

**Minutes from
Energy Transformation Advisory Board Meeting
February 4, 2026**

Welcome and Opening Remarks

At 1:15 pm, Office of Energy Transformation (OET) **Executive Director (ED), Melissa Lavinson** called the meeting to order. Fifty-nine voting members/delegates participated in the meeting (both in-person and virtually).

ED Lavinson welcomed the Energy Transformation Advisory Board (Advisory Board) to the fifth quarterly meeting. **ED Lavinson** thanked the Advisory Board and the Focus Area Working Groups (FAWGs) for their engagement and significant progress towards recommendations.

ED Lavinson also recognized the contributions of the first inaugural cohort of OET fellows, who finished their term at the end of January. **ED Lavinson** welcomed the new cohort of fellows, who will be working with OET during the 2026 calendar year. The fellows include:

- Deanna Kenyon, Master's Student at Tufts Department of Urban and Environmental Policy and Planning
- Henry Westerman, Master's Student at Tufts Department of Urban and Environmental Policy and Planning
- Miya Peterson, Undergraduate Student at Boston University
- Kai Kibilko, Master's Student at Northeastern
- Omid Mahdavi, PhD Student at Worcester Polytechnic Institute

ED Lavinson reviewed the agenda and the meeting goals: 1) provide updates on OET outreach and engagement, 2) update the Advisory Board on the status of each of the four FAWGs and progress to date, 3) seek Advisory Board approval for each FAWG to move forward to the next steps in their work plans, and 4) receive Advisory Board guidance on key considerations for next steps and the development of recommendations.

ED Lavinson welcomed **Toby Berkman**, Consensus Building Institute, as the co-facilitator of the meeting.

Updates on Outreach and Engagement

Canton Community Meeting: OET hosted a community meeting in Canton, MA on November 18th, 2025. Approximately 30 people attended. OET provided an overview of the state's climate and clean energy policies and the work of the OET. Meeting participants offered valuable input, with the conversations focusing on battery storage, including concerns and opportunities for paths forward.

Special Commission on the Fossil Fuel Workforce Report: The Special Commission on the Fossil Fuel Workforce (Commission), established under the 2024 Climate Law and co-chaired by ED Lavinson and Undersecretary Josh Cutler (Executive Office of Labor and Workforce

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Development), studied the impacts of the clean energy transition on fossil fuel workers. Several Advisory Board members and/or their organizations served on the Commission. The Commission submitted its final report to the legislature, per statute, on December 30, 2025.

Presentation on Decarbonizing the Peak (DTP) FAWG Work

Toby Berkman gave the floor to **Liz Mettetal**, from Energy and Environmental Economics, Inc. (E3), to share a progress report on DTP activities, and to give a presentation on the results of the system modeling conducted by E3.

DTP FAWG Progress: The DTP FAWG is moving into Phase 3 to develop recommendations. Phase 1 focused on the role of peakers and Combined Heat and Power (CHP) plants in the current electric system. In Phase 2, the FAWG identified potential technology alternatives to peaker and CHP plants and developed a detailed assessment framework to evaluate alternative technologies and related policies.

System Modeling: Conducted by E3, this modeling supplements the FAWG technology assessment framework. It is intended to evaluate the technical ability of alternatives to maintain a 1-day-in-10-year reliability standard.

Key Modeling Findings:

- **Near-Term (2030):** System remains **summer peaking**. Peakers are primarily needed for frequent, short-duration (2-4 hour) net load peaks on summer evenings and during cold winter events. Removing 1.8 GW of MA legacy peakers creates an immediate need for 1.6 GW of “perfect capacity.” 4-hour storage is a strong near-term substitute for peakers, paired with the scaling of renewable energy and clean firm power.
- **Medium to Long-Term (2040):** System transitions to **winter peaking** with increased heating electrification. 100-hour storage and offshore wind become essential for peaker replacement as critical periods extend beyond short-duration discharge limits.
- **Emissions impacts:** Retiring peakers without adding firm resources yields negligible net emissions increases; GHG emission reductions are driven by adding both renewables and storage capacity to reduce peaker dispatch frequency and overall fossil fuel reliance.

