

**HOUSE . . . . . No. 15**

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**The Commonwealth of Massachusetts**

**In the One Hundred and Ninety-Fourth General Court  
(2025-2026)**

An Act relative to retail electricity suppliers.

*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 1 of chapter 21N of the General Laws, as appearing in the 2022  
2 Official Edition, is hereby amended by inserting after the definition of “carbon dioxide  
3 equivalent” the following definition:-

4 “Clean energy standard”, the clean energy standard, established to assist the  
5 Commonwealth in achieving its greenhouse gas emissions reduction goals, pursuant to  
6 subsections (c) and (d) of section 3 and sections 4 and 7 of chapter 21N; sections 2, 8 and 16 of  
7 chapter 21A; and sections 2C and sections 142A to 142E of chapter 111; promulgated as 310  
8 CMR 7.75.

9 SECTION 2. Section 12 of chapter 21N of the General Laws, as so appearing, is hereby  
10 amended by inserting after the word “21A” in subsection (a) the following words:-

11 , or pursuant to the department’s authority set forth in section 142A of chapter 111

12 SECTION 3. Said section 12 of chapter 21N, as so appearing, is hereby amended by  
13 striking out subsection (c) and inserting in place thereof the following subsection:-

14 (c) Compliance with the clean energy standard shall be filed with the department no later  
15 than April 1, or the first business day thereafter, of the subsequent year. The department shall  
16 invoice retail electricity suppliers for the alternative compliance payment they owe within ten  
17 business days following this date with payment due by April 30 or the first business day  
18 thereafter. Such invoice shall include information regarding the amount owed, procedures for  
19 submitting the required compliance filing and alternative compliance payment, and notice of the  
20 penalties facing retail electricity suppliers that fail to submit the required compliance filing and  
21 alternative compliance payment, including payment pursuant to subsection (e)(3) of this section.  
22 Billing practices shall align with the requirements of the Office of the Comptroller.

23 In any case where an alternative compliance payment becomes due upon issuance of a  
24 notice of non-compliance, the department, in addition to other modes of relief, may direct a civil  
25 action to be filed in a superior court on behalf of the commonwealth to collect the debt or enforce  
26 the lien of the department under this section with respect to such liability, or to subject any  
27 property of whatever nature, of the indebted retail electric supplier, or in which the supplier has  
28 any right, title or interest, to the payment of such liability. The commonwealth may also bring an  
29 action for injunctive relief in the superior court for any such violation, and the superior court  
30 shall have jurisdiction to enjoin such violation and to grant such further relief as it may deem  
31 appropriate. Such violations by a retail electricity supplier shall constitute an unfair or deceptive  
32 act or practice for purposes of chapter 93A.

33 SECTION 4. Said section 12 of said chapter 21N, as so appearing, is hereby amended by  
34 striking out subsection (e) and inserting in place thereof the following subsection:-

35 (e)(1) A retail electricity supplier that is not a distribution company as defined in section  
36 1 of chapter 164, must provide annually to the department by January 31 evidence of financial  
37 security that:

38 (i) is in the form of a surety bond or other financial instrument showing evidence of  
39 liquid funds, such as a certificate of deposit, an irrevocable letter of credit, a line of credit, a loan  
40 or a guarantee;

41 (ii) the greater of:

42 (A) \$100,000;

43 (B) 20% of the retail electricity supplier's estimated gross receipts for its first full year of  
44 operation; or

45 (C) 20% of the retail electricity supplier's actual gross receipts for the preceding year of  
46 operation, not including revenue from the provision of basic service, for any year after the first  
47 year of operation;

48 (iii) names the department as beneficiary, obligee, or guaranteed party, as applicable and  
49 specifies that a notice of default shall be sufficient grounds for the department to withdraw or  
50 obtain funds from the surety;

51 (iv) has an expiration date of not less than one year; and

52 (v) shall be adjusted annually, if based upon actual or estimated gross receipts.

53 (2) A retail electricity supplier that fails to meet the requirements of compliance shall  
54 submit a plan for achieving compliance for the subsequent three years. The plan shall be filed  
55 with the department no later than the April 30 or the first business day thereafter of the year  
56 subsequent to the year for which the retail electricity supplier was out of compliance or such date  
57 as the department may specify.

58 (3) In the event that a retail electricity supplier fails to discharge its annual obligation by  
59 April 30 or the first business day thereafter under the clean energy standard, as defined in 310  
60 CMR 7.75, the department will notify the retail electricity supplier that it must provide the  
61 department with a payment using the financial security of which it provided evidence the prior  
62 January 31, unless the retail electricity supplier has an approved alternative payment plan to  
63 discharge its annual obligations in full that has been approved by the department prior to April  
64 30. The payment shall, within 30 days of notification by the department, be made in an amount  
65 equal to the lesser of:

66 (i) the amount of alternative compliance payment that the retail electricity supplier must  
67 make in order to discharge its annual obligation in full; or

68 (ii) the full amount of the financial security.

