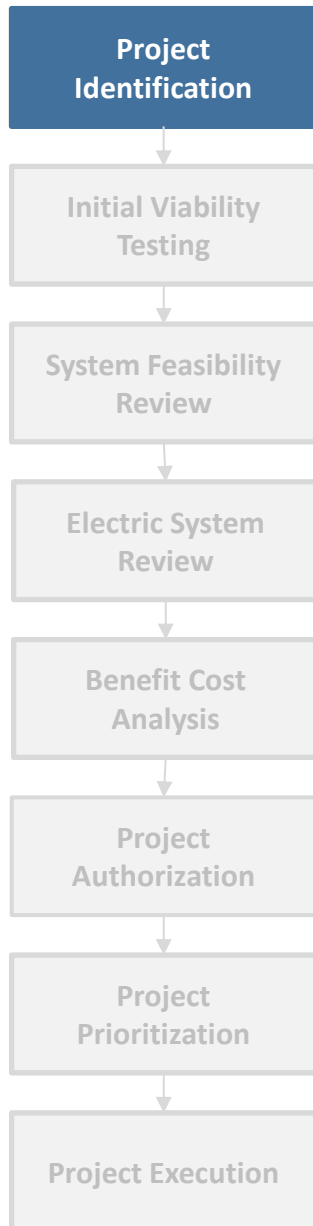
LDC Response

LDCs plan to discuss Integrated Energy Planning (IEP) in the Climate Compliance Plan (CCP)

Framework is consistent with 20-80-B, and is one element in an ecosystem of efforts to address the Commonwealth's climate goals, which will be detailed in CCPs

The LDCs will take review and input every year on its cost recovery filings on the Framework, plus a full stakeholder process every 5 years

Project identification feedback and responses



TSC Feedback

Clarify new customer requests within Framework

Define 'Emergent' and 'Other Reliability' Programs not undergoing NPA Review need clearer definitions

Define and use terms such as Project and Program

Some project categories are not generally well-suited to NPA development, but they should not be categorically excluded

LDC Response

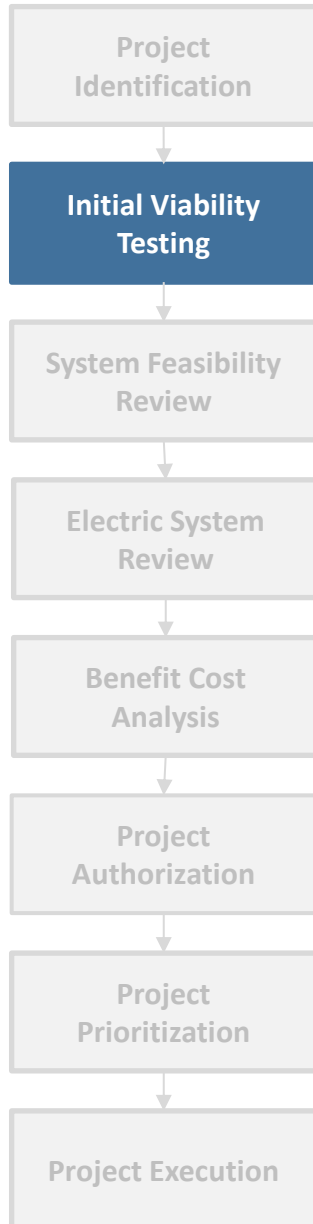
LDCs will document the separate process new customers go through and consider a language update for the attestation form which more explicitly demonstrates the education LDCs provide around alternative energy options

LDCs to clarify and document "Emergent" and "Other Reliability" Programs, including creation of two categories of "Emergent" programs

LDCs to clarify and document program and project terminology

There are projects that can not be addressed through an NPA due to current mandates, such as stub remediation and meter exchanges