Toby Berkman invited questions on the DTP FAWG progress and the system modeling.

Paul Chodak (Eversource Energy) asked how the model accounts for anomalous weather patterns where renewables are not readily available. He noted it would be helpful to compare technology options based on dollars per avoided ton of CO₂.

- **Liz Mettetal** responded that E3 ran a loss of load probability model based on 40 years of weather data to predict if sufficient resources and storage capacity exist to dispatch

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regardless of weather conditions. Cost implications are currently outside the scope of this modeling. There are other ongoing efforts at the Executive Office and Energy and Environmental Affairs (EEA) that address costs. She also noted that peaking resources are “last mile alternatives,” and therefore will be more expensive than most other decarbonization efforts.

José Costa (Northeast Gas Association) asked how this model compares to ISO-NE modeling, given concerns that wind performance during storm conditions could struggle to charge batteries.

- **Liz Mettetal** responded that this modeling looks very similar to ISO-NE modeling. E3’s model predicts the need for more renewables to support increased storage.

Steve Cowell (Northeast Energy Efficiency and Electrification Council) asked whether the modeling includes peak demand impacts of time of use rates and managed EV charging and requested greater specificity on storage needs.

- **Liz Mettetal** responded that the load shape of the model includes assumptions of some managed charging and behind-the-meter aggregation. These assumptions are drawn from the Department of Energy Resources (DOER) load management study. Rate design will be an ongoing conversation in the DTP FAWG.

Kyle Murray (Acadia Center) asked if the model includes incidents where gas generation capacity fails.

- **Liz Mettetal** responded that the model looked at reported forced outage rates over the last several years and assumed they happened randomly. This has implications for the effective load carrying capability. The model also looks at how and if outage rates are more likely to occur when the grid is constrained, and the implications for the performance of gas-fired peaker plants.

Hudson Gilmer (LineVision) asked for clarity on the assumptions in the model related to batteries and storage. He noted that technology is advancing quickly in these areas, and it is therefore important for the model to be forward-looking and not premised on today’s estimates around availability and cost.

- **Liz Mettetal** responded that the model assumes fairly ambitious storage and renewables build out by 2030, giving storage the best chance possible to replace peaker plants.

Mekala Krishnan (McKinsey Global Institute) asked for clarification on the relationship between the system modeling and the earlier assessment framework developed by the DTP FAWG.

- **Liz Mettetal** responded that this modelling is one piece of a broader assessment framework. Recommendations will take into account the assessment framework in addition to this modeling.

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- **ED Lavinson** added that this modeling is directional rather than definitive and is intended to support an understanding of future resource needs, not to establish a recommended pathway or resource mix. This modeling will support subsequent policy conversations.

Mirielle Bejjani (Slingshot) noted that a panel on community impacts and a Synapse Energy Economics study on peaker elimination by 2050 were provided to the FAWG, with the community impacts panel made available to the broader Advisory Board and FAWG membership. She asked for these results to be shared with the broader Advisory Board, and to be taken into consideration in the Advisory Board vote on recommendations.

- **ED Lavinson** responded that the community impacts conversation, the Synapse study, and the E3 modeling results will all be used to inform FAWG recommendations and that these resources will all be made available to the broader Advisory Board.

Voting/Decisions and Next Steps:

Toby Berkman called for a vote:

- The Advisory Board affirms the FAWG’s assessment and modeling approach to date and supports the FAWG proceeding to Phase 3 to develop policy-focused recommendations.

VOTED: to affirm the FAWG’s work to date and the advancement to Phase 3.

In the room: One opposed, three abstained.

Online: None opposed, two abstained.

Presentation on Everett Marine Terminal (EMT) FAWG Work

Toby Berkman gave the floor to **Mike Walsh**, from Groundwork Data, to share an overview of the EMT FAWG work to date, including draft findings and recommendations.

