## The Boston Globe

## **Chesto Means Business**

Vicinity's Bill DiCroce will leave a big legacy — in the pipes that feed Boston's buildings.

## By Jon Chesto

ill DiCroce will be remembered fondly by his family, by his roughly 500 colleagues at the energy company he led, and by other leaders in his industry. But his most enduring legacy might end up circulating in the pipes under the streets of Boston and Cambridge.

The Vicinity Energy executive chairman, who died from cancer on April 13 at the age of 62, was determined to make his company a leader in efforts to decarbonize the heating and cooling systems for big urban buildings.

Vicinity primarily uses natural gas to create the steam, hot water, and chilled water that heats and cools many of the office towers, colleges, labs, and hospitals in Boston and 10 or so other US cities.

Because Vicinity provides a centralized thermal source for heating and cooling systems in many of Boston's most energyintensive structures, DiCroce believed his company could play a critical role in reducing their carbon emissions. This represented a great business opportunity, particularly as Boston officials implement stricter emissions rules for major buildings, and also a great opportunity to help the environment.

"He was steadfast in his vision about where he wanted to take the company and he was relentless in his drive to get there," said Kevin Hagerty, DiCroce's successor as chief executive at Vicinity.

DiCroce could be blunt at times. He was certainly passionate about his belief that it's easier to decarbonize multiple buildings on a shared system, than by retrofitting one building at a time.

Toward that end, Boston-based



Bill DiCroce, president of and CEO of Vicinity Energy, met with public officials in 2023.

Vicinity installed an electric-powered boiler at its Kendall plant in Cambridge last year to sell what it calls "eSteam" - a premium product that building owners could buy to help them meet their own environmental goals. The eSteam concept was initially greeted with some skepticism, but DiCroce and his team worked hard to make the case to the Boston business community that it's the real deal.

Yes, roughly half of New England's power grid is still fueled by natural gas, a fossil fuel. So Vicinity buys energy credits from producers of wind and solar power to account for eSteam's environmental attributes; the first eSteam customers include Emerson College and lab developer IQHQ. Once several long-delayed offshore wind farms get built to serve New England, Vicinity plans to buy electricity directly from those projects, too.

Even more ambitious: DiCroce's plans to tap into the Charles River for thermal energy, for a different source of eSteam, one closer to home.

In 2023, DiCroce announced plans to work with Volkswagen subsidiary MAN Energy Solutions to install a massive



NATHAN KLIMA FOR THE GLOBE STAFF

Bill DiCroce, right, president and CEO of Vicinity Energy, meets with former British member of Parliament Chris Skidmore to discuss decarbonizing heating systems in urban settings at the Kendall Power Plant in Cambridge in 2023.

heat pump system at Kendall that would take water out of the Charles and return it back to the river at a colder temperature, using powerful compressors to extract steam from the river's inherent thermal energy.

This would act like a ground-source heat pump system, similar to the one that heats up Boston University's new computing and data sciences center (aka the Jenga Building). But Hagerty says the amount of energy that Vicinity's steam system would need to extract would simply make the ground too cold to efficiently draw energy from it. That's why DiCroce looked to the nearby Charles to do something similar, but with water. Hagerty said the company is now looking to install this giant heat pump at Kendall, with plans to get it online in 2028.

Hagerty said Vicinity's private equity owners at Antin Infrastructure Partners have been fully on board with these plans.

DiCroce's background was in engineering, dating to his college years at the Massachusetts Maritime Academy in Bourne, after graduating from Brockton High.

Many of his Mass. Maritime peers went into the energy business if they didn't go to work on a ship; DiCroce chose the former route. He would go on to work at GE and Entergy as well as Eversource predecessors Boston Edison and NStar. He eventually ended up running Veolia's businesses in North America, consolidating corporate offices for the French company's energy, waste, and water business lines under his purview in Boston. He later engineered the spinout of Vicinity, essentially Veolia's district-energy business, with Antin's financial backing.

That spinout is what brought him to join the board of the Boston Green

Ribbon Commission, a public-private partnership whose goal is improving the climate resiliency of the city and its buildings. Amy Longsworth, the commission's executive director, recalled some of the skepticism that DiCroce faced around the eSteam concept.

"He wasn't very well known to the Boston power-broker crowd [when he joined]," Longsworth said. "He was fierce in his advocacy and his point of view. ... I remember people talking about the energy transition, and he just was frustrated that it wasn't happening faster, that we weren't seeing the light, that his view wasn't more broadly accepted."

As time went on, though, DiCroce's vision became more widely accepted. And as industry leaders learned of DiCroce's passing, they celebrated that ambition. Joe Curtatone of the Alliance for Climate Transition, a clean-energy business group, described DiCroce as a "pioneer," while Casey Bowers of the Environmental League of Massachusetts said she views DiCroce as someone who can "see around that corner, and see where things are going."

Kevin Slein, a senior vice president at lab landlord (and Vicinity customer) BioMed Realty, said the new electricpowered boiler and the planned heat pump system have the potential to change the world of district energy, to help building owners move away from fossil fuel heating sources. Slein has known DiCroce since their shared college years at Mass. Maritime, and was always impressed by his drive and engineering acumen and, then, his leadership skills as DiCroce rose to be a CEO. Slein said DiCroce's concept to channel a river's thermal energy, inspired by smaller-scale projects in Europe, could end up being replicated in cities across the country.

Greening large-scale heating and cooling systems is considered one of the biggest challenges to reducing our overall carbon footprint. Bill DiCroce knew one novel solution was under our feet all along.