

Eversource R-1HP/R-2HP Heat Pump Electric Delivery Rates Information Sheet for Carlisle Residents

Introduction

The purpose of this information sheet is to provide factual details to Carlisle residents on Eversource's forthcoming R-1HP and R-2HP residential heat pump electric delivery rates, the primary purpose of which are to **reduce electricity costs for heat pump consumers** during wintertime heating periods. The information contained herein is current as of the "last updated" date of this document and will be revised as needed as the new heat pump rates are rolled out by Eversource and become officially available in the fall of 2025, in time for the 2025-2026 heating season.

Background

The Massachusetts Interagency Rates Working Group (IRWG) was formed in 2023 to address electric rate design and ratemaking in alignment with the Commonwealth's decarbonization goals, by prioritizing the reduction of energy burden on consumers while incentivizing transportation and building electrification. The group is comprised of representatives from the Executive Office of Energy and Environmental Affairs (EEA), the Massachusetts Clean Energy Center (MassCEC), the Department of Energy Resources (DOER), and the Attorney General's Office (AGO).

In early 2025, the DOER delivered an interim briefing (see [here](#)) containing the IRWG's findings and recommendations to date, including the following:

- Electricity rates in Massachusetts have outpaced inflation, increasing faster than general consumer prices over the past ten years.
- High electric rates are stifling electrification; full home electrification is not cost competitive under current rates.
- To achieve our climate commitments, electric rates must be cost competitive to fossil fuel to support adoption of EVs and heat pumps.
- Electric distribution and transmission system costs are driven by peak demand, which occurs in the summer season due to air conditioning; incremental electric usage during the winter season does not drive additional costs in the system.
- Special heat pump rates are therefore needed to promote efficient electric heating adoption, with differentiated volumetric rates to reduce energy burden for customers transitioning from gas heating to electric heat pumps.

As a result of the IRWG's findings and recommendations, Eversource was directed by the Department of Public Utilities (DPU) to develop and propose **revenue-neutral** heat pump electric delivery rates for the 2025-2026 heating season by May 15th, 2025. Eversource complied with that directive and the DPU issued its order approving (with few modifications) Eversource's proposed new heat pump electric delivery rates on July 29th, 2025, under DPU docket number 25-55. The DPU's press release on this matter may be viewed [here](#).

The IRWG's further investigation of heat pump electric rates will continue for subsequent heating seasons.

Summary of Eversource's Heat Pump Electric Delivery Rates

- Eversource's new heat pump electric delivery rates will be designated **R-1HP (residential heat pump) and R-2HP (low-income residential heat pump)**, and will be available as of November 1st, 2025, for homeowners who use a heat pump for space heating in **all or part** of their home. **The R-2HP rate will apply to low-income heat pump consumers who qualify for a means-tested discounted electric rate (currently 42%).**

- The R-1HP and R-2HP electric delivery rates will be **applicable to all of a home’s electricity usage**—not just the electricity used by the heat pump; no additional or special metering will be needed.
- Eversource has redefined their wintertime and summertime rate periods applicable to the R-1HP and R-2HP electric delivery rates; henceforth, Eversource’s winter period for R-1HP and R-2HP rates will be November 1st through April 30th, whereas their summer rate period will run from May 1st through October 31st.
- Eversource’s R-1HP and R-2HP electric delivery winter rates will reduce the volumetric (per kWh) rates within the **Delivery** portion of a consumer’s electric bill associated with **Transmission and Distribution energy charges**.
- Eversource estimates that their R-1HP and R-2HP electric delivery rates will yield an overall wintertime bill reduction amounting to **more than \$500 savings for their average residential heat pump ratepayer**. Since the typical Carlisle home uses more electricity than the state average, Carlisle homeowners who convert to one of the new heat pump rates are likely to realize greater annual savings.
- Summertime period electric delivery charges under R-1HP and R-2HP will not be reduced; they will track the charges of the standard R-1 and R-2 residential summertime rates.
- Eversource’s existing R-1 (residential non-heating), R-2 (low-income residential non-heating), R-3 (residential space heating), and R-4 (low-income residential space heating) rates will remain available as is for non-electric heating (R-1 and R-2) and electric resistance heating (R-3 and R-4) consumers.
- The new heat pump electric delivery rates **do not affect the charges paid for electric supply service**, whether you use Eversource’s “Basic Service” as your supplier or receive electric supply service through either a third-party supplier or through Carlisle’s community choice aggregation (CCA) program.

