



December 21, 2023

Commissioner Bonnie Heiple
Massachusetts Department of Environmental Protection
100 Cambridge Street, Suite 900
Boston, Massachusetts 02114

RE: The MassDEP Clean Heat Standard Draft Framework

Dear Commissioner Heiple:

The Northeast Chapter of the Combined Heat and Power Alliance (“Northeast Chapter”) and the undersigned businesses, trade associations, engineering firms, and industry experts welcome the opportunity to provide comments regarding the MassDEP Clean Heat Standard (“CHS”) Draft Framework as presented in the December 7, 2023 Technical Session. The Northeast Chapter is the successor organization to the Northeast Clean Heat and Power Initiative, which submitted several prior comments during the Alternative Energy Portfolio Standard (APS) proceedings. Additionally, our parent organization, the Combined Heat and Power Alliance, has submitted comments regarding the APS Minimum Standard Review.¹

The Northeast Chapter is a group of manufacturers, system developers, engineers, and end-user representatives with the common goal of reducing energy costs and carbon emissions using the highly efficient and reliable technology of combined heat and power (“CHP”). The Chapter strongly believes CHP must play a crucial role in reducing marginal grid emissions in the near-term and bridging the gap as Massachusetts moves toward an electrified grid.

Based on comments during the Technical Session and other “Community” sessions, it is apparent that stakeholders are pleased with MassDEP’s open-minded stance on its draft proposal. As such, we are pleased to submit the following comments highlighting several reasons to include CHP technologies in MassDEP’s comprehensive decarbonization strategy.

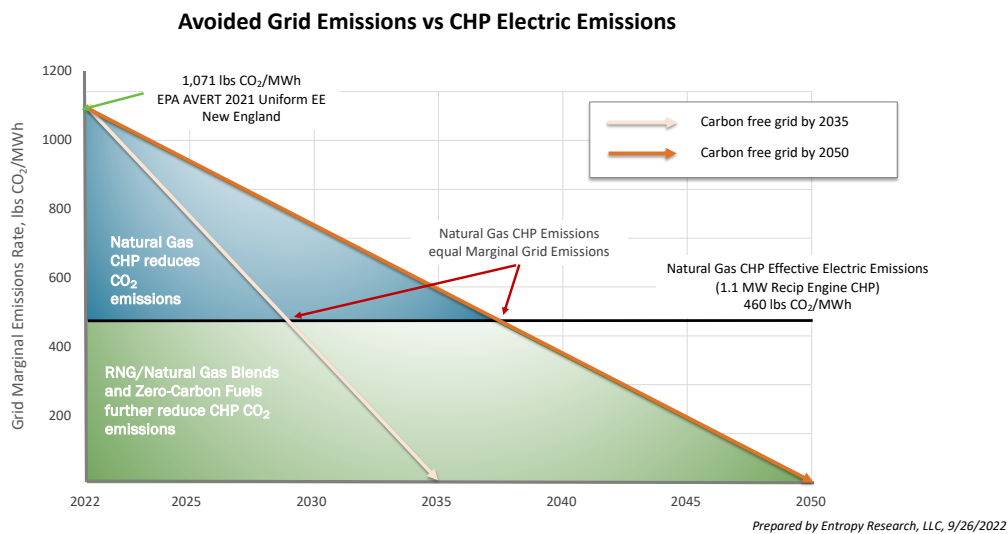
¹ CHP Alliance. “CHP Alliance Files Comments on the Massachusetts Department of Energy Resources APS Minimum Standard Review.” December 4, 2020. <https://chpalliance.org/chp-alliance-files-comments-on-the-massachusetts-department-of-energy-resources-aps-minimum-standard-review/>

1. The Northeast Chapter strongly encourages the MassDEP to adopt a standard that is based on overall greenhouse gas reductions, is expressed in relation to those reductions, and is technologically agnostic regarding the method of achieving those reductions.

