



Petition before the Massachusetts Energy Facilities Siting Board for

**Analysis in Support of Approval of
Holyoke Gas & Electric's
Liquefied Natural Gas Infrastructure & Resiliency Project**

EFSB 22-07



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COMMONWEALTH OF MASSACHUSETTS

ENERGY FACILITIES SITING BOARD

HOLYOKE GAS & ELECTRIC DEPARTMENT

EFSB 22-07

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7.0 CONSISTENCY WITH CURRENT HEALTH, ENVIRONMENTAL PROTECTION AND RESOURCE USE AND DEVELOPMENT POLICIES OF THE COMMONWEALTH

7.1 Introduction

G.L. c. 164, § 69J states, *inter alia*, that the Siting Board shall approve a petition to construct a project if it determines that “plans for expansion and construction of the applicant’s new facilities are consistent with current health, environmental protection and resource use and development policies as adopted by the Commonwealth.” As discussed in more detail throughout this analysis, the Project is consistent with the health, environmental protection and resource use and development policies of the Commonwealth including G.L. c. 164 and the more recent Global Warming Solutions Act (GWSA) (c. 298 of the Acts of 2008).

7.2 Health Policies

G.L. c. 164, § 69J requires the Siting Board to review projects to “provide a necessary energy supply for the Commonwealth with a minimum impact on the environment at lowest possible cost.” This requirement expresses the Legislature’s view that adequate, economical and reliable gas and electricity distribution service are essential to the health, safety and welfare of residents of the Commonwealth. The Project will be consistent with this legislatively articulated policy by ensuring reliable and safe distribution service to HG&E’s existing gas customers.

In addition, as discussed above, all design, construction and operational activities will be conducted in accordance with applicable governmental and industry standards such as the Siting Board, PHMSA, the NFPA, the OSHA regulations, regulations of the Siting Board (980 CMR 10.00) and the MassDPU (220 CMR 112.00) and will therefore have no adverse health effects. Please see Appendix I for a list of cross-references within this analysis to all substantive and presentational requirements of 980 CMR 10.00.

Finally, the fact that no other environmental permits are associated with the Project or any complementary work is also a strong indicator that the Project has been designed to avoid effects to health, safety and welfare of residents and will support health policies.

7.3 Environmental Protection Policies

The Project is consistent with the Commonwealth’s environmental protection policies as stated in Chapter 164 and in other state and local environmental policies as described below.

7.3.1 Global Warming Solutions Act

The GWSA, enacted in August 2008, is a comprehensive statutory framework designed to address climate change in Massachusetts. St. 2008, c. 298. The GWSA mandates that the Commonwealth reduce its GHG emissions by 10 to 25 percent below 1990 levels by 2020 and by at least 80 percent below 1990 levels by 2050. G.L. c. 21N, §3(b). More recent policy developments, following the hearings and briefs in this proceeding, have both increased and accelerated the Commonwealth's GHG emissions reduction targets.

- On April 22, 2020, pursuant to the GWSA, the Secretary of Energy and Environmental Affairs (Secretary) issued a “Determination of Statewide Emissions Limit for 2050” (Determination), which established a “net zero” level of statewide greenhouse gas emissions. The Determination defined net zero as “A level of statewide greenhouse gas emissions that is equal in quantity to the amount of carbon dioxide or its equivalent that is removed from the atmosphere and stored annually by, or attributable to, the Commonwealth; provided, however, that in no event shall the level of emissions be greater than a level that is 85 percent below the 1990 level” (Determination at 4). On June 30, 2022, the Secretary issued the Clean Energy and Climate Plan for 2025 and 2030 (2025/2030 CECP). The 2025/2030 CECP adopted the interim 2025 statewide GHG emissions limit of 33 percent below 1990 level and the 2030 GHG emissions limit of 50 percent below 1990 level.
- Also on December 30, 2020, the Secretary issued the “Massachusetts 2050 Decarbonization Roadmap” (2050 Roadmap). Based on its analysis of a range of potential pathways, the 2050 Roadmap finds that the most cost-effective, low-risk pathways to net zero GHG emissions share core elements, including a balanced clean energy portfolio anchored by a significant offshore wind resource, more interstate transmission, widespread electrification of transportation, building heat and hot water and cost-effective replacement of equipment, infrastructure and systems that use fossil fuels (2050 Roadmap at 21-26).
- The state legislature enacted and, on March 26, 2021, Governor Baker signed new, comprehensive, climate change legislation: “An Act Creating a Next Generation Roadmap for Massachusetts Climate Policy” (Climate Roadmap Act). The Climate Roadmap Act requires “a 2050 statewide emissions limit that achieves at least net zero statewide greenhouse gas emissions” and that “in no event shall the level of emissions in 2050 be higher than a level 85 per cent below the 1990 level.” G.L. c. 21N, § 3(b).

