

SUMMARY OF NO. 25-46

This proposed law would require that ratepayers provide affirmative, written consent before an electric utility may recover costs for any program, surcharge, tariff, or other cost recovery mechanism not directly related to the physical delivery of electricity. The proposed law would define "infrastructure-based delivery charges" as charges directly and exclusively related to the operation, maintenance, depreciation, or authorized return on investment of physically constructed, in-service infrastructure necessary to deliver electricity, including: distribution facilities, metering equipment, substations, certain transition charges under state law, and transmission charges approved by the Federal Energy Regulatory Commission. "Non-delivery-related charges" would mean any charge not meeting that definition, including, but not limited to, those for energy efficiency, demand-side management, rebate or incentive programs, public education, climate adaptation, or electrification initiatives.

The proposed law would prohibit the Department of Public Utilities from authorizing recovery of costs associated with net metering, renewable energy incentives, clean energy programs, tariff structures supporting such programs, or funding for renewable energy project development from ratepayers who have not affirmatively opted in to those costs. It would require

affirmative, written election for participation in each such program or funding mechanism.

The proposed law would limit non-delivery-related charges for ratepayers who have not opted in to no more than five percent of the total monthly bill. Charges subject to the cap would include customer charges; charges for energy efficiency programs, net metering credits, clean energy incentives, or demand-side management; charges for electric vehicle infrastructure, incentives, or deployment programs; and surcharges or riders recovering programmatic costs not related to infrastructure-based delivery.

The law would eliminate existing authorization for utility companies to recover costs for net metering credits, renewable energy incentives, clean energy programs, demand-side management, and related tariffs from ratepayers without their consent. It would make charges for certain energy efficiency programs voluntary and opt-in, rather than required. Prior written consent would be required for specific utility surcharges, including local distribution adjustment clauses, distribution adjustment charges, environmental remediation, pension or benefit recovery, and infrastructure enhancement plans. Existing requirements that the Department of Public Utilities approve fully reconciling cost recovery mechanisms for certain programs would be removed.

The proposed law would limit total non-delivery-related charges to no more than five percent of that ratepayer's total monthly bill for any ratepayer who has not affirmatively opted in. Charges subject to this limit would include customer charges, charges for clean energy or energy efficiency programs, costs for electric vehicle infrastructure and incentives, and other programmatic costs not directly related to delivery infrastructure.

Utility bills would be required to present delivery charges in a separate group from all other charges, with each delivery charge showing its statutory or regulatory basis, the administering agency or program, the amount for the current billing period, and the cumulative total paid year-to-date.

The Department would be required to adopt regulations to verify consent and prevent unauthorized or bundled enrollment.

The proposed law states that, if any of its parts were declared invalid, the other parts would stay in effect.