CUTTING MASS SAVE:
BURNING YOUR WINTER COAT TO STAY WARM

WHAT IS MASS SAVE? Mass Save is the state mandated group of utility-managed energy affordability and efficiency programs serving homeowners, tenants, building owners, small and large businesses, developers, contractors, and municipalities. This nation-leading program provides extensive programs and rebates for everything from housing and commercial construction to municipal programs like schools, as well as small business and residential energy saving improvements. It also administers workforce training programs. Mass Save programs have been helping Massachusetts ratepayers save money and energy, cut imports of foreign fuels and reduce carbon pollution since 1977, with many changes and improvements over the years.

MASS SAVE IS AN AFFORDABILITY MULTIPLIER, delivering $3.51 for every dollar invested by the Commonwealth. The Massachusetts clean energy industry employs more than 115,000 people, with the industry further supporting an additional 118,136 jobs, and contributes $15.9 billion to the Gross State Product, providing significant economic stimulus across the State.

WHAT WILL HAPPEN IF THE PROPOSED CUTS ARE ENACTED?

- **Speaker Mariano 3.8.26: *"THE COMPLETELY HONEST ANSWER IS THAT IT'S NOT GOING TO HELP MUCH AT ALL." "*** [1, 2, 3]" Reducing or ending energy efficiency and clean energy programs raises ratepayer costs, increases utility profits and keeps us tied to imported, polluting fossil fuels. Recent gas and electric price increases have caused legislators to call for cuts to Mass Save - claiming that cuts save ratepayers money right now. But these same legislators understand that cutting Mass Save will not lead to energy affordability. **Instead, efficiency programs will save ratepayers $950 million annually by 2030 if we keep them going.**

- **Cutting an additional $1B from Mass Save - on top of the $500M in previous program cuts - will result in a devastating estimated loss of $4.5B in total benefits and savings for ratepayers.** The House has called for a billion dollar cut in marketing, advertising and administration. However, planned spending on these administrative activities is only $148 million over three years, while annual administrative fees are 5% - low compared with other programs - equal to $75 million dollars a year.

- **PROJECTS all over the State are on the chopping block,** including badly needed housing and commercial projects in many districts. To search for projects that have received Mass funding and will also suffer a loss of funding in YOUR Representative's or Senator's district, please **see these important informational factsheets.**

- **JOBS all over the State are on the chopping block.** 58% of these companies are small businesses with 10 or fewer workers. 74% of these jobs are outside Route 128.

- **WORKFORCE TRAINING is on the chopping block.** Mass Save supports programs to modernize the State's workforce, including programs for underserved youth.

- **ECONOMIC STIMULATION is on the chopping block**, as municipalities stand to lose valuable property taxes and other economic benefits.

- **EMERGING CLIMATETECH INVESTMENTS are on the chopping block.** A robust innovation network is a key driver of the MA clean energy industry. $3.4B was invested across all three stages in early-stage Massachusetts climate tech companies in 2023.

MASS SAVE SAVES EVERYONE MONEY ON THEIR ELECTRIC BILL

Customers who participate in Mass Save programs save money through better insulation, new heating and cooling equipment and other efficiency improvements. But Mass Save benefits ALL rate payers. See this document for a further description.

- **MASS SAVE REDUCES THE NEED FOR UNNECESSARY AND COSTLY ELECTRIC GRID AND GAS PIPELINE EXPANSION, BENEFITING EVERYONE.** Investing in energy efficiency translates to billions of dollars in energy savings for *all residents* by avoiding the need for an unnecessary buildout of the electric grid and further gas expansion. Even households who don't receive direct incentives still benefit from lower peak loads. According to the Massachusetts Department of Energy Resources, energy efficiency upgrades have reduced peak load to Massachusetts's grid by more than 1 GW, with the potential to avoid 9.5 GW of peak load by 2050, saving every resident money. Much of the state's grid infrastructure sits idle most of the year, existing just to serve peak demand. **10% of electricity use is responsible for 40% of electricity costs.**

- **MASS SAVE REDUCES ELECTRIC DEMAND** Without Mass Save, the Commonwealth's electric demand would be around 27.7% higher, resulting in billions of additional costs for supply and infrastructure. Specifically, Mass Save investments made between 2016 and 2024 meant that ratepayers avoided paying around **$16.1 billion** in electric and gas supply and infrastructure costs alone.

