

HOUSE No. 2935

The Commonwealth of Massachusetts

PRESENTED BY:

Lori A. Ehrlich

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying:

An Act to transition to a clean energy Commonwealth .

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Lori A. Ehrlich</i>	<i>8th Essex</i>
<i>Peter V. Kocot</i>	<i>1st Hampshire</i>
<i>Jonathan Hecht</i>	<i>29th Middlesex</i>
<i>Denise Andrews</i>	<i>2nd Franklin</i>
<i>Denise Provost</i>	<i>27th Middlesex</i>
<i>Ruth B. Balsler</i>	<i>12th Middlesex</i>
<i>William N. Brownsberger</i>	<i>Second Suffolk and Middlesex</i>
<i>Sean Garballey</i>	<i>23rd Middlesex</i>
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>
<i>Michael D. Brady</i>	<i>9th Plymouth</i>
<i>Tom Sannicandro</i>	<i>7th Middlesex</i>
<i>John W. Scibak</i>	<i>2nd Hampshire</i>
<i>Ellen Story</i>	<i>3rd Hampshire</i>
<i>Frank I. Smizik</i>	<i>15th Norfolk</i>
<i>Jason M. Lewis</i>	<i>31st Middlesex</i>
<i>Gailanne M. Cariddi</i>	<i>1st Berkshire</i>
<i>David Paul Linsky</i>	<i>5th Middlesex</i>
<i>Kenneth I. Gordon</i>	<i>21st Middlesex</i>

<i>Anne M. Gobi</i>	<i>5th Worcester</i>
<i>Paul McMurtry</i>	<i>11th Norfolk</i>
<i>Carlos Henriquez</i>	<i>5th Suffolk</i>
<i>Jay R. Kaufman</i>	<i>15th Middlesex</i>
<i>Kevin J. Murphy</i>	<i>18th Middlesex</i>
<i>Louis L. Kafka</i>	<i>8th Norfolk</i>
<i>Kay Khan</i>	<i>11th Middlesex</i>
<i>Denise C. Garlick</i>	<i>13th Norfolk</i>
<i>Tricia Farley-Bouvier</i>	<i>3rd Berkshire</i>
<i>Stephen Kulik</i>	<i>1st Franklin</i>
<i>Christopher G. Fallon</i>	<i>33rd Middlesex</i>
<i>Timothy R. Madden</i>	<i>Barnstable, Dukes and Nantucket</i>
<i>Colleen M. Garry</i>	<i>36th Middlesex</i>
<i>Sal N. DiDomenico</i>	<i>Middlesex and Suffolk</i>
<i>John J. Binienda</i>	<i>17th Worcester</i>
<i>David M. Rogers</i>	<i>24th Middlesex</i>
<i>Paul W. Mark</i>	<i>2nd Berkshire</i>
<i>Michael Barrett</i>	<i>Third Middlesex</i>
<i>Alice Hanlon Peisch</i>	<i>14th Norfolk</i>
<i>Elizabeth A. Poirier</i>	<i>14th Bristol</i>
<i>Sarah K. Peake</i>	<i>4th Barnstable</i>
<i>Harold P. Naughton, Jr.</i>	<i>12th Worcester</i>
<i>Aaron Vega</i>	<i>5th Hampden</i>
<i>Cory Atkins</i>	<i>14th Middlesex</i>
<i>Marjorie C. Decker</i>	<i>25th Middlesex</i>
<i>Carolyn C. Dykema</i>	<i>8th Middlesex</i>
<i>Paul Brodeur</i>	<i>32nd Middlesex</i>
<i>Paul J. Donato</i>	<i>35th Middlesex</i>
<i>Paul R. Heroux</i>	<i>2nd Bristol</i>
<i>Elizabeth A. Malia</i>	<i>11th Suffolk</i>
<i>Carl M. Sciortino, Jr.</i>	<i>34th Middlesex</i>
<i>Patricia D. Jehlen</i>	<i>Second Middlesex</i>
<i>James M. Cantwell</i>	<i>4th Plymouth</i>
<i>Aaron Michlewitz</i>	<i>3rd Suffolk</i>
<i>Thomas P. Conroy</i>	<i>13th Middlesex</i>
<i>Danielle W. Gregoire</i>	<i>4th Middlesex</i>

HOUSE No. 2935

By Ms. Ehrlich of Marblehead, a petition (accompanied by bill, House, No. 2935) of Lori A. Ehrlich and others relative to the use of coal as an energy resource in the Commonwealth. Telecommunications, Utilities and Energy.

The Commonwealth of Massachusetts

An Act to transition to a clean energy Commonwealth .

