



IV. Energy and the Environment

- A. **Governor Baker lacks the vision and leadership necessary to address climate change and increase the use of renewable energy in Massachusetts.** Despite recent storm surges that flooded Boston’s subway system, the Seaport District, and many coastal areas, Baker’s policies reflect no sense of urgency. He continues to favor the fossil fuel industry and has slowed progress on the use of clean energy. The Massachusetts Supreme Judicial Court (SJC) ruled that the Baker administration has until 2020 to reduce carbon emissions by 25% below 1990 levels, as required by the Global Warming Solutions Act. **Instead of stimulating local wind and solar power generation, the Baker Administration’s new regulations focus on Canadian hydropower.** Baker and Lieutenant Governor Polito have received over \$185,000 in donations from big utilities and the fossil fuel industry, raising serious questions about their commitment to clean and sustainable energy. These industry donations have paid off: Baker appointed a former power company executive and a former fossil fuel industry lobbyist to key energy policy positions in his administration. Energy policy decision-making has been far from transparent and seems biased in favor of large utilities.
1. **A coalition of environmental groups gives the Baker administration a grade of C on its energy and environmental scorecard for the third year in a row.** The report card states that in general there has been a lack of leadership and action, and that Baker’s policies tend to favor the large utilities and not consumers or the environment. When running for Governor, Baker promised he would increase spending on environmental programs to 1% of the state budget by the end of his first term. However, as his first term comes to a close, Governor Baker is allocating only 0.54% of the state budget to environmental programs – barely half a cent out of every dollar the state spends. As a result, there has been little to no progress on many environmental issues. (Statehouse News Service, 6/13/18, “Gov. Baker gets ‘C’ in environmental report card”; Charles River Watershed Association, Clean Water Action, Conservation Law Foundation, Environmental League of Massachusetts, Environment Massachusetts, Massachusetts Rivers Alliance, and Massachusetts Sierra Club, June 2018, “Massachusetts energy and environment report card, year three”)
 2. **The Baker administration’s decision to bring Quebec hydropower to Massachusetts as the source of “clean” energy has been fraught with controversy for multiple reasons.** Initially, Baker administration officials selected Eversource’s Northern Pass project. While it was neither the cheapest nor the best option among the 46 bids received, administration

officials claimed it was the most likely to bring the most electricity to the state at the earliest date. The selection process was flawed and opaque. Furthermore, Eversource's executives were "big backers of Baker in his failed 2010 gubernatorial bid." However, shortly after Baker's selection of Eversource's project, New Hampshire officials rejected the route for the transmission line through NH. The Baker administration is now pursuing an alternative contractor which is proposing a transmission line through Maine. (Boston Globe Editorial, 1/29/2018; Leung, S., 2/7/18, "Is our energy plan prone to short-circuits?" The Boston Globe; Chesto, J., and Abel, D., 2/2/18, "N.H. rejects Canada-Mass. power lines," The Boston Globe; Chesto, J., 3/29/18, "Northern Pass dealt big setback," The Boston Globe)