MASS SAVE IS COST-EFFECTIVE AND CLOSELY REGULATED - BUT GAS UTILITY SPENDING AND PROFITEERING NEED TO BE REINED IN.

- **TRANSPARENCY Since 2016, Mass Save programs have risen by 9%, while increased gas supply costs have raised bills by 35% and utility infrastructure spending has driven up costs by a whopping 56%.** While Mass Save costs are transparently shown on utility bills, utility spending on infrastructure and utility profits are buried in "delivery charges", which in the past year have increased by 32%. As former DPU chairman Jamie van Nostrand explained in "Paying More for Less", *"Aggressive capital spending is driving up customer rates (because) utilities profit from investing in pipes, not selling gas."*

- **RUNAWAY CORPORATE PROFITS** Massachusetts gas utilities enjoy a 9.3 to 10.25% rate of return on the infrastructure they build, one of the highest profit margins in the nation. This has incentivized the utilities to adopt practices that reward costly capital buildout at the expense of the ratepayers, such as replacing leaky pipes instead of repairing them for a fraction of the cost. **That's right - repairing pipes costs $19 thousand dollars a mile, while replacing them costs $4 to 4.6 million dollars a mile.**

- **SOARING CORPORATE UTILITY COMPENSATION** While consumers struggle with higher and higher bills, Eversource's CEO makes about $15 million dollars a year - one of the highest in the nation - while consumers struggle. At the same time, the company posted $1.69 billion in earnings — more than double what the company earned the year prior.

MASS SAVE IS NOW ACCESSIBLE TO ALL

- **MIDDLE INCOME HOMEOWNERS HAVE ALWAYS BENEFITTED FROM MASS SAVE PROGRAMS** by providing qualified, trained contractors to work at fair prices, and affordable financing and incentives.

- Mass Save has always been a major funding source for low income weatherization.

- **THE CURRENT 3-YEAR MASS SAVE PLAN HAS A STRONG EQUITY COMMITMENT.** The 3 year Mass Save plan now being implemented includes a $1.78 billion equity commitment, the strongest in State history, resulting in $1.3 billion dedicated to low- and moderate-income households, over $600 million for renters, and $24 million annually for workforce development For low-income residents who spend more of their paychecks on energy bills compared to residents statewide, Mass Save interventions can provide particular relief.

THE TRUMP ADMIN. HAS ALSO SEVERELY CUT ENERGY EFFICIENCY

As outlined by the New York TImes in this recent article, ***"The U.S. Is Pulling Back on Energy Efficiency Just as Prices Are Rising"*** , the timing of these cuts is especially frustrating as they coincide with massive cuts by the Trump administration at the Federal level (Massachusetts is mentioned in this article, which is a gift article). *"Energy prices are going up, demand is going up, and you'd think we would want our products to be as efficient as possible."*

THE UPSHOT: CUTTING MASS SAVE IS A $3 BILLION DOLLAR MISTAKE.

Mass Save is the single most effective tool to lower energy bills today and the only tool to drive them down in the future. The proposed $1 billion cut would result in more than $3 billion in lost energy savings, worsen strain on the grid, require additional buildout of both electric and gas infrastructure, and jeopardize jobs. We need a stronger, forward looking, accessible Mass Save with tough cost controls and programs aimed to make progress on energy independence and climate goals.

Mass Save is...

An Affordability Multiplier

Every $1 spent on Mass Save creates $3.51 in benefits. Without it, we'd buy 28% more electricity each year.

A Job Creator

Supported by Mass Save, clean energy employs more than 230,000 people, generating $16 billion each year.

More Equitable than Ever

The latest Mass Save plan streamlines access for underserved communities.

House Speaker Ron Mariano admits cuts to Mass Save are "not going to help much at all" on affordability.

SAVE MASS SAVE +ACP
Massachusetts Coalition for Affordable Energy

Focus on Affordability.
Save Mass Save.