69 (4) In the event that the collection of financial security results in the collection of an  
70 amount of alternative compliance payment that is insufficient to discharge the retail electricity  
71 supplier's full annual obligation, the retail electricity supplier will remain in a state of  
72 noncompliance, and the department will take the necessary actions to document and enforce this  
73 noncompliance.

74 (5) The department reserves all rights to take any and all appropriate actions to ensure the  
75 collection of all alternative compliance payments owed to ensure annual compliance  
76 obligations  
77 are fully discharged by a retail electricity supplier including, but not limited to, filing a  
78 petition  
79 with the department of public utilities requesting an investigation into a supplier that is  
80 deemed  
81 to be in noncompliance by the department.

82 (6) The department shall adopt regulations consistent with this subsection (e) to allow for  
83 its proper administration.

84 SECTION 5. Section 7 of chapter 25A of the General Laws, as appearing in the 2022  
85 Official Edition, is hereby amended by inserting after the last paragraph the following  
86 paragraph:-

87 Notwithstanding any contrary provision, any retail electricity supplier that violates  
88 section 11F or section 11F1/2 of this chapter, including any promulgated regulations for the  
89 purposes of effectuating those sections, shall be subject to a civil penalty of not more than  
90 twenty-five thousand dollars for each violation. Each day or part thereof that such violation  
91 occurs or continues shall be a separate violation. The civil penalty may be assessed in an action  
92 brought on behalf of the commonwealth in the superior court. The commonwealth may also  
93 bring an action for injunctive relief in the superior court for any such violation, and the superior  
94 court shall have jurisdiction to enjoin such violation and to grant such further relief as it may

95 deem appropriate. Such violations by a retail electricity supplier shall constitute an unfair or  
96 deceptive act or practice for purposes of chapter 93A.

97 SECTION 6. Section 11F of chapter 25A of the General Laws, as so appearing, is hereby  
98 amended by inserting at the end of subsection (f) the following:-

99 Such compliance filing shall be made with the department no later than April 1, or the  
100 first business day thereafter, of the subsequent year. The department shall invoice retail  
101 electricity suppliers for the alternative compliance payment they owe within ten business days  
102 following this date, with payment due by April 30 or the first business day thereafter. Such  
103 invoice shall include information regarding the amount owed, procedures for submitting the  
104 required compliance filing and alternative compliance payment, and notice of the penalties  
105 facing retail electricity suppliers that fail to submit the required compliance filing and alternative  
106 compliance payment, including payment pursuant to subsection (j)(3) of this section. Billing  
107 practices shall align with the requirements of the office of the comptroller.

108 SECTION 7. Said section 11F of chapter 25A, as so appearing, is hereby amended by  
109 inserting after subsection (i) the following subsection:-

110 (j)(1) A retail electricity supplier that is not a distribution company as defined under  
111 section 1 of chapter 164, must provide annually to the department by January 31 evidence of  
112 financial security that:

113 (i) is in the form of a surety bond or other financial instrument showing evidence of  
114 liquid funds, such as a certificate of deposit, an irrevocable letter of credit, a line of credit, a loan  
115 or a guarantee;

116 (ii) the greater of:

117 (A) \$100,000;

118 (B) 20% of the retail electricity supplier's estimated gross receipts for its first full year of  
119 operation; or

120 (C) 20% of the retail electricity supplier's actual gross receipts for the preceding year of  
121 operation, not including revenue from the provision of basic service, for any year after the first  
122 year of operation;

123 (iii) names the department as beneficiary, obligee, or guaranteed party, as applicable and  
124 specifies that a notice of default shall be sufficient grounds for the department to withdraw or  
125 obtain funds from the surety;

126 (iv) has an expiration date of not less than one year; and

127 (v) shall be adjusted annually, if based upon actual or estimated gross receipts.

128 (2) A retail electricity supplier that fails to discharge its annual compliance obligation  
129 shall submit a plan for achieving compliance for the subsequent three years. The plan shall be  
130 filed with the department no later than April 30 or the first business day thereafter of the year  
131 subsequent to the year for which the retail electricity supplier was out of compliance or such date  
132 as the department may specify.

133 (3) In the event that a retail electricity supplier fails to discharge its annual obligation by  
134 April 30 or the first business day thereafter under the renewable energy portfolio standard for  
135 Class I or Class II, the department will notify the retail electricity supplier that it must provide  
136 the department with a payment using the financial security of which it provided evidence the

137 prior January 31, unless the retail electricity supplier has an approved alternative payment plan to  
138 discharge its annual obligations in full that has been approved by the department prior to April  
139 30 or the first business day thereafter. The payment shall, within 30 days of notification by the  
140 department, be made in an amount equal to the lesser of:

141 (i) the amount of alternative compliance payment that the retail electricity supplier must  
142 make in order to discharge its annual obligation in full; or

143 (ii) the full amount of the financial security.