3. **Governor Baker has jeopardized the growth of solar power generation in Massachusetts** by supporting the reduction of the value of the credits received for electricity generated by solar projects in urban and low-income communities (net-metering credits) and by opposing increases in the amount of electricity that solar generators can sell into the electric power grid (net-metering caps). He did sign compromise legislation in 2016 that increased the net metering cap but allowed utilities to charge a fee to solar power generators. However, by early 2018, 230 communities had reached their new caps. The 2016 legislation also dramatically cuts the net-metering credits for large solar projects once 1,600 megawatts of solar power are generated in Massachusetts. (McGowan, E., 2/26/18, "Massachusetts solar groups say policy changes needed to stem job loss," Energy News Network; Shallenberger, K., 4/11/16, "Massachusetts Gov. Baker signs bill lifting solar cap, lowering net metering rates," Utility Dive; Mohl, B., 5/4/15, "Baker opposes lifting net metering cap," Commonwealth Magazine)
4. **The Baker administration's new solar incentive program**, Solar Massachusetts Renewable Targets (SMART), which replaces the lapsed Solar Renewable Energy Credit (SREC) program, **significantly lowers compensation levels for solar energy generation and introduces uncertainties** that make predicting economic returns difficult, particularly on large-scale, community-based projects. This makes it difficult to obtain financing, which slows the growth of solar power generation. (McGowan, E., 2/26/18, "Massachusetts solar groups say policy changes needed to stem job loss," Energy News Network)
5. **Massachusetts lost 21% of its jobs in the solar industry last year.** This was one of the biggest percentage declines of any state; in the U.S. overall solar jobs were down only 3.8%. **The decline is largely due to uncertainty over state policies on solar incentives, caps, and fees under Governor Baker.** (Chesto, J., 2/8/18, "Massachusetts lost more than 20% of its solar jobs last year," The Boston Globe; McGowan, E., 2/26/18, "Massachusetts solar groups say policy changes needed to stem job loss," Energy News Network)

B. Governor Baker’s Dept. of Public Utilities (DPU) appointees have been characterized as “foxes guarding the hen house.” Chair Angela O’Connor served as Vice President of Energy Policy at the largest business lobbying group in Massachusetts, Associated Industries of Massachusetts (AIM). Another appointee, Robert Hayden, ran for Congress in 2010 on a platform opposing regulation of business, Obamacare, and “handouts”. (Abel, D., 1/13/15, “Charlie Baker appoints controversial new energy team,” The Boston Globe)

- 1. Baker’s DPU authorized electricity rate hikes that would cost Eversource’s 1.4 million customers between \$220 and \$460 million dollars** over a 5-year period. Massachusetts Attorney General Maura Healey has appealed the rate hikes, which would provide Eversource shareholders a 10% return and customers annual increases in electricity costs of about 3.5%. This rate of return is significantly higher than recent regional or national averages and the automatic annual rate increase is nationally unprecedented. Healey proposed cuts that would save customers over \$40 million over 5 years. (LeBel, M., 2/28/18, “Time to part ways with traditional utility business model: Recent DPU decision double-downed on the old approach,” CommonWealth Magazine; Kinney, J., 12/20/17, “Massachusetts AG Maura Healey appeals Eversource rate hike,” MassLive)
- 2. Baker’s DPU permitted Eversource to levy a fee on residential customers who generate solar power.** The fee of about \$120 per year for the typical home solar system will discourage the installation of solar power generation panels on homes. Moreover, customers will be unable to accurately calculate the fee in advance. Nowhere else in the country is such a fee charged. (Chesto, J., 1/21/18, “Critics say Eversource’s new fee casts a shadow on solar power,” The Boston Globe; Chesto, J., 2/1/18, “Solar power fee draws heat from lawmakers,” The Boston Globe; LeBel, M., 3/2/18, “Utility rate design needs reform: Legislature should overrule DPU-approved measures,” CommonWealth Magazine)
- 3. Baker’s DPU has failed to advance an electric power grid modernization program.** Massachusetts initiated grid modernization and electric utility reform in 2012. By 2014, the previous DPU had taken some key steps toward improvements. However, after Governor Baker took office in 2015, progress stopped. While New York and Rhode Island move ahead with modernization of their grid and utility systems to incorporate local clean energy resources and increase customer control, in Massachusetts utilities continue to be rewarded for traditional investments in “poles and wires” and incentives are not aligned with consumer interests, environmental goals, or promotion of energy efficiency. (LeBel, M., 2/26/18, “Mass. dragging its feet on grid modernization: Compensation model for utilities needs to change,” CommonWealth Magazine)

