

An Initiative Petition for a Law to Eliminate Revenue-Based Reconciliation in Utility Rate Structures

Be it enacted by the People, and by their authority:

An Initiative Petition for a Law to Eliminate Revenue-Based Reconciliation in Utility Rate Structures

SECTION 1. Purpose.

The purpose of this Act is to protect utility ratepayers by eliminating the use of revenue decoupling mechanisms in utility ratemaking, thereby ensuring that utility rates reflect actual delivery service costs and usage, and that regulatory structures do not artificially stabilize or inflate utility revenues at the expense of ratepayer transparency or consent.

SECTION 2. Definitions.

1. This act may be cited as the 'Revenue Decoupling Prohibition Act.
2. As used in this Act, the following terms shall, unless the context clearly requires otherwise, have the following meanings:
 - (a) "Adjustment" shall mean any surcharge, credit, or rate modification that reconciles or corrects differences between forecasted and actual utility revenues, usage volumes, or sales, regardless of whether the reconciliation is prospective or retrospective. The term includes any mechanism that shifts revenue recovery from volumetric charges to fixed fees based on projected usage shortfalls or sales elasticity.
 - (b) "Base revenue" shall mean the level of revenue determined in a general rate proceeding to be sufficient for a utility to recover the reasonable and prudently incurred costs of providing

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1. EDS 2. _____ 3. LLC 4. RJK 5. DP 6. KAMB 7. CGM 8. CLW 9. DRW
10. SJM 11. BAM 12. JAW 13. RJG 14. WCC 15. JP 16. LG 17. SL
18. EPH 19. _____ 20. _____

delivery service, excluding fuel costs, weather-related surcharges, or performance-based incentives.

(c) "Department" shall mean the Department of Public Utilities.

(d) "Electric distribution company" shall mean an electric company as defined in chapter 164, section 1 of the General Laws that owns or operates distribution facilities and is regulated by the Department, but shall not include a municipal lighting plant established pursuant to sections 34 to 69, inclusive, of said chapter.

(e) "Gas distribution company" shall mean a gas company as defined in chapter 164, section 1 of the General Laws that owns or operates distribution facilities and is regulated by the Department.

(f) "Revenue decoupling mechanism" shall mean any ratemaking structure, surcharge, credit, or formula that adjusts, stabilizes, reconciles, or modifies a utility's distribution rates or authorized revenue based on actual or projected deviations in customer usage, sales volume, or weather-normalized consumption patterns. This term shall include any mechanism intended to recover lost base revenue due to decreased volumetric sales, customer behavior, energy efficiency gains, or conservation. It shall not include fuel adjustment clauses authorized under chapter 164 or cost recovery specifically limited to extraordinary storm restoration expenses as approved under separate statutory authority.

SECTION 3. Prohibition on Revenue Decoupling Mechanisms.

Notwithstanding any general or special law to the contrary, no electric distribution company or gas distribution company shall impose, collect, or recover any charge, adjustment, or revenue requirement that relies on, is derived from, or is intended to implement a revenue decoupling mechanism as defined in Section 2(f).

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1. EDS 2. _____ 3. LLC 4. RAK 5. DP 6. KAMB 7. egm 8. CLW 9. DN
10. SM 11. DAM 12. SAW 13. RY 14. WLC 15. JS 16. LG 17. SLU
18. JK 19. _____ 20. _____

SECTION 4. Departmental Limitations.

The Department shall not require, recommend, or approve, whether by tariff, order, regulation, performance-based ratemaking plan, alternative regulation plan, or adjudicatory decision, any revenue decoupling mechanism as defined in Section 2(f). This prohibition shall apply notwithstanding any authority otherwise granted under chapter 164 of the General Laws, including but not limited to sections 1E, 94, 94A, or 94B.

SECTION 5. Conforming Statutory Amendments.

Section 1E of chapter 164 of the General Laws, as appearing in the most recent edition, is hereby amended by inserting at the end thereof the following sentence:

"The department shall not require or approve any revenue decoupling mechanism as defined in the Revenue Decoupling Prohibition Act, including as a condition of approval for an alternative regulation plan."

Section 94A of said chapter 164 is hereby amended by inserting at the end thereof the following sentence:

"Nothing in this section shall be construed to authorize the department to implement or approve any revenue decoupling mechanism defined in the Revenue Decoupling Prohibition Act."

