# THE AFFORDABLE GRID PLAN

A Smarter Way to Power Massachusetts Families

**LORI CHILDS | CANDIDATE FOR STATE REPRESENTATIVE | 5TH PLYMOUTH DISTRICT**

| ~43% | $8.3B | 50+ |
|---|---|---|
| *Reduction in new transmission financing costs* | *Estimated ratepayer savings under modeled scenarios* | *Years transmission lines remain in service* |

**Practical Solutions. Strong Communities. Real Results.**

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LORI CHILDS
STATE REPRESENTATIVE
5TH PLYMOUTH
HANOVER HANSON NORWELL ROCKLAND

## THE PROBLEM IN PLAIN TERMS

Massachusetts families pay some of the highest electric bills in the country. The average household spends hundreds of dollars more per year on electricity than families in most other states—and rates are climbing. This is not an accident. It is the predictable result of how we finance the electric grid.

When a utility builds new transmission infrastructure — the towers, high-voltage lines, and substations that move power from generators to your home — it borrows money at private-market rates, builds the infrastructure, and then charges ratepayers for every dollar of that financing cost, plus a guaranteed return to shareholders, for the next fifty years. The infrastructure is necessary. The financing profit is not.

Independent analysis projects tens of billions of dollars in new grid investment over the next two decades. The New England grid was built for a fossil-fuel economy and must be fundamentally upgraded for clean energy. That investment is coming regardless. The only real question is:

**"Who will pay the financing cost — and how much?"**

## THE SOLUTION: FINANCE LIKE A ROAD

Massachusetts already knows how to finance large public infrastructure at low cost. We do it every day — for highways, schools, water systems, and transit. Public entities issue tax-exempt bonds backed by the Commonwealth's credit. Borrowing rates are lower. Savings are passed on to the public.

### The Affordable Grid Plan applies that same logic to the electric grid.

Think of it as refinancing a mortgage. If you could refinance your home loan from 7% to 4%, you would. The house stays the same. Your monthly payment drops dramatically. Over thirty years, the savings are substantial. The Affordable Grid Plan does that for transmission infrastructure — lowers the financing cost so that lower bills follow.

Research by the Clean Air Task Force, Acadia Center, and Power Advisory estimates that applying public financing structures to new transmission investment could:

- Reduce new transmission financing costs by approximately 43%
- Save Massachusetts ratepayers roughly $8.3 billion over the life of the infrastructure under modeled scenarios

Because transmission lines last 50 years or more, these are generational savings. The financing decisions made this decade will affect electricity bills through 2075.

## WHAT THIS PLAN IS AND IS NOT

| What This Plan DOES | What This Plan Does NOT Do |
|---|---|
| Uses public bond financing to reduce new transmission costs | Create a government-owned electric utility |
| Expands existing MMWEC and MassDevelopment authority | Replace ISO New England's grid planning role |
| Creates MGIP as a lightweight coordinating body | Give government ownership or control of wires |

| | |
|---|---|
| Requires a Ratepayer Savings Test before every project | Override FERC's federal jurisdiction |
| Mandates Community Benefit Agreements for large projects | Eliminate private utility ownership or operation |
| Connects grid jobs to workforce development programs | Require taxpayers to guarantee project debt |
| Requires full public transparency and independent audits | Bypass existing DPU regulatory oversight |

## THE FIVE PILLARS

### Pillar 1 — Finance Like Infrastructure

Apply the same tax-exempt public bond financing Massachusetts already uses for roads, schools, and water systems to new electric transmission infrastructure. Lower borrowing rates mean lower lifetime costs for ratepayers — structurally, not just aspirationally.

### Pillar 2 — Build on Massachusetts Institutions

Expand the authority of two institutions that already exist and already work: MMWEC (Massachusetts Municipal Wholesale Electric Company) and MassDevelopment. These institutions have the expertise, legal frameworks, and financing track records needed. No new agency must be built from scratch.

### Pillar 3 — Put Ratepayers First

Before any project receives public financing approval, it must pass a Ratepayer Savings Test — projected savings must be clearly demonstrated. Annual independent audits track actual versus projected results. The Attorney General's Office participates in governance as a consumer advocate. If a project doesn't deliver savings, the public knows, and the Legislature has the tools to act.

### Pillar 4 — Build the Workforce of Tomorrow

Publicly financed grid projects will include workforce development partnerships, local hiring commitments, and apprenticeship pathways — connected to Lori's Lasting Careers Plan. Good-paying construction and operations jobs should flow to Massachusetts workers, especially in communities that have historically hosted energy infrastructure without sharing in energy sector employment.

### Pillar 5 — Modernize Before It Costs More

Proactively financing planned modernization of aging equipment — at the lowest available cost — is far less expensive than emergency repairs financed under crisis conditions. The cheapest infrastructure failure is the one that never happens.

