

GSEP: A LEAK IN THE RATEPAYER'S WALLET

Ending GSEP would save ratepayers over \$900 million every year, without any decrease in safety. Massachusetts started the Gas System Enhancement Program to help gas companies fix leaks. Instead, gas companies have earned astronomical profits at our expense, while leaks have significantly increased. **GSEP is failing, unaffordable, overpriced, and unnecessary.**

- **Failing: they're doing worse than when they started!**
 - The amount of “lost and unaccounted for gas” as a share of total gas *has gone up* by 24% (National Grid) to 60% (NSTAR) since GSEP started (AGO, p. 52).
 - “[S]tates like Massachusetts that have aggressively pursued [pipeline replacement] projects have had more incidents than those that didn’t.” (Selig 2026)
- **Unaffordable: costs are high and rising!**
 - GSEP costs the average household more than \$563 a year (AGO 2026, p. 29).¹
 - GSEP costs have tripled since 2015 (309%), growing 12% a year (Seavey 2026).
 - Massachusetts homes have cut gas use 22% since GSEP started, but gas rates overall have gone up by 50% (FoHI 2026).
 - Ending GSEP would save ratepayers more than \$15 billion (AGO 2026, p. 29).
- **Overpriced: utilities choose the most expensive methods to make more money!**
 - Utilities have no incentive to save money on GSEP, since higher spending this year raises next year’s GSEP cap, creating a “vicious cycle” (AGO, p. 29).
 - Repairing pipes is cheaper than replacing them and can keep them safe for 50-100 years. But utilities favor replacement over repair because it earns greater profits (AGO, p. 23). Non-pipe alternatives like network geothermal or heat pumps can be cheaper too, but utilities have never chosen them (AGO, p. 53).
 - Replacement costs \$3.7 million/mile, up 180% since GSEP began (Seavey 2026).
 - Utilities lay new pipes even when gas is being phased out: they’re spending \$50 million this year alone on new pipes in “fossil-fuel-free” communities. (Wolman 2026).
- **Unnecessary: utilities have to fix serious leaks anyway!**
 - Even without GSEP, utilities are already required by law to fix the most serious (“Grade 1”) leaks “as immediately as possible” and all pipelines must meet federal safety standards (AGO 2026, p. 11).
 - Utilities can still recover their costs for fixing leaks without GSEP, they just wouldn’t be incentivized to waste money doing so.

Sources

- FoHI (2026). “Paying More for Less: Rising Gas Bills in Massachusetts.” Future of Heat Initiative. Available at <https://thefutureofheat.com/s/FoHI-Gas-Primer-MA-Final.pdf>.
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- Seavey, Dorie (2026). “Massachusetts (and all states) should end accelerated cost recovery for gas pipeline replacement.” *Based Rates*. Available at basedrates.substack.com/p/massachusetts-and-all-states-should.
- Selig, Kate (2026). “Massachusetts gas customers have spent billions on this program. Did it make them safer?” *Boston Globe*. Available at bostonglobe.com/2026/09/13/science/gsep-natural-gas-energy-affordability/.
- Wolman, Jordan (2026). “Ten communities in Massachusetts went ‘fossil fuel free.’ Then utilities spent \$100M on natural gas infrastructure there.” *Commonwealth Beacon*. Available at <https://commonwealthbeacon.org/energy/ten-communities-in-massachusetts-went-fossil-fuel-free-then-utilities-spent-100m-on-natural-gas-infrastructure-there/>.

¹ Extrapolating from \$900 million in planned spending in 2025 (Seavey 2026), divided by 1.6 million households on gas in Massachusetts.

GSEP has made the gas companies richer, us poorer, and nobody safer! GSEP is...

Failing

There's more "lost and unaccounted for gas" than when GSEP started.

Unaffordable

Ending GSEP would save ratepayers \$900 million a year.

Overpriced

GSEP encourages over-spending: replacement costs are up 180%.

Unnecessary

The law already requires utilities fix serious leaks, with or without GSEP.



Massachusetts
Coalition for
Affordable
Energy

**Fix the leak in our wallets.
End GSEP now.**