C. Natural Gas and Pipelines

- 1. Governor Baker continues to support new fossil fuel infrastructure projects, which are likely to slow the transition to clean energy alternatives.** One month after taking office, Baker stated he would like gas pipeline capacity in Massachusetts expanded. Furthermore, the Baker administration proposed that electricity consumers, rather than the gas and pipeline companies, pay for new natural gas pipelines. State policy for the previous 20

years had required utilities and pipeline companies to bear the costs and risks of pipeline construction. Baker's fossil fuel-friendly proposal – to have consumers pay for new pipelines – was appealed to the state's Supreme Judicial Court (SJC), which rejected it. (Chesto, J., 8/17/16, "SJC rejects Baker's plan to impose fee for gas pipeline," The Boston Globe; Vardi, I., 2/28/17, "Baker deflects question over Weymouth compressor station," DeSmogBlog)

2. **Governor Baker has refused to take a stand against a gas pipeline compressor station** in Weymouth, a site near a heavily populated area and a major bridge. **He has also refused to meet with citizens opposing the compressor.** After initially saying the state had limited authority over the compressor siting, claiming that it was a federal matter, Baker, under intense grassroots pressure, finally ordered the state Departments of Public Health and Environmental Protection to review health and environmental issues prior to the issuing of any state permits. (Chesto, J., 5/6/18, "Energy giant sues Weymouth over pipeline station, saying federal law overrides zoning," The Boston Globe; LeMoult, C., 7/27/17, "State reviewing controversial Weymouth natural gas compressor plan," WGBH; O'Sullivan, J., 7/11/17, "Baker facing mounting pressure on Weymouth gas facility," The Boston Globe; Arena, A., 4/24/17, "An open letter to Gov. Baker," Fore River Residents Against the Compressor Station)

D. The Baker administration's policies on a variety of other environmental issues not only lack vision, but are moving Massachusetts in the wrong direction.

1. **Governor Baker's Dept. of Energy Resources (DOER) included burning biomass, such as wood chips or pellets from trees and cleared brush, in its Alternative Energy Portfolio Standard.** This would mean that burning wood products would receive the same "clean energy" credits as solar power and geothermal energy. This was done despite the finding of a prior state-commissioned report that burning biomass generally emits more greenhouse gases than burning equivalent amounts of fossil fuels. Burning biomass could also lead to deforestation and increase pollution, notably soot, which is linked to asthma attacks and heart and lung diseases. This policy is, however, supported by the Massachusetts Forestry Alliance, a trade association of forest landowners and the forestry and logging industries. (Abel, D., 8/7/17, "Burning trees for fuel may soon qualify for state subsidies," The Boston Globe; Christensen, D., 12/19/17, "State includes wood, biomass in alternative energy standards," Daily Hampshire Gazette)
2. **Governor Baker has weakened the Departments of Environmental Protection (DEP) and Conservation and Recreation (DCR) through budget reductions and early retirements. He has under-funded the Natural Heritage & Endangered Species Program (NHESP) to the point that it is now de-listing species,** not because they are no longer endangered, but because there is no money to protect them and their habitats. The lack of funding and staff at DEP, for example, leaves local Town Conservation

Commissions with little support or backup when dealing with large developers who try to ignore wetland protections or other environmental laws. (Charles River Watershed Association, Clean Water Action, Conservation Law Foundation, Environmental League of Massachusetts, Environment Massachusetts, Massachusetts Rivers Alliance, and Massachusetts Sierra Club, June 2018, “Massachusetts energy and environment report card, year three”)

3. **The Trump administration recently announced an intention to expand offshore drilling for oil and gas all along the U.S. coasts, but exempted Florida at the request of Florida Governor Scott.** Governors of at least 4 other states have spoken up and asked for their states to also be exempted. **Governor Baker has failed to speak out in support of an exemption for Massachusetts.** (Weigel, D., Fears, S., & Wagner, J., 1/10/18, “Decision to exempt Florida from offshore drilling prompts bipartisan uproar,” The Washington Post)