

HOUSE No. 3193

The Commonwealth of Massachusetts

PRESENTED BY:

Rady Mom

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to aggregated gas power.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Rady Mom</i>	<i>18th Middlesex</i>	<i>1/19/2023</i>
<i>Edward J. Kennedy</i>	<i>First Middlesex</i>	<i>4/24/2023</i>

HOUSE No. 3193

By Representative Mom of Lowell, a petition (accompanied by bill, House, No. 3193) of Rady Mom relative to aggregated gas power. Telecommunications, Utilities and Energy.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act relative to aggregated gas power.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 134 of chapter 164 of the General Laws, as so appearing, is hereby
2 amended by striking out subsection (a) and subsection (b) in their entirety and inserting therein
3 the following subsections:-

4 (a) Any municipality or any group of municipalities acting together within the
5 commonwealth may aggregate the electrical load of interested electricity consumers or the
6 natural gas load of interested gas consumers within its boundaries; provided, however, that such
7 municipality or group of municipalities shall not aggregate electrical load or natural gas load if
8 such are served by an existing municipal lighting plant or an existing municipal gas plant. Such
9 municipality or group of municipalities may group retail electricity customers to solicit bids,
10 broker, and contract for electric power and energy services including renewable energy credits,
11 which may be considered contracts for energy or energy-related services under clause (33) of
12 subsection (b) of section 1 of chapter 30B for such customers and may group retail gas customers
13 to solicit bids, broker, and contract for the supply of natural gas for such customers. Such

14 municipality or group of municipalities may enter into agreements for services to facilitate the
15 sale and purchase of electric energy and other related services and agreements for services to
16 facilitate the sale and purchase of natural gas. Such service agreements may be entered into by a
17 single city, town, county, or by a group of cities, towns, or counties.

18 A municipality or group of municipalities which aggregates its electrical load or natural
19 gas load and operates pursuant to the provisions of this section shall not be considered a utility
20 engaging in the wholesale purchase and resale of electric power or natural gas. Providing electric
21 power or energy services to aggregated electric customers or natural gas supply to aggregated
22 gas customers within a municipality or group of municipalities shall not be considered a
23 wholesale utility transaction. The provision of aggregated electric power and energy services as
24 authorized by this section shall be regulated by any applicable laws or regulations which govern
25 aggregated electric power and energy services in competitive markets. The provision of
26 aggregated natural gas supply as authorized by this section shall be regulated by any applicable
27 laws or regulations that govern aggregated natural gas supply in competitive markets.

28 A town may initiate a process to aggregate electrical load or natural gas load upon
29 authorization by a majority vote of town meeting or town council. A city may initiate a process
30 to authorize aggregation by a majority vote of the city council, with the approval of the mayor, or
31 the city manager in a Plan D or Plan E city. Two or more municipalities may, as a group, initiate
32 a process jointly to authorize aggregation by a majority vote of each particular municipality as
33 herein required.

34 Upon an affirmative vote to initiate said process, a municipality or group of
35 municipalities establishing an electric or gas load aggregation pursuant to this section shall, in

36 consultation with the department of energy resources, pursuant to section 6 of chapter 25A,
37 develop a plan, for review by its citizens, detailing the process and consequences of aggregation.
38 Any municipal load aggregation plan established pursuant to this section shall provide for
39 universal access, reliability, and equitable treatment of all classes of customers and shall meet
40 any requirements established by law or the department of public utilities concerning aggregated
41 electric or gas load or electric energy service. Said plan shall be filed with the department of
42 public utilities, for its final review and approval, and shall include, without limitation, an
43 organizational structure of the program, its operations, and its funding; rate setting and other
44 costs to participants; the methods for entering and terminating agreements with other entities; the
45 rights and responsibilities of program participants; and termination of the program. Prior to its
46 decision, the department of public utilities shall conduct a public hearing.

47 Participation by any retail customer in a municipal or group aggregation program shall be
48 voluntary. Within 30 days of the date the aggregated entity is fully operational, such retail
49 customers shall be transferred to the aggregated entity according to an opt-out provision herein.
50 Following adoption of aggregation through the votes specified above, such program shall allow
51 any retail customer to opt-out and choose any supplier or provider such retail customer wishes.
52 Once enrolled in the aggregated entity, any retail customer choosing to opt-out within 180 days
53 shall do so without penalty and shall be entitled to receive their electricity supply through the
54 local electric utility's basic service or their gas supply through the local gas utility's default
55 service, as if he was originally enrolled therein. Nothing in this section shall be construed as
56 authorizing any city or town or any municipal electric or gas load aggregator to restrict the
57 ability of retail customers to obtain or receive service from any authorized provider thereof.
58 After the initial automatic enrollment of customers upon the establishment of a load aggregation

59 program in accordance with this subsection, the subsequent enrollment of new customers or
60 accounts in the service territory of the aggregator shall be governed by the terms for enrollment
61 set forth in aggregator's plan; provided, however, that the terms are consistent with the
62 requirements established by the department.