EMT FAWG Progress: The EMT FAWG is currently in Phase 3, where they are developing recommendations. Phase 1 included an overview of EMT and a current use assessment, and Phase 2 included an inventory and assessment of alternatives.

Key Findings:

- **Use and costs:** EMT is a gas resource asset that provides vapor (pipeline) and liquid (truck) supply, system redundancy, pressure support, and LNG storage. Contracted local gas distribution companies (LDCs) rely on EMT to meet supply and system needs. EMT is also used by other utilities and generators. Operational costs are largely fixed and borne by LDC ratepayers.

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- **Future projections:** It is highly unlikely that sufficient demand reduction can be deployed by 2030 to avoid continued reliance on EMT for Massachusetts LDCs.
- **Emergent risks:** Risks include cost shifting to remaining customers as some LDCs find alternative supply sources, regulatory transitions, reliability gaps, and situational impacts on the City of Everett regarding jobs, tax revenue, and environmental justice.
- **Planning pathways:** Integrated Energy Planning (IEP) offers a conceptual framework for optimizing future system decisions, although EMT-specific considerations need to be incorporated into ongoing IEP efforts.

Draft Recommendations: To date, discussion in the EMT FAWG has focused on recommendation #1, with recommendations #2 and #3 to be further developed in the coming months. Recommendations are summarized below:

1. Identify options to accelerate strategic demand reduction to mitigate reliance on EMT and incorporate EMT into IEP efforts underway by the utilities.
2. Develop policy recommendations that support cost reductions to LDC ratepayers.
3. Develop clarity on the long-term role that gas storage will play in the energy transition and what steps might be pursued.

Toby Berkman invited questions on the EMT FAWG findings and recommendations.

Dan Dolan (New England Power Generators Association) asked how the group is navigating the tension between promoting demand reduction for large customers while recognizing that a larger burden of fixed costs will shift to a dwindling customer base.

- **Mike Walsh** responded that the EMT FAWG is actively wrestling with this tension and exploring options to increase system optionality while managing cost impacts.

Bob Hevert (Unitil) asked if the FAWG considered the levelized cost of abatement to electrify portions of the system and if there is a cost that is too high.

- **ED Lavinson** responded that cost effectiveness is a core concern. This is a question that will be taken up more substantively as the FAWG develops recommendations #1 and #2.

Larry Chretien (Green Energy Consumers Alliance) expressed concern that the findings affirm the need for EMT rather than offering a pathway for reducing reliance on EMT. He contested the assumption (referenced in finding #6) that gas consumption will be at levels in 2030 that exceed the 2030 GHG emissions sublimits, noting that gas demand has been decreasing in Massachusetts and this trend is expected to continue.

- **ED Lavinson** responded that this concern is closely related to recommendation #1, which emphasizes the need for demand reduction. This will be an ongoing conversation in the coming months and the FAWG will do a deeper dive into future demand.

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Tina Bennett (PowerOptions) asked if the FAWG is considering savings mechanisms for LDC customers bearing fixed costs, potentially tied to non-contracted uses of EMT.

- **Mike Walsh** responded that cost allocations will be a core topic of discussion over the next few months. The EMT FAWG welcomes thoughts on this from both Advisory Board and FAWG members.

Mary Wambui (Planning Office for Urban Affairs) raised concerns that the recommendations do not identify a clear pathway for addressing environmental justice concerns, noting that IEP is insufficient given procedural barriers that often preclude inclusion of EJ interests. She also noted concern about the lack of a clear timeline for EMT closure.

- **Mike Walsh** recognized that IEP is an emerging practice and noted that the FAWG will be exploring targeted resources to support the energy transition at the community level.
- **ED Lavinson** added that the experience of Advisory Board members who work directly with environmental justice communities will be essential in these conversations.

Hudson Gilmer (LineVision) asked if there has been an attempt to build a roadmap for phased EMT closure as demand is reducing.