How the Eversource Heat Pump Delivery Rates Compare with Existing Residential Electric Delivery Rates

Eversource Eastern Massachusetts				
Electric Delivery Rates for the Greater Boston Service Area				
Delivery Service Charges	Current Residential Rates		New Heat Pump Residential Rate	
	R-1/R-2: Residential	R-3/R-4: Residential	Rate R-1HP/R-2HP	Rate R-1HP/R-2HP
	(non-heating)	(space heating)	Nov thru Apr	May thru Oct
Customer Charge (per month):	\$10.00000	\$10.00000	\$10.00000	\$10.00000
Distribution Energy Charge (per kWh):	\$0.09405	\$0.08736	\$0.05088	\$0.09405
Transition Energy Charge (per kWh):	-\$0.00095	-\$0.00095	-\$0.00095	-\$0.00095
Transmission Energy Charge (per kWh):	\$0.04545	\$0.04545	\$0.01413	\$0.04545
Revenue Decoupling Charge (per kWh):	-\$0.00085	-\$0.00085	-\$0.00085	-\$0.00085
Distributed Solar Charge (per kWh):	\$0.00431	\$0.00431	\$0.00431	\$0.00431
Net Metering Recovery Surcharge (per kWh):	\$0.01622	\$0.01622	\$0.01622	\$0.01622
Energy Efficiency Charge (per kWh):	\$0.02506	\$0.02506	\$0.02506	\$0.02506
Renewable Energy Charge (per kWh):	\$0.00050	\$0.00050	\$0.00050	\$0.00050
Electric Vehicle Program Charge (per kWh):	\$0.00138	\$0.00138	\$0.00138	\$0.00138
Total per kWh (excluding \$10 customer charge)	\$0.18517	\$0.17848	\$0.11068	\$0.18517

R-3/R-4 Delivery Savings per kWh Compared to R-1/R-2	\$0.00669	3.6%
R-1HP/R-2HP Winter Delivery Savings per kWh Compared to R-1/R-2	\$0.07449	40.2%
R-1HP/R-2HP Winter Delivery Savings per kWh Compared to R-3/R-4	\$0.06780	38.0%

The chart above quantifies both the existing residential electric delivery service rates as well as the new heat pump rates. **The heat pump rate reduction will be split between two categories within the Delivery Services section of your electric bill: the Distribution Energy Charge and the Transmission Energy Charge.** Most Carlisle homes are currently operating on an R-1 or R-3 electric delivery rate. If you’re a heat pump consumer on the R-3 rate, you’re saving 3.6% on your volumetric (per kWh) electric delivery service expenses compared to consumers using the R-1 rate. That modest 3.6% discount (compared to R-1) would increase to **38%** (compared to your current R-3 rate) during the winter rate period if you switch to the new R-1HP heat pump rate. And for those

heat pump consumers currently on the R-1 rate, you would experience more than a **40%** wintertime savings with R-1HP. **These savings percentages do not factor in the fixed \$10 monthly Customer Charge for Delivery, nor do they include the separate charges for Supplier Services, which are unaffected by the new heat pump rates.**

The R-2HP low-income residential heat pump electric delivery rate is priced identically to R-1HP, but in addition to the heat pump-related Delivery and Transmission discounts, **those ratepayers who qualify for the R-2HP low-income, means-tested electric rate will enjoy an overall 42% discount on their entire electric bill (not just the Delivery portion) and for the entire year (not just the wintertime rate period).**

What Comes Next?

Eversource has not yet enabled enrollment in the R-1HP or R-2HP heat pump electric delivery rates. Contacting Eversource now (or soon) to enroll in R-1HP or R-2HP would be premature and not yield your desired result. However, Eversource has documented their R-1HP/R-2HP implementation plan with the DPU, which will include:

- **Auto-enrollment:** Eversource will automatically enroll heat pump consumers in the new R-1HP/R-2HP heat pump rates if they had received a Mass Save heat pump rebate after January 1st, 2022. Eversource will notify these consumers of their auto-enrollment in the heat pump rate and will provide them with the option and instructions to opt out if desired. Moving forward, any new heat pump consumers who receive Mass Save heat pump rebates will also be auto-enrolled by Eversource in an R-1HP or R-2HP rate as applicable.
- **Consumer self-enrollment:** Consumers who are not automatically enrolled may initiate enrollment themselves via a not-yet-implemented Eversource inbound contact center, website portal, or mobile app. Consumers will be made aware of the new heat pump rates through a variety of targeted approaches, including email, bill inserts, call campaigns, social media, and the Eversource website. Eversource's outreach campaign will include information about eligibility requirements, the process for enrollment, and the estimated bill impact.

Stand by and stay tuned as the implementation plan rolls out and the R-1HP/R-2HP rates become a reality this fall. And note that the IRWG is committed to continue investigating further wintertime heating rate reductions for heat pump consumers for the 2026-2027 winter season and beyond.