

JOINT COMMITTEE ON TELECOMMUNICATIONS, UTILITIES, AND ENERGY

BILL SUMMARY

BILL NO. H.3459

TITLE: An Act modernizing competitive energy supply

SPONSOR: Representative Tackey Chan

COMMITTEE: Telecommunications, Utilities, and Energy

HEARING DATE: June 4, 2025

PRIOR HISTORY: 193rd Session 2023-24 (H.3155): Favorable as new Draft H.4499 to HWM.

CURRENT LAW:

M.G.L. Chapter 164 - the manufacture and sale of gas and electricity. Section 1D concerns non-utility competitive suppliers. Section 1F concerns consumer protections related to the manufacture and sale of gas and electricity, including the establishment of certain low-income requirements.

SUMMARY:

Section 1 defines “energy marketer”.

Sections 2-3 provide for the implementation of accelerated switching of supply providers, and no-interim rate changes for residential and small C&I customers moving service within the same distribution territory. They also charge the DPU with opening a proceeding into enhancements to be made by systems in order to facilitate direct to customer billing by suppliers; and requires every 3-year look backs for improvements/advancements into consolidated billing.

Section 4 requires a minimum \$10,000 license fee for providing competitive energy supply; as well as the maintenance of a \$5,000,000 bond. It also clarifies that third-parties of suppliers are legal agents, and shall receive training from the supplier. The DPU shall develop a required training program and examination for all competitive suppliers.

Section 5 requires third-party verification and tracking in the door-to-door or in-person marketing of competitive supply.

Section 6 extends the period of time a consumer has to initiate a complaint that supply service has been switched without authorization from “30 days” to “2 years.”

Section 7 increases the maximum subsequent penalty for a violation of switching service without customer’s consent from “\$3,000” to “\$5,000” per violation per customer.

Section 8 prohibits the use of non-affiliated telephone numbers and requires that valid sales and marketing shall be executed in a language understandable by the consumer (whether in person or by

telephone). In-person marketers shall visibly display ID and customer service contact information for the supplier.

The section also establishes a new “office of retail market oversight” within the DPU. The Office shall investigate best practices in other states, marketing and competitive conditions in MA, and report to the DPU addressing violations, and recommendations for suspensions or revocations of licenses. The Office shall coordinate with the AGO’s Office of Ratepayer Advocacy on the publishing of complaints against competitive suppliers.

Section 9 bans the individual sale of competitive supply to low-income customers in favor of a competitive aggregation procurement process for all low-income customers in a service territory as overseen by the DPU.

The section prohibits the extension of any supply agreement with a residential customer beyond the stated term and any material changes without at least 2 prior notices prior to the end of that stated term or proposed change. It also prohibits termination or early cancellation fees (with exceptions for equipment or non-commodity services).

Suppliers shall provide to the department information on rates charged, numbers of low income and non-low-income customers served, and renewable energy certificates for public disclosure by the DPU.

The section prohibits license transfer without DPU approval; and customers may not be assigned without prior notice to the DPU (subject to DPU conditions for transfer).

The DPU shall quarterly publish supplier complaint data culled from DPU, distribution companies and the AGO. Violations of new marketing provisions and “impersonating an employee of a distribution company” subject to existing DPU provisions and \$10,000 per day per violation; further, the AGO is charged with additional chapter 93A enforcement.