This is an order issued last week by the Massachusetts Dept of Public Utilities (equivalent to VT PUC). It's particularly striking as an illustration of just how far out of step Vermont is with neighboring states in the posture on natural gas, both fossil and "renewable", as well as hydrogen.

Note that while the MA Dept of Public Utilities rejected arguments from the gas industry in favor of RNG and hydrogen, VT's 2023 Affordable Heat Act enshrines in statute the eligibility of those fuels for "clean heat credits".

Note that 3 of the 12 non-government appointees by the VT PUC last month to the Technical Advisory Group are RNG industry groups -- Coalition for Renewable Natural Gas, Clean Fuels Alliance America, and Ag Methane Advisors, LLC. Advocates for the Clean Heat Standard pointed to the TAG as the body that will address concerns raised about the new incentives for RNG and hydrogen.

Here is the press release from the MA Dept of Public Utilities. It starts this way:

Today, the Massachusetts Department of Public Utilities (DPU) issued an order announcing a new regulatory strategy for natural gas in Massachusetts. Order 20-80 sets forth a new strategy to guide the evolution of the natural gas distribution industry to clean energy. This new strategy reflects DPU's focus on helping the Commonwealth achieve its greenhouse gas (GHG) emissions reduction requirements through decarbonization, electrification, and the adoption of pilot programs for new technologies while minimizing additional investment and costs to protect ratepayers. Notably, Order 20-80 will require gas distribution companies (LDCs) to consider non-gas alternatives to gas expansion projects. Additionally, the LDCs will no longer be able to recover costs for the promotion of natural gas use. The LDCs also will be required to file Climate Compliance Plans every 5 years to ensure compliance with the state's emissions limits.

Footnote 18 in the order includes this: "The Department does not necessarily consider biomethane, hydrogen, or synthetic natural gas to be renewable fuels."

How so very different from Vermont.

Read about the MA regulators' order from Inside Climate News.

Here is a bulletized list of things achieved by the DPU's order, forwarded from an attorney at the MA chapter of Sierra Club. ("LDC" is local gas distribution company, aka gas utility.)

- Requires the LDCs to consider non-gas pipeline alternatives, including electrification, thermal networked systems, targeted energy efficiency and demand response, and behavior change and market transformation, as a condition of recovering investment in pipeline and distribution mains.

- States that the DPU is "not persuaded that pursuit of a broad hybrid heating strategy that would necessitate maintenance of the natural gas system to support backup heating systems is a viable path forward."

- Prohibits the LDCs from charging ratepayers for any marketing costs associated with the promotion or expansion of gas service.

- Directs each LDC to replace the current per-customer revenue decoupling mechanism with a total revenues or revenue cap decoupling mechanism which "disincentivizes LDCs to expand their gas customer base" and better aligns with the climate mandate.

- Disallows RNG proposals in an LDC's resource portfolio. Would still allow voluntary RNG programs if customers wanted to opt in, but all associated costs, including any system upgrades to transport RNG, would be assumed by customers opting into the RNG program or by shareholders.

- If LDCs want to conduct pilot programs with RNG or hydrogen all costs will be covered by utility shareholders. "RNG and hydrogen blending are new, unproven, and uncertain technologies. LDCs may research and assess these technologies, but until they prove to be a viable alternative to the business-as-usual model and support the Commonwealth's climate targets, any infrastructure costs associated with RNG and hydrogen will be the sole responsibility of the utility shareholders and not their customers."

- States vision that "as the Commonwealth strives to achieve its 2050 climate targets, we envision that the long-term use of the natural gas distribution system generally will be limited to strategic circumstances where electrification is not feasible for all natural gas applications."

- Requires each LDC to identify demonstration projects in each of its service territories for targeted electrification technologies such as networked geothermal.

- States that the DPU will not approve ratepayer funding for hybrid heating system pilots.

- States that the DPU will allow hydrogen demonstration proposals for targeted hard to decarbonize end uses.

- Finds that geothermal networks have the potential to significantly reduce GHG emissions and that geothermal demonstration projects are worthwhile.

- Requires each LDC to coordinate with the applicable electric distribution company to propose at least one decommissioning/targeted electrification demonstration project in its service territory. The targeted portion of the system should be an area with pressure/reliability issues, leak-prone pipe, and/or environmental justice populations.

- Directs LDCs to review existing tariffs, policies, and practices related to new service connections to determine: (1) the number of de facto free extension allowances; (2) whether current models and policies accurately reflect the anticipated income and timeframe over which the capital investments will be recovered; and (3) whether existing state policies are inconsistent with current practices by incentivizing new customers to join the gas distribution system and allowing LDCs to extend their systems through plant additions.

- Recommends that the legislature repeal Section 3 of the Gas Leaks Act as conflicting with the GWSA. Notes this section led to the DPU decision in Town of Douglas. States that going forward companies will be required to consider alternatives to gas expansion.

- Directs LDCs to conduct a comprehensive review that includes a forecast of the potential magnitude of stranded investments, impacts of accelerated depreciation proposals, and identify potential alternatives to accelerated depreciation.

- Declines to adopt the cost recovery mechanisms proposed by the LDCs in their Net Zero Enablement Plans, including a fee to exit the gas system.

- Declines to approve the Net Zero Enablement Plans submitted by utilities in Docket No. 20-80.

- Recognizes need to adopt a rate mechanism to protect LMI customers from high energy burdens and potential rate increases as they transition from gas to electricity.

- Recognizes need for coordinated and comprehensive planning between electric and gas utilities to facilitate the energy transition. States that going forward, evaluation of any proposed investments will have to take place in the context of joint electric and gas system planning.

- Directs each LDC to file individual Climate Compliance Plans every five years, with the first Plan due April 1, 2025. Climate Compliance Plans should demonstrate how each LDC proposes to: (1) contribute to the prescribed GHG emissions reduction sublimits set by EEA for both Scope 182 and Scope 383 emissions; (2) satisfy customer demand safely, reliably, affordably, and equitably using known and market-ready technology available at the time of the filing; (3) use pilot or demonstration projects to assist in identifying investment alternatives; (4) incorporate the evaluation of previous metrics; and (5) implement recommendations for future plans.