

After A Costly Winter, Oil and Propane Efficiency Bill May Bring Relief

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Homeowners and small business owners who rely on heating oil or propane may breathe a sigh of relief if Massachusetts passes House Bill 879 this year. The bill proposes to add a 2.5-cent-per-gallon surcharge to wholesale purchases of these fuels. This surcharge would fund new energy efficiency programs for homes and small businesses. Environment Northeast and Massachusetts Oilheat Council have coauthored a fact sheet estimating the bill would save consumers over \$135 million.

This past winter has squeezed the wallets of homeowners in Massachusetts. The Boston Globe has covered some of the struggles of low-income homeowners trying to keep their furnaces on during winter. Additional heating assistance has been earmarked for those most in need, but many customers are feeling the financial pinch.

Homeowners and small business owners relying on natural gas or electricity for winter warmth have access to energy efficiency incentives in Massachusetts, but those who have oil-heated furnaces do not.

House Bill 879, first introduced by Rep. Frank Smizik (D-Brookline) in 2011 and now reintroduced in a second session, would create energy efficiency programs for heating oil and propane. The funds could be used for a variety of retrofit projects such as replacing furnaces, water heating systems, insulation, and/or storm windows.

This bill used preexisting energy efficiency programs as a model, said Liam Holland, research director for the Joint Committee on Telecommunications, Utilities and Energy. Like other Massachusetts energy efficiency programs, these programs would allocate 20 percent of their resources for low-income households.

The majority of the feedback on the bill so far has been positive, Holland said. Northeast Energy Efficiency Partnerships (NEEP), Environmental Entrepreneurs, and other organizations have made statements in support of the bill. NEEP said over a third of Massachusetts homes rely on heating oil.

During the first session when the bill was introduced, Environment Northeast and Massachusetts Oilheat Council coauthored a fact sheet that said investments in oil heat and propane efficiency in Massachusetts can lead to 70 years of individual local jobs per million dollars of program spending. The projected savings are also considerable - \$6.80 for every dollar invested in saving oil and \$9.90 for every dollar invested in saving propane.

"Unregulated fuels are a tough nut to crack," said Natalie Hildt, manager of public policy outreach at NEEP, in a statement. "With the Massachusetts Oilheat Council lining up in support of this legislation, we see broad-based support for a policy to reach these customers who now fall through the cracks."

Since the first session, Holland said, small-scale fuel vendors have become more lukewarm toward the bill than they were previously. "This session, the oil heat dealers were still not opposed to it, but had heard some negative feedback from their members about oil prices," he said.

The bill was reported on favorably by a House committee on March 3, Holland said. If the bill passes through both the Senate and the House successfully and is signed by Governor Patrick, it will become law.

The bill only has a few months to pass this session, though. During each legislative session, the House and Senate consider many bills, prioritizing some of them and putting others on hold. This bill has been given a relatively high priority.

"The committee was interested in moving the bill forward because of the lack of support for oil heat customers," Holland said.