144 (4) In the event that the collection of financial security results in the collection of an  
145 amount of alternative compliance payment that is insufficient to discharge the retail electricity  
146 supplier's full annual obligation, the retail electricity supplier will remain in a state of  
147 noncompliance, and the department will take the necessary actions to document and enforce this  
148 noncompliance.

149 (5) The department reserves all rights to take any and all appropriate actions to ensure the  
150 collection of all alternative compliance payments owed to ensure annual compliance  
151 obligations

152 are fully discharged by a retail electricity supplier including, but not limited to, filing a  
153 petition

154 with the Department of Public Utilities requesting an investigation into a supplier that is  
155 deemed

156 to be in noncompliance by the department.



157 (6) The department shall adopt regulations consistent with this subsection (j) to allow for  
158 its proper administration.

159 SECTION 8. Section 11F1/2 of chapter 25A of the General Laws, as so appearing, is  
160 hereby amended by inserting at the end of subsection (c) the following:-

161 Such compliance filing shall be made with the department no later than April 1, or the  
162 first business day thereafter, of the subsequent year. The department shall invoice retail  
163 electricity suppliers for the alternative compliance payment they owe within ten business days  
164 following this date with payment due by April 30 or the first business day thereafter. Such  
165 invoice shall include information regarding the amount owed, procedures for submitting the  
166 required compliance filing and alternative compliance payment, and notice of the penalties  
167 facing retail electricity suppliers that fail to submit the required compliance filing and alternative  
168 compliance payment, including payment pursuant to subsection (f)(3) of this section. Billing  
169 practices shall align with the requirements of the office of the comptroller.

170 SECTION 9. Section 11F1/2 of chapter 25A of the General Laws, as so appearing, is  
171 hereby amended by inserting after subsection (e) the following subsection:-

172 (f)(1) A retail electricity supplier that is not a distribution company as defined in section  
173 1 of chapter 164, must provide annually to the department by January 31 evidence of financial  
174 security that:

175 (i) is in the form of a surety bond or other financial instrument showing evidence of  
176 liquid funds, such as a certificate of deposit, an irrevocable letter of credit, a line of credit, a loan  
177 or a guarantee;

178 (ii) the greater of:

179 (A) \$100,000;

180 (B) 20% of the retail electricity supplier's estimated gross receipts for its first full year of  
181 operation; or

182 (C) 20% of the retail electricity supplier's actual gross receipts for the preceding year of  
183 operation, not including revenue from the provision of basic service, for any year after the first  
184 year of operation;

185 (iii) names the department as beneficiary, obligee, or guaranteed party, as applicable and  
186 specifies that a notice of default shall be sufficient grounds for the department to withdraw or  
187 obtain funds from the surety;

188 (iv) has an expiration date of not less than one year; and

189 (v) shall be adjusted annually, if based upon actual or estimated gross receipts.

190 (2) A retail electricity supplier that fails to discharge its annual compliance obligations  
191 shall submit a plan for achieving compliance for the subsequent three years. The plan shall be  
192 filed with the department no later than the April 30 of the year or the first business day thereafter  
193 subsequent to the year for which the retail electricity supplier was out of compliance or such date  
194 as the department may specify.

195 (3) In the event that a retail electricity supplier fails to discharge its annual obligation by  
196 April 30 or the first business day thereafter under the alternative energy portfolio standard, the  
197 department will notify the retail electricity supplier that it must provide the department with a  
198 payment using the financial security of which it provided evidence the prior January 31, unless

199 the retail electricity supplier has an approved alternative payment plan to discharge its annual  
200 obligations in full that has been approved by the department prior to April 30 or the first business  
201 day thereafter. The payment shall, within 30 days of notification by the department, be made in  
202 an amount equal to the lesser of:

203 (i) the amount of alternative compliance payment that the retail electricity supplier must  
204 make in order to discharge its annual obligation in full; or

205 (ii) the full amount of the financial security.

206 (4) In the event that the collection of financial security results in the collection of an  
207 amount of alternative compliance payment that is insufficient to discharge the retail electricity  
208 supplier's full annual obligation, the retail electricity supplier will remain in a state of  
209 noncompliance, and the department will take the necessary actions to document and enforce this  
210 noncompliance.

211 (5) The department reserves all rights to take any and all appropriate actions to ensure the  
212 collection of all alternative compliance payments owed to ensure annual compliance  
213 obligations

214 are fully discharged by a retail electricity supplier including, but not limited to, filing a  
215 petition

216 with the department of public utilities requesting an investigation into a supplier that is  
217 deemed

218 to be in noncompliance by the department.

219           (6) The department shall adopt regulations consistent with this subsection (f) to allow for  
220 its proper administration.