- **ED Lavinson** responded that recommendations #1 and #3 will address this question, including building out a plan to mitigate risk and ensure system reliability for all Massachusetts gas customers.

Voting/Decisions and Next Steps:

Toby Berkman called for a vote:

- The Advisory Board affirms that the FAWG's Findings and Recommendation Pathway, as drafted, represents sufficient progress towards fulfilling the FAWG's charge. The Findings and Recommendation Pathway are sufficient to form the basis of additional deliberation on the Recommendations, including implementation considerations.
- The Findings, as drafted, are sufficient to aid the LDCs in the formulation of their annual reporting requirement describing progress on reducing or eliminating reliance on EMT as stipulated by the DPU's EMT contract approval order (D.P.U. 24-[25-28]).
- The Advisory Board understands that the final Findings and Recommendations will be provided at its next meeting.

VOTED: to affirm the direction of the FAWG's Finding and Recommendation pathway.

In the room: One opposed, one abstained.

Online: Three opposed, none abstained.

Address from the Secretary of the Executive Office of Energy and Environmental Affairs

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ED Lavinson welcomed **EEA Secretary Rebecca Tepper**.

Secretary Tepper thanked the Advisory Board and FAWGs for their dedication, noting that their ability to find common ground on complex issues serves as a vital model for the energy ecosystem. She emphasized that while meaningful change takes time, the collaborative process is essential for ensuring Massachusetts remains economically competitive while increasing affordability. Highlighting recent progress in regional partnerships, the Secretary noted a new Memorandum of Understanding with Nova Scotia focused on offshore wind and transmission collaboration.

The administration remains focused on the Energy Affordability bill, which aims to bring clean energy online and create jobs while reducing costs for residents by approximately \$13 billion. Combined with recent DPU approvals to reduce system demand, these efforts reflect a commitment to stabilizing the state's energy future.

No Advisory Board members had questions.

Presentation on Financing the Transition (FTT) FAWG Work

FTT FAWG Progress: The FTT FAWG is currently in Phase 3, focused on the development of recommendations based on the assessment framework developed in Phase 2 and a quantitative analysis of financing alternatives. The drafting process for the recommendations will continue over the coming months, informed by FAWG feedback.

Quantitative Analysis of Financing Alternatives: Analysis Group conducted a quantitative analysis of financing alternatives for an illustrative \$1 billion investment in distribution assets over 40 years.

- **Core Financial Assumptions:**
 - An illustrative **Weighted Average Cost of Capital (WAAC) of 7.10%** was used as the discount rate across all approaches to determine present values.
 - For alternatives involving traditional utility funding, the **cost of equity** is set at 9.60% and the **cost of debt** at 4.60%.
 - Securitization is modeled at 4.00% cost of debt (based on AAA corporate bond yields), while State Revolving Fund debt is modeled at 3.50% (based on MA General Obligation bond yields).

- **Key Findings:** Reducing financing costs can lower the total revenue requirement (i.e., the amount collected from ratepayers to recover costs) and bills, to varying degrees, while reducing the overall amount of investment that flows into utility ratebase has a larger overall impact on both revenue requirements and bills, both in the near term and over time.

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Draft Recommendation Structure: The FTT FAWG is outlining a portfolio of approaches. Strategic findings suggest that alternatives can reduce bill impacts, but the impact of financing alternatives alone is limited. Equity also must be engineered from the beginning, to ensure benefits for LMI and environmental justice communities. Strategic considerations for implementation will be noted, including time horizon, scale and scope of investment, synergies vs. conflicts/challenges, potential associated consequences of various approaches, and the importance of transparency/clarity.

Toby Berkman invited questions on the FTT FAWG findings and recommendations.

Maggie Super Church (MassHousing/Massachusetts Community Climate Bank) asked for more detail on how the FAWG is thinking about engineering equity into solutions.

- **Toby Berkman** responded that the goal is to build equity into financing structures themselves, rather than offering retroactive credits. The FAWG is also talking about the disaggregation of bill impacts so that impacts on different communities are visible and can be adjusted accordingly.