## HOW IT GETS DONE: THE IMPLEMENTATION TIMELINE

### Year 1 — Study and Build the Record

The Legislature directs the Department of Public Utilities (DPU) — working with MMWEC, MassDevelopment, ISO New England, and the Attorney General's Office — to conduct a comprehensive study of public financing options for new transmission infrastructure. The study produces draft enabling legislation and a full analysis of the federal regulatory interface.

### Year 2 — Pass the Legislation

The Legislature passes enabling legislation that expands MMWEC's and MassDevelopment's statutory authority to cover transmission financing. A new coordinating body — the Massachusetts Grid Investment Partnership (MGIP) — is established. MGIP is lightweight by design: it evaluates projects, facilitates financing, enforces community benefit agreements, and publishes transparent reports. It does not own infrastructure, operate the grid, or replace any existing agency.

### Years 3–5 — Pilot, Measure, Scale

Two or three pilot projects are financed under the new framework, constructed, and independently audited. Full public reporting tracks actual savings against projections. Successful pilots are evaluated by the Legislature and scaled statewide.

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## ACCOUNTABILITY: HOW YOU KNOW IT'S WORKING

EVERY PROJECT FINANCED UNDER THIS PLAN MUST CLEAR MULTIPLE ACCOUNTABILITY CHECKPOINTS:

✅ **Ratepayer Savings Test** — savings projected before approval, audited after completion

✅ **Community Benefit Agreements** — required for all large projects, enforceable by contract

✅ **Environmental Justice provisions** — low-income communities receive priority in workforce hiring and siting

✅ **Annual public reporting** — MGIP publishes all project costs, savings, board minutes, and voting records

✅ **Independent auditor's report** — submitted to the Legislature annually

✅ **Legislative oversight** — the Legislature retains full authority to expand, modify, or discontinue the program

> This is not a blank check. Every dollar is tracked. Every claim is measured against results.

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## WHAT THIS MEANS FOR YOUR COMMUNITY

**For your household:** Lower monthly electric bills over time, as savings from public financing flow through the rate-setting process. The effect compounds — each publicly financed project reduces the financing burden on every future ratepayer for decades.

**For small businesses:** Lower commercial electric rates improve competitiveness and reduce operating costs for the shops, restaurants, and employers that form the backbone of the 5th Plymouth District economy.

**For workers:** Construction and operations jobs connected to apprenticeship programs and local hiring commitments — good-paying, career-track work building the infrastructure of the future.

**For clean energy:** Lower financing costs make clean energy grid projects more economically viable, removing a significant barrier to the offshore wind, solar, and storage connections Massachusetts needs to meet its climate goals.

**For future generations:** Transmission lines built today will still be in service in 2075. Financing them wisely is one of the most durable gifts this generation can give to the next.

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## COMMON QUESTIONS

### "Is this a government takeover of the electric grid?"

No. Utilities continue to own and operate all infrastructure. ISO New England continues to plan the regional grid. The DPU continues to regulate utilities. The only change is who provides the financing — and at what cost.

### "Why would utilities cooperate with this?"

Utilities still own the infrastructure, still earn a regulated return on their capital, and still benefit from new, reliable infrastructure on their systems. The plan is a partnership, not a confrontation.

### "What if the savings don't materialize?"

The Ratepayer Savings Test requires projected savings to be demonstrated before any project is approved. Annual audits track actual results. If a project underperforms, the MGIP conducts a public review. The math must work before the money moves.

### "What about federal jurisdiction?"

FERC regulates interstate transmission rates. The plan is designed to work within federal authority. The Year 1 study specifically analyzes the federal regulatory interface and identifies where federal engagement is needed.

### "When would I see it on my bill?"

Pilot projects would be under construction by Years 3–5. The savings from those projects flow to ratepayers as infrastructure enters the rate base. The effect grows over time as more projects are completed. This is a generational investment strategy that delivers compounding benefits for decades.

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## THE BOTTOM LINE

**“Massachusetts families deserve the same deal on electric grid financing that they already get on roads, schools, and water systems: the lowest responsible cost, financed by trusted public institutions, with full accountability to the public that pays for it.”**

The tools exist. The research is clear. The path is achievable. What it requires is a State Representative who will go to Beacon Hill, build the coalition, and hold the institutions accountable for delivering results.

**That is exactly what Lori Childs is running to do.**

## Lori Childs for State Representative

5th Plymouth District, Massachusetts

Practical Solutions. Strong Communities. Real Results.

Research basis: Clean Air Task Force, Acadia Center & Power Advisory. Savings estimates (~43% cost reduction, ~$8.3B under modeled scenarios) reflect projections based on current market conditions and are not guaranteed outcomes.