63 It shall be the duty of the aggregated entity to fully inform participating retail customers
64 in advance of automatic enrollment that they are to be automatically enrolled and that they have
65 the right to opt-out of the aggregated entity without penalty. In addition, such disclosure shall
66 prominently state all charges to be made and shall include full disclosure of the electric basic
67 service rate and gas default service rate, how to access it, and the fact that it is available to them
68 without penalty. The department of energy resources shall furnish, without charge, to any citizen
69 a list of all other supply options available to them in a meaningful format that shall enable
70 comparison of price and product. To facilitate the automatic enrollment and ratepayer
71 notifications, the electric distribution company or gas distribution company shall provide to each
72 municipality the name and mailing addresses of all electric accounts or all gas accounts within
73 the municipality that are not otherwise receiving generation service from a competitive supplier;
74 provided, however, that any customer may request that their name, mailing address and account
75 number not be shared with the municipality.

76 (b) A municipality or group of municipalities establishing an electric load aggregation
77 program pursuant to subsection (a) may, by a vote of its town meeting or legislative body,
78 whichever is applicable, adopt an electrical energy plan which shall define the manner in which
79 the municipality or municipalities may implement electric demand side management programs
80 and renewable energy programs that are consistent with any state energy conservation goals
81 developed pursuant to chapter 25A or chapter 164. After adoption of the electrical energy plan

82 by such town meeting or other legislative body, the city or town clerk shall submit the plan to the
83 department of public utilities to certify that it is consistent with any such state energy electrical
84 conservation goals. If the plan is certified by the department of public utilities, the municipality
85 or group of municipalities may apply to the Massachusetts clean energy technology center for
86 monies from the Massachusetts Renewable Energy Trust Fund, established pursuant to section 9
87 of chapter 23J, and receive, and if approved, expend moneys from the electric demand side
88 management system benefit charges or line charges in an amount not to exceed that contributed
89 by electric retail customers within said municipality or group municipalities. This will not
90 prevent said municipality or municipalities from applying to the Massachusetts clean energy
91 technology center for additional funds. If the department of public utilities determines that the
92 electrical energy plan is not consistent with any such state-wide goals, it shall inform the
93 municipality or group of municipalities within six months by written notice the reasons why it is
94 not consistent with any such state-wide goals. The municipality or group of municipalities may
95 re-apply at anytime with an amended version of the electrical energy plan.

96 The municipality or group of municipalities shall not be prohibited from proposing for
97 certification an electrical energy plan which is more specific, detailed, or comprehensive or
98 which covers additional subject areas than any such state-wide conservation goals. This
99 subsection shall not prohibit a municipality or group of municipalities from considering,
100 adopting, enforcing, or in any other way administering an electrical energy plan which does not
101 comply with any such state-wide conservation goals so long as it does not violate the laws of the
102 commonwealth.

103 The municipality or group of municipalities shall, within two years of approval of its
104 electrical energy plan or such further time as the department of public utilities may allow,

105 provide written notice to the department of public utilities that its electrical energy plan is
106 implemented. The department of public utilities may revoke certification of the electrical energy
107 plan if the municipality or group of municipalities fails to substantially implement such plan or if
108 it is determined by independent audit that the funds were misspent within the time allowed under
109 this subsection. The department of public utilities shall promulgate regulations consistent with
110 subsection (a) and subsection (b), allowing sufficient time for a local gas company to plan for
111 and implement billing systems that can accommodate the requirements of this section.

112 SECTION 2. Section 1D of Chapter 164, as appearing in the 2014 Official Edition, is
113 hereby amended by inserting after the words “as approved by the department” in line 57 the
114 following words:

115 For natural gas suppliers who have chosen the complete billing method, the local gas
116 company shall make timely payments to such suppliers in accordance with this paragraph. The
117 gas company shall: (a) bill all of the natural gas supplier's customers in a service class according
118 to complete billing; (b) pay such suppliers the full amounts due from customers for natural gas
119 supply in a time period consistent with the average payment period of the participating class of
120 customer, less a percentage of such amounts that reflects the average of the uncollectible bills for
121 the participating customer classes of the local gas company and other reasonable development,
122 operating or carrying costs incurred, as approved by the department of public utilities. The
123 department of public utilities shall promulgate regulations consistent with this section, allowing
124 sufficient time for a local gas company to plan for and implement billing systems that can
125 accommodate the requirements of this section.