Carrie Hitt (Vineyard Offshore) asked if the FAWG looked at the history of securitization in Massachusetts and its bill impacts.

- **ED Lavinson** responded that the FAWG looked at the history of securitization both in Massachusetts and across the country.

Bob Hevert (Unitil) expressed concern that securitization asks investors to retain operating risks without compensation, creating a challenge for utility fiduciary responsibility to investors. He asked that these impacts be included in the analysis.

- **ED Lavinson** responded that the FAWG will be considering these questions, and the analysis will inform recommendations.

Senator Barrett asked for clarification on why securitization is less expensive than traditional financing. He requested that the final report use accessible language to inform legislative discussions.

- **ED Lavinson** responded that the recommendations and report will strive to be as accessible as possible to ensure multiple audiences can benefit from its publication. She explained that under traditional ratemaking, utilities earn off the undepreciated amount of ratebase, typically at the weighted average cost of capital (debt and equity). Securitization, in contrast, is debt-only financing with a lower, leveled cost.

Mary Wambui (Planning Office for Urban Affairs) commented that traditional grid financing, and even options like securitization, are often at odds with equity. While investors profit, vulnerable populations continue to face acute affordability challenges, a result of the inequitable flow of capital. She asked that this dynamic be acknowledged in the FTT report and recommendations.

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She also suggested that distributed energy resources (DER) offer one way of ensuring equity is engineered into the system.

Joe LaRusso (Acadia Center) noted the absence in this presentation of the proposal for targeted behind-the-meter DER as an alternative to infrastructure upgrades. He asked if this proposal continue to be considered in the FTT workplan?

- **ED Lavinson** responded that the proposal will continue to be considered.

Voting/Decisions and Next Steps:

Toby Berkman called for a vote:

- The Advisory Board affirms the FAWG’s work and approach to date, affirms the proposed Phase 3 workplan, and has no objection to the FAWG proceeding to develop recommendations, per approach presented.

VOTED: to affirm the FTT FAWG’s work to date, and proposed Phase 3 workplan and continued development of recommendations.

In the room: None opposed, four abstained.

Online: None opposed, none abstained.

Presentation on the Enabling Sustainable Economic Development (ESED) FAWG Work

Toby Berkman gave the floor to **Katherine O’Malley**, Office of Energy Transformation, to share an overview of the work of the ESED FAWG.

Overview: The ESED FAWG is focused on accelerating Massachusetts’ economic growth aligned with the clean energy transition. The core challenge of the FAWG is to address a risk gap where utilities require financial commitments from customers before making grid investments to enable businesses to connect and take power from the grid, while businesses face financial barriers to these upfront payments and uncertain timelines for grid connections and access to energy supplies. This dynamic leads to a mismatch of needs that slows economic development and expansion.

Phase 1: The FAWG assessed business needs and interconnection barriers across various sectors. The FAWG identified four primary topic areas for deep-dive exploration: **Economic Development Rates (EDRs), cost recovery models, energy supply, and pilot site selection.**

Phase 2: The FAWG is narrowing its near-term focus to three core areas for development in Phase 2:

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- **EDRs:** Exploring discounted utility rates to attract or retain businesses in exchange for job creation and capital investment.
- **Prudency Review Standard:** Assessing regulatory changes to allow utilities to recover costs for proactive grid buildout to enable the development of “clean energy-ready zones.”
- **Pilot Site Selection:** Identifying sites that have initiated development but lack the necessary energy capacity to attract targeted businesses.