Section 94B of said chapter 164 is hereby amended by inserting at the end thereof the following sentence:

"Any performance-based ratemaking plan shall comply with the Revenue Decoupling Prohibition Act and shall not include or rely on any revenue decoupling mechanism as defined therein."

SECTION 6. Sunset of Existing Mechanisms.

Any rate schedule, order, settlement agreement, or regulation authorizing or implementing a

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1. EDS 2. _____ 3. LLC 4. RAK 5. TAF 6. KAMB 7. CGM 8. CLW 9. DRU
10. SRL 11. BAM 12. SHW 13. ALY 14. WLC 15. [Signature] 16. LG 17. SLL
18. [Signature] 19. _____ 20. _____

revenue decoupling mechanism in effect as of the effective date of this Act shall remain in effect only until the earlier of:

- (a) the expiration date or sunset provision contained within such mechanism or order; or
- (b) July 1, 2027.

No such mechanism shall be extended, renewed, modified, or reapproved after the effective date of this Act.

SECTION 7. Enforcement.

- (a) The Attorney General may bring a civil action in any court of competent jurisdiction to enforce the provisions of this Act.
- (b) Any ratepayer subject to a charge in violation of this act shall have standing to bring an action for declaratory or injunctive relief to enforce its provisions, provided that such party has first exhausted all applicable administrative remedies before the department. This section shall not be construed to expand standing beyond enforcement of this act.

SECTION 8. Severability.

If any provision of this Act or its application to any person or circumstance is held invalid by a court of competent jurisdiction, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 9. Effective Date.

This Act shall take effect on the later of January 1, 2027, or as provided in Article 48 of the Amendments to the Massachusetts Constitution, as amended.

Signatures begin on the next page.

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10. SL 11. BAM 12. SAW 13. RY 14. WLR 15. J 16. LG 17. SLU
18. Efr 19. _____ 20. _____

The undersigned qualified voters of the Commonwealth of Massachusetts have personally reviewed the final text of this initiative petition, fully subscribe to its contents, agree to be one of its original signers and have signaled that agreement by initialing each page and signing the last, and hereby submit the measure for approval by the people pursuant to Article 48 of the articles of amendment of the Constitution of the Commonwealth of Massachusetts, as amended by Article 74 of said articles of amendment.





Name	Signature	Address	Date
Eliseo Desousa		48 Davis street New Bedford, MA 02746	8/5/25
Lorie Lee Carpenter		30 Johnson St. Taunton, Ma 02788	8/6/25
Robin Ann Rheume		536 DIXON RD DARTMOUTH, MA 02748	8/6/25
Tammy Ann Paisy		416 Chancery St New Bedford, MA 02746	8/6/25
Kimberly Ann Marie Brie		119 Carnegie Street Dartmouth, MA 02747	8/6/25
Christina J. McMullen		374 Sharps Lot Rd. Swansea, MA 02777	8/6/25
Carolyn Linda Wade		80 Willis Street New Bedford, MA 02746	8/6/25
David Richard Sharke		80 Willis Street New Bedford, MA 02740	8/6/25
Shelley Ann Robidoux		24 Park Road Plymouth, MA 02360	8/6/25
BETH Ann McCormick		171 Sea St. Dennis Port, MA 02639	8/6/25
Sharon A Walsh		54 Highland Circle Halifax, MA 02338	8/6/25

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Name	Signature	Address	Date
BRUNO GONSAVES	Rhonda Gonsales	25 OXLEY AVE	8/6/25
William L. Gibelli	W. Gibelli	Plymouth, MA 54 SPENCER DR PLYMOUTH, MA.	8/6/25
Lisa Potter	Lisa Potter	38 LAKEVIEW PL TAUNTON, MA	8/6/25
Linda Jean Gilbert	Linda J Gilbert	703 SOMERSET AVE TAUNTON, MA 02780	08/06/25
Sharm L Lopes	Sharm L Lopes	433 RICHMOND ST EAST TAUNTON, MA 02718	8/6/25
Erin M. Hellmuth	Erin M. Hellmuth	214 EDGE HILL ROAD MILTON, MA 02186	8/6/25

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 18. GR 19. _____ 20. _____