GRIDWEALTH ELECTRIC

Proposed Amendments to H.5175 (Senate Draft S.3143)

Two C&I-Only Cleanups: Strike the Bond, and Stop the Forced Residential Listing

Prepared by Gridwealth Electric | June 2026

The ask

Two one-line fixes, both the same move: tie the obligation to a residential license so it stops catching C&I-only suppliers and brokers.

1. Strike the bond on C&I-only suppliers and on energy brokers. Keep the residential bond on companies that actually sell power to homes.
2. Fix the Energy Switch MA listing rule so it does not force a C&I-only supplier to post a residential offer it has no license to sell.

Why this changed

Our April ask was written against the House text, where a single $5,000,000 bond hit every license applicant and we asked to carve C&I out. S.3143 rewrote that. It now runs two bonds, and both still reach the wrong parties.

A $5,000,000 bond on "each energy marketer of residential electrical generation services or other supplier of such services." The phrase "energy marketer" is defined broadly enough to pull in brokers, not just load-serving suppliers.

A $1,000,000 bond on "energy marketers and suppliers whose license to serve is limited to commercial and industrial customers." The word "and" means this one reaches brokers too, on top of C&I-only suppliers like us.

A bond exists to backstop residential consumers who get burned by a bad supplier. C&I customers are sophisticated counterparties who negotiate their own contracts. Brokers never take title to the load or hold customer funds. Neither one carries the risk the bond is built to cover. So a bond on either is cost with no consumer-protection payoff, and it prices small in-state competitors out of the market.

Amendment 1 — Strike the C&I / broker bond

Delete the provision imposing the $1,000,000 bond on C&I-only suppliers and energy marketers in full.

Current text (S.3143)

> *Each energy marketer or supplier whose license to serve is limited to commercial and industrial customers and does not include residential customers, and that applies for a retail license, shall execute and maintain a bond … in the amount of $1,000,000.*

Proposed

Delete this provision in its entirety.

Amendment 2 — Confine the residential bond to residential suppliers

Remove the "energy marketer" hook so the $5,000,000 bond reaches only companies licensed to sell residential generation, and add a one-line exclusion for brokers and C&I-only licensees.

Current text (S.3143)

> *Each energy marketer of residential electrical generation services or other supplier of such services that applies for a retail license shall execute and maintain a bond, issued by a qualifying surety or insurance company authorized to conduct business in the commonwealth, in favor of the commonwealth. The amount of the bond shall equal $5,000,000 per retail license or per parent company of multiple marketers or suppliers licensed by the department.*

Proposed amendment — clean

> Each supplier of residential electric generation services that applies for a retail license shall execute and maintain a bond, issued by a qualifying surety or insurance company authorized to conduct business in the commonwealth, in favor of the commonwealth. The amount of the bond shall equal $5,000,000 per retail license or per parent company of multiple marketers or suppliers licensed by the department. This section shall not apply to any energy broker or energy marketer, nor to any supplier whose retail license is limited to commercial and industrial customers and does not authorize the supply of electric generation services to residential retail customers.

Amendment 3 — Don't force C&I-only suppliers onto the residential listing

As drafted, the Energy Switch MA rule tells every licensed supplier except municipal aggregation suppliers to post a residential product. A C&I-only supplier can't do that without a residential license, so the clause either forces us into residential or leaves us out of compliance for a market we don't serve. Tie the duty to a residential license.

Current text (S.3143)

> *Each supplier other than a supplier acting in its capacity as a municipal aggregation supplier must list at least 1 product available to residential customers on said website.*

Proposed amendment — clean

> Each supplier licensed to supply electric generation services to residential retail customers, other than a supplier acting in its capacity as a municipal aggregation supplier, must list at least 1 product available to residential customers on said website. This requirement shall not apply to a supplier whose license does not authorize the supply of electric generation services to residential retail customers.

Cleanest single vehicle for the bond (if preferred)

If the committee would rather make one edit than two on the bond, a single notwithstanding clause covers Amendments 1 and 2 and is the easiest to administer:

> Notwithstanding any provision of this act to the contrary, no energy broker, energy marketer, or supplier whose retail license is limited to commercial and industrial customers and does not authorize the supply of electric generation services to residential retail customers shall be required to execute or maintain any bond under section 1F of chapter 164 of the General Laws.

Drafting notes

The fixes track language already in the bill. “Energy marketer” and “energy broker” are defined terms in S.3143, so excluding them is precise, not novel. The phrase “limited to commercial and industrial customers and does not authorize the supply … to residential retail customers” mirrors how Chapter 164 already scopes a retail license.

Section and subparagraph cites need confirming. S.3143 is a full redraft and the engrossed copy with final section numbers wasn’t public as of June 25. Quoted text above is taken from the circulated bond language; line and section references should be pinned to the engrossed S.3143 before filing.

— Gridwealth Electric —