

Sherri Billimoria Testimony Senate Committee on Global Warming and the Environment

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I'm Sherri Billimoria, manager with RMI, a non-profit working to transform the global energy system to secure a clean, prosperous, zero-carbon future for all. My work focuses on utility regulation and building decarbonization across the country. Thank you very much for having me today.

Many states, including Massachusetts in its own roadmap, have concluded that we must switch away from using fossil gas in our homes and businesses, towards electric solutions—and that this transition will require utility transformation. I've been following the close to ten future of gas proceedings happening across the country. And 20-80 has several risks—I'll focus quickly on two: alternative fuels and hybrid electrification, pulling in context from other states.

To start with renewable gas. The modeling in 20-80 generally assumes that the alternatives to fossil gas – biogas, hydrogen, synthetic natural gas – are zero-carbon. This is a significant assumption and should be examined and seriously questioned—in fact, in Minnesota and Colorado, there are proceedings and stakeholder processes to ensure stakeholder input and that the lifecycle accounting for these alternative fuels are accurate. In New York, state climate law requires the use of the more stringent 20-year lifetime for methane emissions, and we know there are issues with the leak assumptions, as discussed earlier in this hearing. Bad assumptions about carbon intensity are dangerous and could prevent Massachusetts from meeting its climate goals.

And as for hydrogen blending-- the research organization Energy Innovation just put out a paper concluding that using hydrogen in pipelines “could raise rates, exacerbate air pollution, and pose safety risks, all while providing few GHG reductions.”

Even beyond the greenhouse gas risks of alternative fuels, the hybrid electrification approach comes with serious concerns, particularly around a gas death spiral. In California, stakeholder process conducted by Gridworks found that overreliance on renewable natural gas creates a vicious cycle of raising rates and customer exit—and in Massachusetts, renewable natural gas is a key strategy in the utilities' preferred decarbonization plans. wholeheartedly pursuing a hybrid electrification scenario that requires these alternative fuels could easily drive more people from the gas system, thereby making gas even less affordable for those that stay on the system.

Looking only at these limited set of long-term visions in the reports can be a distraction from the immediate, urgent actions that Massachusetts can take today: first, Massachusetts can follow the lead of five other states and take action to stop socializing the costs of new gas line extensions. Doing so would both support all-electric new construction, and would protect ratepayers from increases in rate base. California, Colorado, Minnesota, New York and Washington have all made important steps towards updating or eliminating these outdated policies.

Next, Massachusetts can immediately pursue **non-pipes alternatives & avoiding infrastructure investment**. That is, instead of pouring more money into the gas system,

requiring customers to pay it off decades into the future, should seek alternatives – electrification and efficiency – to avoid those investments. GSEP works exactly counter to this goal. We are seeing non-pipes solutions projects proposed by utilities in both New York and California, while Colorado’s utility commission has proposed rules to require alternatives analysis and review for future gas infrastructure investment. California has also made progress in seriously considering how we equitably “prune the tree” of the gas system.

In settlement agreements, several utilities in New York have agreed to no longer grow their gas business—a contrast from the apparent expected growth in gas customers portrayed in the scenarios in the consultant reports

Finally, the legislature has the opportunity to set priorities and direction for the state, with the DPU, other agencies, and utilities following those priorities. Massachusetts has an opportunity to be a national leader, but currently stands alone in having its gas utilities lead the way in determining our decarbonizing pathway, without regulatory direction. Clear leadership from the legislature is necessary for Massachusetts meets its climate goals while protecting customers.