Initial viability testing feedback and responses



TSC Feedback

Clarify if LDCs are adjusting timelines to allow for NPA review

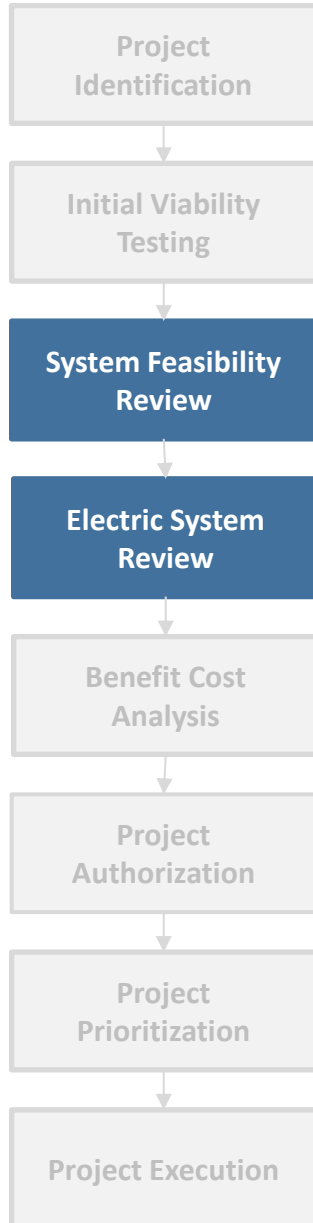
Mixed feedback on the use of thresholds including a request for caution around thresholds, due to risk of missing key opportunities; and support for the development of a unified initial viability test shared by LDCs

LDC Response

The LDCs will work on expanding the planning horizon

LDCs operate different systems with different abilities and customer bases, the same thresholds cannot be applied. The LDCs currently do not have thresholds, though thresholds will likely to be used in the future to minimize unnecessary costs. Thresholds will be flexible and will be adjusted based on learnings to prevent missed opportunities

Gas & electric system feasibility review feedback and responses



TSC Feedback

Clarify Electric System Review, including the assumptions, inputs, and outputs

Clarify Customer Viability Review in Framework

Clarify how the Electric System Review would be applied to pass or screen out projects

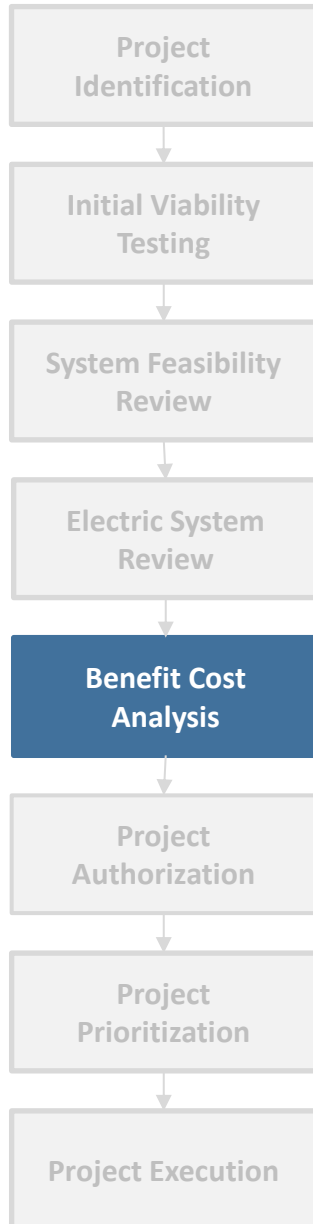
LDC Response

The LDC NPA Framework cannot make requirements for the EDCs or a municipally-owned electric company. The EDCs will develop system feasibility assessments to ensure the safe and reliable operations of their distribution system. Results from studies can be reviewed by the department and interveners in proceedings. Planning and modeling assumptions of the EDCs will not be broadly shared and cannot be defined by the LDCs in their NPA Framework

The LDCs have included a dedicated chapter (5.2.2.2) in the NPA Framework for the Customer Viability Review. The review will include an initial assessment of customer adoption propensity of the NPA

The LDCs will add detail on how projects flow through the electric system review process

Benefit cost analysis feedback and responses



TSC Feedback

Support for the flexibility described in the application of BCA tests

Some elements of proposed BCA not well suited for NPAs, including the gas RIM test

BCA needs to include the social cost of carbon

Clarify factors and timeline/process for stakeholder review

Clarify how the LDCs plan to leverage planned ESMP investments

LDC Response

The LDCs agree with the statement and will propose flexibility. The Companies may consider proceeding with an NPA if one or more BCAs are negative, the project is not cost-prohibitive, and other external circumstances make the NPA the more favorable option. The Companies will not proceed if the TRC specifically is negative.