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1: For each electric generating facility located in the commonwealth that uses
2 coal as fuel, the owner and operator shall file a report with the commissioner of the department
3 of energy resources by July 1, 2013 detailing how greenhouse gas emissions emitted by the
4 facility will be reduced consistent with, and at least proportional to, the reductions mandated by
5 chapter 21N of the general laws, including the 2020 statewide greenhouse gas emissions limit
6 adopted by the secretary pursuant to section 4 thereof, and describing how the facility will
7 comply with regulations issued by the United States Environmental Protection Agency regarding
8 the control of Hazardous Air Pollutants under section 112 of the federal Clean Air Act, Standards
9 of Performance for fossil fuel fired steam electric generating units under section 111 of the
10 federal Clean Air Act, the National Ambient Air Quality Standards for ozone, particulate matter,
11 NO2 and SO2, and the Greenhouse Gas Tailoring Rule. The report shall include, but not be
12 limited to, the following:

- 13
- 14 (i) An assessment of achieving the reductions mandated by chapter 21N of the general laws,
15 including the 2020 statewide greenhouse gas emissions limit adopted by the secretary pursuant to
16 section 4 thereof;
- 17 (ii) An assessment of the potential for re-use of the site for alternative uses, including electric
18 generating alternatives that emit few or no greenhouse gas emissions, as well as alternative uses
19 that do not include electric generation; and
- 20 (iii) an assessment of the scope and cost of decommissioning, demolishing and remediating the
21 existing facility site for a range of alternative uses which shall include a full site assessment and
22 risk characterization study. The department of energy resources shall hold public hearings to
23 solicit public comment in response to such reports in each of the regions that have the most
24 significant exposure to air pollutants from coal-fired electric generation facilities.

25

26 □SECTION 2: On or before January 1, 2014, the commissioner of the department of energy
27 resources shall adopt a plan for replacing all use of coal as an energy resource in the
28 commonwealth by 2020, including a plan for the orderly retirement of all baseload coal-fired
29 electric generating facilities and replacement with clean energy alternatives such as electric
30 transmission upgrades, energy efficiency, demand response and renewable energy alternatives
31 having low or no emissions of greenhouse gases and other regulated air pollutants. The
32 commissioner shall consult with all state agencies and regional authorities with jurisdiction over
33 electric generation, electric transmission, air emissions, public health, economic development
34 and the provision of reliable and affordable electrical service, to ensure the plan can be
35 implemented in an efficient and cost-effective manner while promoting economic development,
36 reducing the public health and climate impacts of electric generation, and increasing energy
37 security for the commonwealth. The plan shall take into account the greenhouse gas emission
38 reductions mandated by chapter 21N of the general laws, including the 2020 statewide
39 greenhouse gas emissions limit adopted by the secretary pursuant to section 4 thereof, as well as
40 regulations issued by the United States Environmental Protection Agency regarding the control
41 of Hazardous Air Pollutants under section 112 of the federal Clean Air Act, Standards of
42 Performance for fossil fuel fired steam electric generating units under section 111 of the federal
43 Clean Air Act, the National Ambient Air Quality Standards for ozone, particulate matter, NO₂
44 and SO₂, and the Greenhouse Gas Tailoring Rule. The plan also shall be informed by the reports
45 and related public comments submitted pursuant to section 1 of this act. The plan shall include,
46 but not be limited to, the following:

47 □

48 □(i) an analysis of the extent to which each coal-fired electric generating facility can or cannot
49 operate in compliance with existing and reasonably foreseeable state and federal environmental
50 regulations, as well as the feasibility and cost of any modifications necessary to meet the
51 requirements of such regulations;

52 □(ii) an assessment of the potential for re-use of each coal-fired electric generating facility site
53 for alternatives that emit few or no greenhouse gas emissions or other regulated air pollutants,
54 including electric generation and non-generation alternatives;

55 □(iii) an assessment of measures to minimize economic impacts on host communities with
56 respect to each coal-fired electric generating facility that ceases operation on or before January 1,
57 2020, with such assessment taking into account costs such as any reductions in property tax
58 revenues and benefits such as reduced burdens on emergency and public health services;

59 □(iv) an analysis of whether and to what extent alternatives are needed to ensure electric system
60 reliability, such as increased energy efficiency, demand response, low- or no-emissions
61 renewable energy, electric transmission upgrades and

62 □(v) an assessment of site contamination as well as remediation measures necessary to prepare
63 the host site for alternative uses.

64 □Prior to adopting a final plan, the department of energy resources shall hold public hearings in
65 each of the regions that have the most significant exposure to air pollutants from coal-fired

66 electric generation facilities.

67

68 SECTION 3: Chapter 25A of the general laws, as appearing in the 2008 edition, is hereby
69 amended by inserting after section 11I the following sections:

70

71 Section 11J. (1) The department shall establish a greenhouse gas emissions performance
72 standard for all retail electricity suppliers selling electricity to end-use customers in the
73 commonwealth. Beginning January 1, 2015, the greenhouse gas emissions performance standard
74 that must be achieved by each electric generating facility from which retail electricity suppliers
75 purchase electricity for delivery to end-use customers in the commonwealth shall be the lower of
76 (a) nine hundred pounds of greenhouse gases per megawatt hour; or (b) the average greenhouse
77 gas emissions of all electric generating facilities in operation during the prior calendar year in the
78 ISO-New England control area. Such emissions performance standard shall apply to all
79 electricity delivered to end-use customers in the commonwealth on or after January 1, 2015,
80 without regard to when the electricity was purchased or contracted for purchase.

