



City of Boston, Massachusetts
Office of the Mayor
Michelle Wu

June 22, 2026

TO THE CITY COUNCIL

Dear Councilors:

I transmit herewith for your approval an Ordinance authorizing the City of Boston, acting through its Environment Department, to amend the Distributed Energy Resource Revenue Revolving Fund, 30396E. The current language for 30396E is limited in its use, and the changes proposed will allow for proper usage of 30396E while maintaining its original purpose. The amended language will allow the fund to properly capture revenues and expenditures, ensuring an enhanced and seamless financial process for current City energy activities. These amendments will properly capture demand response revenue and allow for the further development of the City's demand response program, increasing energy savings, and reduce the City's greenhouse gas emissions produced by emissions not addressed through the City's distributed energy resources.

Sincerely,

Michelle Wu
Mayor of Boston

CITY OF BOSTON

IN CITY COUNCIL

AN ORDINANCE AMENDING THE CITY OF BOSTON CODE CHAPTER VI SECTION 6-9.5(G), THE DISTRIBUTED ENERGY RESOURCE REVENUE REVOLVING FUND.

Be it ordained by the City Council of Boston as follows:

Section 1

City of Boston Code, Ordinances Chapter 6, Section 6-9.5(G), Distributed Energy Resource Revenue Revolving Fund is hereby amended by replacing the existing text with the following:

(G) Distributed Energy Resource Revenue Revolving Fund.

(1) *Fund name.* There shall be a separate fund called the Distributed Energy Resource Revenue Revolving Fund authorized for use by the Environment Department.

(2) *Revenues.* The City Auditor shall establish the Distributed Energy Resource Revenue Revolving Fund as a separate account and credit to the fund the revenue derived from:

- (a) The sale of solar renewable energy certificates produced by city photovoltaic arrays;
- (b) The sale of alternative energy certificates produced by School Department combined heat and power units; and

(c) Demand response program payments earned by city demand response program systems charged and received by the Environment Department.

(3) *Purposes and expenditures.* During each fiscal year, the Environment Department may incur liabilities against and spend monies from the Distributed Energy Resource Revenue Revolving Fund to:

(a) Purchase offsets of greenhouse gas emissions to compensate for municipal emissions not otherwise addressed through the City's distributed energy resources, renewable energy, and demand response programs;

(b) Monitor, operate and maintain existing city and School Department photovoltaic arrays including to maximize demand response;

(c) Monitor, operate and maintain School Department combined heat and power units, including to maximize demand response; and

(d) Monitor, operate, and maintain the Environment Department's demand response

program systems, including via the following expenditures:

- (i) Aggregator contracts and enrollment support for demand response systems;
 - (ii) Controls programming and building automation system adjustments to enable demand response;
 - (iii) Retrocommissioning of building systems that enable or enhance load reduction and demand response capability and participation;
 - (iv) Repair and replacement of failed sensors, valves, dampers, and other equipment that prevent demand response participation;
 - (v) Submetering installations and interval data access in support of demand response;
 - (vi) Data systems, analytics tools, and performance tracking for demand response programs;
 - (vii) Load flexibility assessments for demand response;
 - (viii) Demand response feasibility studies; and
 - (ix) Battery and thermal energy storage installations impacting demand response program participation.
- (4) *Fiscal years.* The Distributed Energy Resource Revenue Revolving Fund shall operate for fiscal years that begin on or after July 1, 2017.
- (5) *Effective Date.* The provisions of this ordinance shall be effective immediately upon passage.

I HEREBY CERTIFY
THE FORGOING, IF PASSED IN
THE ABOVE FORM, WILL BE IN
ACCORDANCE WITH LAW.
BY MICHAEL FIRESTONE
MICHAEL FIRESTONE
CORPORATION COUNSEL