Small Group Discussions on ESED:

Toby Berkman introduced the small group discussion process, giving table groups 20 minutes to provide feedback and reactions to the FAWGs work to date. The feedback received from the small groups is organized thematically below:

Economic Development Rates

- **Cost shifting is a core issue:** A primary concern is whether these discounts raise costs for other ratepayers, either immediately or over time. Advisory Board members emphasized the need for granular and transparent modelling of various cost allocation models to ensure that costs are not being “quietly” socialized.
- **EDR qualifying criteria:** Members discussed which industries should qualify for EDRs.
 - Some suggested prioritizing MassLeads Act sectors such as life sciences, climate tech, and advanced manufacturing.
 - Several members cautioned against including data centers as an eligible sector.
 - Members discussed potential requirements for qualifying industries to be aligned with other state goals, including decarbonization, housing production, or clean transportation.
- **Rate structure:** Members requested clarification on whether discounts apply to the total bill or only to the Transmission and Distribution (T&D) portion.
- **Equity considerations:** Members raised concerns about existing businesses that are located outside clean energy zones, but who may be interested in economic development and clean energy initiatives. How does the state ensure existing businesses are also supported and incentivized to shift towards clean energy?
- **Draw on lessons learned from other states:** Members want to see examples of successes, failures, and lessons learned in other states.

Prudency Review Standards

- **Prudency vs. used and useful:** A few members noted that demonstrating the prudency of an investment is relatively straightforward. The “used and useful” standard is more challenging. If investments are made proactively and the load does not appear, utilities currently bear the risk. This can make utilities hesitant to take on these investments without certainty on the ultimate customer, including size of load and timing.

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- Utilities noted that while the prudency review is often framed as utility protection, it exists to protect all customers, not only utilities, from new load not materializing or materializing on a highly delayed schedule.
- **Risk allocation:** A core question for the FAWG is how to allocate risks between utilities, ratepayers, industry actors, and government (either state or local). Considerations include:
 - Assessing whether and to what extent new electric load is beneficial to ratepayers, the state, a locality, etc.
 - Determining the extent to which new load lowers costs for all ratepayers (i.e., more usage over which to spread fixed costs).

Pilot Projects

- **Strategic siting:** Grid capacity in Massachusetts is uneven. Some locations may be able to absorb new load with minimal impact, while others require expensive upgrades. Members recommended choosing “low lift” sites for initial pilot projects.
 - Recommendation made to use geospatial tools to identify areas where grid surplus and favorable economic activity intersect.
 - Look for opportunities to co-locate large loads with on-site or nearby generation. Co-location can reduce grid stress, limit ratepayer exposure, and align economic development with energy and equity goals.
- **Seek opportunities for mixed-use:** Advisory Group members expressed strong interest in mixed use development, combining industry development with priorities such as housing.
- **Community benefits:** Pilot projects should include clear criteria for community benefits, including but not limited to job creation and the prioritization of local hires, benefits for displaced fossil fuel workers, tax revenue for surrounding communities, and housing production.
- **Diverse locations:** Pilot projects would benefit from including a mix of urban, suburban, and rural locations, and both greenfield and brownfield sites.
- **Concerns about data centers:** Several members cautioned against prioritizing data centers for a pilot project, noting high energy demands and associated infrastructure costs.

High-Level Feedback on ESED efforts

- The Advisory Board generally supports the shift towards proactive planning for economic development and corresponding grid upgrades.
- Members appreciate the focus on industries that provide high-quality jobs and alignment with Massachusetts’ clean energy and climate goals.
- Socialization of costs and risks remains a central concern, particularly in instances where ratepayers are left to pay for unused infrastructure.
- Members noted that substation constraints are often the largest practical obstacles.

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- Members emphasized the need for explicit and specific metrics to assess and demonstrate that a project is beneficial to surrounding communities.

Voting/Decisions and Next Steps:

Toby Berkman called for a vote:

- The Advisory Board affirms the Phase 2 workplan of the Enabling Sustainable Economic Development FAWG, including the possibility of identifying pilot site(s) for clean energy ready-zones

VOTED: to affirm the Phase 2 ESED workplan.

In the room: None opposed, one abstained.

Online: None opposed, none abstained.

Next Steps:

- Each FAWG will incorporate Advisory Board feedback into their workplan and next steps.
- The next Advisory Board meeting will be held in early June. This next meeting will focus on a review of the formal recommendations from the EMT, DTP, and FTT FAWGs.