The overriding goal and policy of the 2025/2030 CECP and Climate Roadmap Act is the reduction of GHG emissions in the Commonwealth over time, to the point where, in 2050, Massachusetts will achieve net zero GHG emissions. This legislature envisions implementation of that goal primarily through decarbonization of major sectors of the economy, such as transportation and residential heating, that currently rely on fossil-fueled energy sources such as oil and gas. The 2050 Roadmap describes pathways the Commonwealth could take to achieve the goal of reaching net zero emissions in 2050, stating that policy strategies are needed “to carefully manage ongoing and future investments in the gas distribution system [...] and manage the orderly and equitable drawdown of fossil fuel use and infrastructure [...] needed to ensure equitable outcomes.” However, the 2050 Roadmap also notes that “[h]igher costs

cannot be borne by the consumers least able to pay and steps must be taken to provide for an orderly and equitable transition” (2050 Roadmap at 53).¹

The 2050 Roadmap specifically notes that there will continue to be significant economic and certain environmental benefits associated with the appropriate use of natural gas, including meeting electricity need when intermittent renewable resources are insufficient to meet increasing electric generation demands - even with the attainment of net zero carbon emissions in 2050 (2050 Roadmap at 63-65). In the immediate future, the continued conversion of oil heating customers, to either natural gas, or optimally, heat pump technologies, will help to achieve carbon reduction benefits.

The Project will ensure reliable service and also facilitate strategic customer additions to achieve carbon reductions. The Project is an integral component of HG&E’s ongoing plan to achieve net zero goals associated with its system. The Climate Roadmap Act itself contemplates that natural gas will remain a necessary component of the state’s energy resources in the near-term, as the state transitions over the next three decades to a net zero GHG emissions economy, which is reflected in HG&E’s Clean Energy Commitment (see Appendix G). Indeed, the 2025/2030 CECP expressly recognizes the importance of “coordinated planning” between gas and electric distribution providers in a given community whereby electrification can proceed in a manner that will “ensure reliability of both the natural gas and electricity systems while advancing the transmission and protecting all ratepayers from significant cost burdens, particularly those who are most vulnerable to those increases.” (p. 61)

In addition to providing a needed and reliable, temporary, energy “bridge” during the state’s transition away from a fossil-fuel-based economy, the Project will provide other likely benefits to the Commonwealth that are consistent with and supportive of, the policy aims of the 2025/2030 CECP and Roadmap Act. The Project will allow HG&E to maximize the use and efficiency of its existing gas supply infrastructure, as compared to constructing new, more substantial gas infrastructure with its associated cost and environmental impacts.

The Project is consistent with the climate change and emissions reduction policies of the Commonwealth. The Project and HG&E’s Clean Energy Commitment is consistent with pathways the Commonwealth could take to achieve net zero emissions by 2050, as described in the 2050 Roadmap and Climate Roadmap Act and will promote progress toward the 2050 net zero emissions target.

¹ The Department is considering this transition in D.P.U. 20-80. The Department has stated that it opened its inquiry to examine the role of Massachusetts gas local distribution companies (LDCs) in helping the Commonwealth to achieve its 2050 climate goals.

7.3.2 Environmental Justice Policy

In January 2017, EEA updated its Environmental Justice Policy (2017 EJ Policy) and, as noted above, the Climate Roadmap Act was enacted in March 2021. The Climate Roadmap Act sets forth environmental justice principles to protect rights to a clean and healthy environment, regardless of race, color, income, class, handicap, gender identity, sexual orientation, national origin, ethnicity or ancestry, religious belief, or English language proficiency. To promote that goal, the Climate Roadmap Act requires the meaningful involvement of environmental justice populations and requires additional measures to improve public participation, such as providing translation services and public notices in English and any other language spoken by a significant number of the affected environmental justice population. St. 2021, c. 8, § 60.