81

82 (2) Any electric generation facility having a first commercial operation date after January 1,
83 2011 and located in the commonwealth must comply with the greenhouse gas emissions
84 performance standard established in subsection (1) of this section from the time of its first
85 commercial operation date and continuing thereafter.

86

87 (3) In determining the rate of emissions of greenhouse gases for electric generating facilities
88 under this section, the total emissions associated with producing electricity shall be included.

89

90 (4) The department shall establish an output-based methodology to ensure that the calculation
91 of emissions of greenhouse gases for a cogeneration or combined heat and power facility
92 recognizes the total usable energy output of the process, and includes all greenhouse gases
93 emitted by the facility in the production of both electrical and thermal energy.

94

95 (5) The department shall adopt regulations to implement and enforce the greenhouse gas
96 emissions performance standard under this section, including regulations establishing procedures
97 for verification of greenhouse gas emissions and rules establishing penalties for any failure to
98 comply with the greenhouse gas emissions performance standard. The department shall revise
99 the standard downward as necessary to achieve the interim emissions limits established for 2030
100 and 2040 pursuant to section 3 of chapter 21N of the general laws and the 2050 limit established
101 pursuant to section 3 of chapter 21N of the general laws.

102

103 Section 11K. There is hereby established within the department of energy resources and set
104 upon the books of the commonwealth a Community Transitioning Fund for the purpose of
105 mitigating impacts of the retirement of coal-fired electric generation facilities on employees of

106 such facilities and on the municipalities where such facilities are located. There shall be credited
107 to the fund revenue from appropriations or other monies authorized by the general court and
108 specifically designated to be credited to the fund, and gifts, grants, private contributions,
109 repayment of loans, investment income earned on the fund's assets, and any other sources.
110 Money remaining in the fund at the end of a fiscal year shall not revert to the general fund.

111

112 (1) A community transitioning fee shall be established in an amount not less than one dollar for
113 each ton of carbon dioxide emitted by any electric generating facility having a net generating
114 capacity of 75 megawatts or more. The fee shall be remitted to the department of revenue on the
115 last day of each month based on the amount of carbon dioxide emitted during the preceding
116 month.

117

118 (2) An owner of an affected electric generating facility shall be liable for the fee until it has
119 been paid to the commonwealth.

120

121 (3) All fees collected pursuant to this section shall be deposited in the fund and shall be
122 disbursed for the purposes of mitigating the impacts of the retirement of coal-fired electric
123 generation facilities on employees of such facilities and the municipalities where such facilities
124 are located. The state treasurer shall not deposit or transfer revenues generated pursuant to
125 subsection (1) to the General Fund or any other fund other than the Community Transitioning
126 Fund.

127

128 (4) The commissioner shall set the amount of the community transitioning fee, which shall be
129 not less than one dollar for each ton of carbon dioxide emitted by each affected electric
130 generating facility.

131

132 The department shall maintain the fund as a separate fund, and shall cause it to be audited by
133 an independent accountant on an annual basis in accordance with accepted accounting principles.

134

135 The commissioner shall be treasurer, trustee, and custodian of the fund, and shall administer
136 such fund in accordance with the provisions of this section, and shall pay all warrants drawn
137 upon it in accordance with the provisions of this section and with such regulations as the
138 department may promulgate.

139

140 A governing board of not less than nine individuals with an interest in matters relating to the
141 general purpose of the fund shall assist the department in matters related to the fund and in the
142 implementation of this section. The governing board shall include: the commissioner, who shall
143 serve as chair; the secretary of energy and environmental affairs or a designee; the secretary of
144 labor and workforce development or a designee; the secretary of housing and economic
145 development or a designee; a representative of a labor organization representing electric-

146 generation facilities workers recommended by the president of the Massachusetts AFL-CIO; a
147 representative of the Massachusetts Municipal Association; and three members to be appointed
148 by the governor, who shall have knowledge and experience in one or more of the following
149 areas: regional environmental concerns; renewable energy and energy efficiency; and worker
150 training programs pertaining to renewable energy or energy efficiency.

151 □

152 □SECTION 4: Section 2(a) of Chapter 23J of the general laws, as appearing in the 2008 official
153 edition, is hereby amended by striking subsection xi and replacing it with the following –

154 □

155 □– (xi) establishing programs to ensure smooth transitions for workers from coal or oil-
156 fired electric power generating facilities to clean energy jobs; and (xii) performing any other
157 actions necessary to effectuate the state's public interests.

158 □