The expressed purpose of MassDEP’s Clean Heat Standard is to reduce climate pollution. However, the inclusion of “full electrification” as a requirement to receive credits means the standard, as drafted, will not be technologically agnostic. The Northeast Chapter urges the adoption of technologies, including CHP, that can provide actual carbon emissions reductions now and support the transition to electrification. One of CHP’s greatest strengths is that it is not a “technology lock in,” but rather operates as a fuel-flexible system capable of using both low-carbon and zero-carbon fuels. As such, it can serve as a shoulder technology, bridging the gap as Massachusetts seeks to move to full electrification. CHP is an established, high-efficiency technology recognized for reducing marginal grid emissions today by displacing dirtier grid resource CO₂ emissions, as demonstrated in Figure A. Carbon reductions today have more value than those in the future: “Because emissions are cumulative and because we have a limited amount of time to reduce them, carbon reductions now have more value than carbon reductions in the future. The next couple of decades are critical.” The Time Value of Carbon is the concept that greenhouse gas emissions eliminated today are worth more than cuts promised in the future, due to the escalating risks associated with the pace and extent of climate change.

Figure A:

Renewable and Net-Zero Carbon Fuels Maintain CHP’s Advantage



2. The Northeast Chapter urges MassDEP to include CHP as part of its commitment to ensuring equity in the push to decarbonize and electrify of the Massachusetts grid.

As the MassDEP itself highlighted in its recap of Initial Stakeholder Comments from the May-August 2023 comment period,² CHP can provide crucial assistance in the equity space, as it can be and is presently being used to control costs and provide reliability within existing public housing infrastructure and healthcare facilities. Equity has consistently featured in both the presentations from the MassDEP and the comments solicited from various stakeholders. In such a crucial moment, the contributions of CHP to the broader equity discussion surrounding the CHS cannot be ignored.

3. The CHS should credit renewable natural gas (“RNG”), certain biofuels, and hydrogen.

As currently proposed, the CHS would give two types of credits: one for full electrification and one for emissions reduction. Emissions reduction credits would be awarded on an ongoing basis and tied to, among other things, the delivery of eligible biofuels only. As noted by stakeholder comments, excluding other clean fuels until later review, will only discourage their use and development. The Northeast Chapter strongly believes that all clean fuels, including RNG, biofuels, and hydrogen, should be eligible for these credits immediately and that the proposed 2028 study to include other fuels be either eliminated or moved to the 2024-2025 timeframe. Additionally, the Northeast Chapter urges that the MassDEP reconsider its plan to offer other eligible liquid biofuels only half credits until 2030. The Northeast Chapter would again refer the MassDEP to its submission from September,³ which highlighted the proposed Northeast Regional Hydrogen Hub, which was supported by seven regional states, including Massachusetts. Given the Commonwealth’s prior support for hydrogen, it should be included along with other clean fuels in the MassDEP’s proposed CHS.

As proposed, the Draft Clean Heat Standard is not in complete alignment with the stated mission of the MassDEP. The expressed purpose of the CHS is to reduce climate pollution,⁴ and as such, all credits given to solutions and technologies should be intrinsically tied to the life cycle reduction in GHG emissions that these methods provide. The CHS should be technology neutral and include non-electrification solutions, provided they deliver GHG reductions relative to fossil fuels.

² MassDEP. “Clean Heat Standard, 2023 Initial Stakeholder Comments.” May-August 2023. <https://www.mass.gov/doc/chs-summer-2023-comment-summary/download>

³ NE Chapter of the CHP Alliance. “Comments on the Massachusetts Clean Heat Standard Program (CHS).” September 1, 2023. https://chpalliance.org/wp-content/uploads/2019/08/NE-Chapter-of-CHPA-Comments_Mass-Clean-Heat-Standard_8.31.23.pdf

⁴ Regulatory Assistance Project. “A Clean Heat Standard for Massachusetts.” June 2022. <https://www.mass.gov/doc/clean-heat-standard-2-page-summary/download>

Respectfully,

2G Energy
Alfa Laval
Batten Consulting, LLC
BROAD U.S.A.
Capstone Green Energy
CarbonQuest
Clarke Energy
Cogen Power Technologies
Combined Heat and Power Alliance
Dalkia Aegis, EDF Group
DT Energy Consultants, LLC
EC Power Inc.
FlexEnergy Solutions
Guascor Energy
Integrated CHP Systems Corp.
INNIO Jenbacher
Kanin Energy
Kinsley Energy Systems
Kraft Power Corporation / Kraft Energy Systems
Lima Company
Martin Energy Group
Mead & Hunt
Northeast Chapter of the CHP Alliance
Northeast-Western Energy Systems
RENEW Energy Partners
Sheet Metal and Air Conditioning Contractors' National Association (SMACNA)
Sterlington Energy Group, LLC
TEDOM USA, Inc.
Vergent Power Solutions