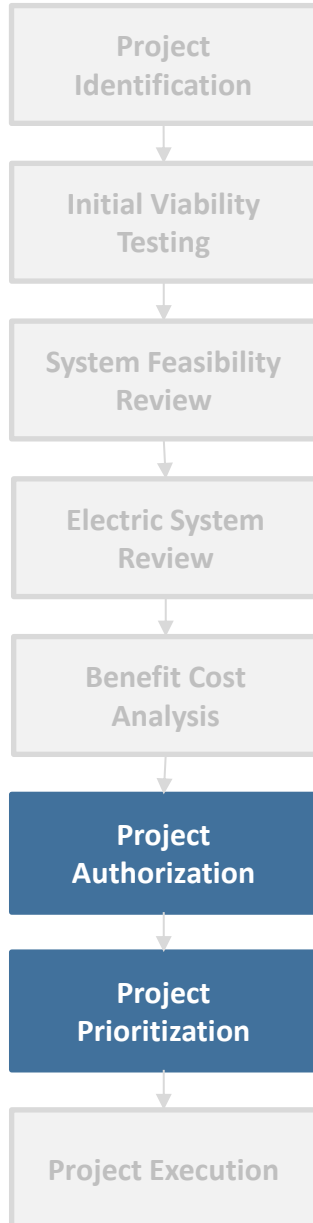
The LDCs have an obligation to understand rate and cost impacts for gas customer associated with NPAs and remain open to modifications to the calculations. The LDCs will work to determine the actual inputs to the RIM

The TRC includes \$415 per short ton of CO₂

Third-party consultants will review tests and develop inputs. Time does not allow more review before filing

NPAs are examined based on gas infrastructure needs, and may be more likely to succeed if the electric distribution system is proactively upgraded to provide necessary capacity. LDCs will add language in the NPA framework regarding impact of ESMP on NPA analysis.

Project authorization & prioritization feedback and responses



TSC Feedback

Mixed feedback on the use and order of priorities, including a request to design prioritization to produce a representative mix of NPA candidates; support for avoided capital as a primary priority; and call for sufficient resources to ensure that all eligible capital investments are considered under the NPA Framework and that all eligible, cost-effective NPAs are implemented

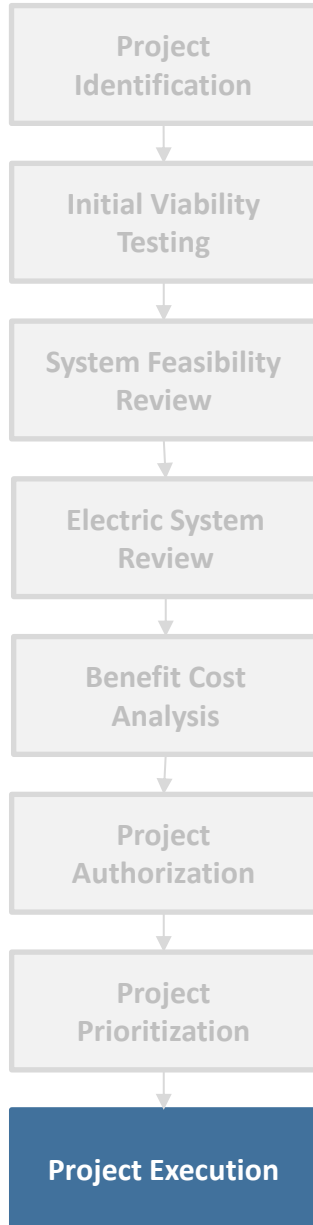
More information about cost recovery is needed

LDC Response

The LDCs note that prioritization is a practical necessity for resource constraints, some of which are beyond utility control. All priorities will remain but they will not be ranked

The LDCs are acutely aware of cost pressures on customers and will seek to leverage incentives, grants and other funding to minimize costs for participants. The LDCs will include a cost recovery proposal, including NPAs, as part of their respective CCPs

Project execution feedback and responses



TSC Feedback

Clarify in Framework about what the LDCs plan to report on during NPA implementation and after NPA project completion

Need more information on project execution

Clarify at what point the LDCs will stop accepting new customer requests

LDC Response

LDCs will establish level of reporting in subsequent DPU filings after approval of Framework

The LDCs will add more detail around project execution in the Framework

Once an NPA passes the initial viability test and is approved internally for implementation, the LDCs agree to commit to halt new connections to the portion of the system targeted by the NPA



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Next Steps

Next steps and follow-up items

- + E3 to share meeting notes from today's discussion
- + Feedback and takeaways from today's meeting will be incorporated into the NPA Stakeholder Process Report, which will be included in the April 1st filing

Thank You



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