The Project does not exceed a MEPA ENF threshold for air, solid or hazardous waste, or wastewater and sewage sludge treatment and disposal and therefore does not trigger MEPA review or enhanced public participation or enhanced analysis of impacts and mitigation under the 2017 EJ Policy. Therefore, the Project did not trigger the 2017 EJ Policy's provisions for enhanced public participation (Section 16) and/or enhanced analysis of impacts and mitigation (Section 17) under MEPA's review. Relatedly, the Project did not trigger Section 20 of the 2017 EJ Policy, otherwise requiring for enhanced public participation and/or enhanced analysis of impacts and mitigation under the Siting Board's review.

HG&E will translate into Spanish and publish the Public Comment Hearing Notice in a Spanish language newspaper. HG&E also held a public event in an Environmental Justice neighborhood to raise awareness of HG&E's energy efficiency and electrification incentives, air source heat pumps, fuel assistance, electric and natural gas safety, the local power supply portfolio, the Project and much more. In addition, throughout October 2022, all HG&E customers received Project information with their utility bill statement in the monthly edition of HG&E's Energy Insights newsletter, available in English and Spanish. See Appendix A.

HG&E Project outreach and review was conducted in accordance with, and in the spirit of, and thus is consistent with, any applicable Environmental Justice policies in effect during the course of the development of the Project.

7.3.3 Resource Use and Development Policies

Pursuant to the Commonwealth's Smart Growth/Smart Energy policy, EEA established Sustainable Development Principles. Among the principles are: (1) supporting the revitalization of city centers and neighborhoods by promoting development that is compact, conserves land, protects historic resources and integrates uses; (2) encouraging reuse of existing sites, structures and infrastructure; (3) protecting environmentally sensitive lands, natural resources, critical habitats, wetlands and water resources and cultural and historic landscapes; and (4) increasing the quantity, quality and accessibility of open spaces and recreational opportunities.

Land use impacts would be minimized through siting of the Project within the existing West Holyoke Facility while avoiding impacts to other resources or areas. Thus, the construction and operation of the Project is consistent with resource use and development policies of the Commonwealth particularly in light of planned impact avoidance and mitigation measures detailed within Section 6.0.

7.3.4 Balancing Environmental Impacts

A facility that achieves the appropriate balance thereby meets the Siting Board's statutory requirement to minimize environmental impacts at the lowest possible cost. (See NSTAR Gas Company, 13 DOMSB at 181 (2001); MMWEC Decision, 12 DOMSB at 127; Berkshire Gas Decision, 9 DOMSB at 40 (1999); BECO Decision, 6 DOMSB at 287 (1997). To determine if a petitioner has achieved the proper balance among environmental impacts, cost and reliability, the Siting Board first determines if the petitioner has provided sufficient information regarding environmental impacts and potential mitigation measures to make such a determination. The Siting Board then determines whether environmental impacts are minimized. Similarly, the Siting Board evaluates whether the petitioner has provided sufficient cost information to determine if the appropriate balance among environmental, cost and reliability has been achieved. See NSTAR Gas Company, 13 DOMSB at 181; MMWEC Decision, 12 DOMSB at 128; NEPCo Decision, 7 DOMSB at 384 (1998); Commonwealth Electric Company, 5 DOMSB 273 at 337 (1997).

As fully demonstrated in Section 6.0, HG&E mitigates environmental impacts associated with the construction, operation and maintenance of the proposed Project, consistent with cost minimization. As such, the Project is consistent with the environmental policies of the Commonwealth.

7.4 Resource Use and Development

The Project will be constructed and operated in compliance with Massachusetts's policies regarding resource use and development. Specifically, the Project will store and supply LNG that will be used to enhance, strengthen and better utilize the Commonwealth's and HG&E's already established natural gas supply system. The Project will also allow HG&E to more efficiently operate its natural gas and potentially electricity generating resources, thereby enhancing the safety, health and welfare of the Commonwealth's citizens and economy. The Project will comply with all federal, state and local regulations pertaining to the handling of hazardous materials.