

MASSACHUSETTS HOUSE PASSES ENERGY AFFORDABILITY BILL

Bill to save utility ratepayers \$9 billion over the next 10 years

BOSTON – Thursday, February 26, 2026 – The Massachusetts House of Representatives today passed energy affordability legislation that would result in over \$9 billion in savings for utility ratepayers over the next 10 years. The bill makes a one-time funding reduction to the Mass Save program, diverts environmental compliance payments from electricity suppliers back to residents, and positions Massachusetts to further diversify and modernize its energy grid.

“As residents across Massachusetts face sky-high heating bills amid another brutal winter, this legislation is proof of the House’s commitment to bringing costs down by cutting unnecessary spending, by putting money back in residents’ pockets, and through energy diversification. While the Trump Administration continues to attack clean energy projects on behalf of the fossil fuel industry, the House understands that energy diversification is the best tool that the Commonwealth has to cut costs for ratepayers in the long term,” said **House Speaker Ronald J. Mariano (D-Quincy)**. “I want to thank Chair Michlewitz and Chair Cusack for their hard work on this legislation, as well as all my colleagues in the House for recognizing the importance of these reforms.”

“This legislation is one that takes a long-term look at our energy needs and focuses the conversation squarely on affordability for ratepayers. While sustainability remains paramount, without a Federal partner in Washington, the Commonwealth finds itself in a difficult position. By making our energy infrastructure more transparent and more predictable, and by controlling costs, we can improve the lives of millions of our residents while at the same time bringing more energy onto the grid,” said **Representative Aaron Michlewitz (D-Boston)**, Chair of the House Committee on Ways & Means. “I want to thank Speaker Mariano for his commitment to this legislation, as well as Chair Cusack and all my other House colleagues for their hard work and support on this critical legislation.”

“This legislation builds upon the Governor’s energy affordability bill, embracing and expanding on the Administration’s “all of the above” approach to bringing down costs for ratepayers by reducing ratepayer costs in Mass Save, encouraging more rapid deployment and interconnection of renewable energy, and allowing the state to procure more energy to keep prices down, all while saving the rate payers of Massachusetts \$9 billion over the next ten years,” said **Representative Mark J. Cusack (D-Braintree)**, House Chair of the Joint Committee on Telecommunications, Utilities and Energy.

"As a kid who grew up on fuel assistance, whose family struggled with the monthly utility bills and who now represents a Gateway community, I'm proud to work alongside

compassionate and empathetic House leaders to deliver comprehensive utility bill relief,” said **Representative Michael P. Kushmerek (D-Fitchburg)**, House Vice Chair of the Joint Committee on Telecommunications, Utilities and Energy.

In an effort to lower energy prices in the near term, despite volatile gas and electricity prices, the House bill:

- Reduces the Mass Save budget by \$1 billion for immediate ratepayer savings, prioritizing cuts to the plan’s marketing, advertising and administrative budgets. Mass Save is primarily funded by utility ratepayers through a mandatory charge on their gas and electric bills.
 - The bill also tasks the Office of the Inspector General with a review of Mass Save to ensure that the program and its administrators are efficiently and effectively using ratepayer dollars. The report is due by July 1, 2027.
- Returns 70 percent of Alternative Compliance Payments (ACP), which are fees paid by energy suppliers for not meeting renewable energy standards, to customers until July 1, 2029.
 - After July 1, 2029, the Department of Energy Resources (DOER), in consultation with MassCEC, mandates that 70 percent of ACP payments be returned to ratepayers in any year where money in the funds exceeds the predicted level by 2 percent and energy costs are a substantial burden to residents of the Commonwealth.
- Reduces net metering credit amounts, which are a significant surcharge on electric bills
- Requires distribution companies and gas companies to provide discounted rates for low-income customers and eligible moderate-income customers
- Requires that any standard residential default service rates cannot be changed more frequently than once every six months
- Establishes an electric rates task force to advise and make recommendations on the current and future cost of electricity in the Commonwealth with a report due by September 30, 2027

The House bill also brings more energy onto the grid and protects the workforce during the transition to clean energy. The bill:

- Expands the Commonwealth's energy procurement authority by authorizing DOER to competitively solicit environmental attributes or energy services and negotiate and enter into long term contracts
- Requires DOER to establish a state-led offshore wind pre-development and project acceleration program to enable the Commonwealth to partner with offshore wind developers to further the Commonwealth's goals. The bill also extends from June 30, 2027 to June 30, 2029 the deadline for cost-effective long-term contracts for offshore wind energy generation.
- Allows DOER to develop a statewide energy storage incentive program to encourage the continued development of energy storage resources connected to the electric distribution system.
- Allows for smart solar permitting to get more projects online faster
- Removes barriers for nuclear energy by repealing chapter 503 of the acts of 1982, which established requirements for voter approval and legislative certification of any new nuclear power plant or any facility for the disposal or storage of low level radioactive waste in the Commonwealth.
- Allows for high voltage transmission lines on state highways
- Requires labor peace agreements for geothermal energy projects to help support and create jobs, adds prevailing wage requirements for work on thermal energy networks, and requires transition plans for gas workers during the transition to clean energy.

The House bill also addresses predatory practices by certain suppliers, which impact consumers while certain utilities benefit through business practices that result in higher utility costs. The bill:

- Creates a real-time, online, retail residential customer bill assessment dashboard with: explanations of customer bill components; and an analysis of the benefits of certain programs, procurements and investments.
- Adjusts the reporting requirements for electric and gas companies, transmission companies, distribution companies, suppliers and aggregators and suppliers of natural gas to require quarterly reporting.
- Protects consumers by restricting predatory marketing practices by competitive electric suppliers by eliminating automatic renewals and variable rate contracts, by

requiring more transparency for consumers, and by establishing new licensing requirements for door-to-door and telemarketing firms.

- Allows municipalities to opt out of competitive electric supply
- Requires utility audits and approvals for asset condition projects that are projected to cost more than \$25 million
- Requires gas companies to implement default budget billing for residential customers

The bill passed the House of Representatives 128-27 and now goes to the Senate for consideration.

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Statements of Support

Alicia Barton, CEO of Vineyard Offshore

“Vineyard Offshore applauds the Massachusetts House of Representatives for passing this important energy bill and reaffirming the Commonwealth’s commitment to offshore wind. The legislation establishes new procurement authority designed to meet the moment, sets a robust offshore wind target, and includes clear pre-development provisions to ensure projects can maintain momentum in the coming years and ramp up to complete a competitive procurement process by the end of 2029. Together, these steps strengthen Massachusetts’ long-term energy strategy, supporting greater affordability, reliability, and energy independence. They provide the certainty needed to advance projects, attract investment, and sustain local jobs. We look forward to continuing our partnership with the Commonwealth to deliver reliable, affordable offshore wind energy for Massachusetts families and businesses.”

Ruthie DeWit, Northeast State Affairs Director of the Solar Energy Industries Association

“The solar and storage industry applauds the Massachusetts House for advancing energy affordability legislation that accelerates deployment across the Commonwealth. Solar and storage are the fastest and most affordable way to add new capacity to the grid and a critical tool for lowering prices for families. This bill removes barriers to development and reduces costs by creating a surplus interconnection service to unlock unused grid capacity

and by establishing a statewide solar permitting platform that can cut average residential installation costs by \$7,000.

“These commonsense reforms address immediate affordability pressures for ratepayers while positioning the Commonwealth to deliver billions in long-term savings.”

Kat Burnham, Massachusetts Policy Lead at Advanced Energy United.

“Ready-to-deploy advanced energy technologies are the path to affordable power. One of the best ways to make energy affordable is to get more out of our existing power grid. Massachusetts needs more energy to keep up with growing demand, and these solutions will unlock the lowest-cost way to get that energy. We appreciate the leadership from the legislature on this important issue, particularly House Speaker Mariano, Rep. Michlewitz, and Rep. Cusack, and we look forward to working with the Senate to get this bill across the finish line.”

Tara Rondeau, President at Municipal Electric Association of Massachusetts

“The Municipal Electric Association of Massachusetts (MEAM), representing public power customers, applauds the House of Representatives for the passage of HB5151 - An Act An Act relative to energy affordability, clean power, and economic competitiveness. For over a century, municipal light plants have delivered safe, reliable, and affordable power to nearly 15% of Massachusetts residents. As municipal utilities committed to low-cost, reliable power, we recognize the legislation's foundational goal: balancing environmental objectives with the need to avoid undue financial burden on ratepayers and ensure economic competitiveness for businesses. This bill strikes that balance and responsibly delivers near-term ratepayer savings.”