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14 Mayors and City Managers Endorse Campaign to Stop Predatory Third-Party Electric Suppliers in Massachusetts

Support from mayors and city managers builds on backing by more than 50 advocacy organizations and key officials

BOSTON — Today, 14 municipal leaders from across the Commonwealth announced their enthusiastic support for the <u>Campaign to Stop Predatory Electric Suppliers</u>, urging state lawmakers to protect residents and prioritize energy affordability by passing legislation to ban third-party electric suppliers from the residential electricity market.

Support from mayors and city managers provides growing momentum to the campaign. In April, more than 50 organizations, representing seniors, minority business owners, faith leaders, public health, climate and environmental justice organizations, as well as consumer and legal advocates, endorsed <u>H.3534/S.2255</u>, *An Act relative to electric ratepayer protections*, and backed <u>regulatory action</u> at the Department of Public Utilities (DPU).

"I want to thank the Mayors and City Managers who have thrown their support behind this effort, because we all want to make energy affordable," said **Larry Chretien**, **Executive Director of Green Energy Consumers Alliance**. "This campaign highlights the simplest and fairest way of saving ratepayers' money — banning retail electricity suppliers. "Consumers have two much better options. The best is municipal aggregation if it's available in their city or town. The next best is to receive energy supply from their local utility."

"Amesbury has proudly implemented community aggregation. Through a safe, regulated, and trusted program, we are saving our residents money," said **Mayor Kassandra Gove of Amesbury**. As we rolled out the program, it was clear how confusing supplier information can be and that residents had made commitments they didn't fully understand. A simple and fair way of saving ratepayers' money is something I can get behind."

"As a city, our focus is on making sure residents have access to affordable and reliable energy sources that they can trust," said **Mayor Michelle Wu of Boston**. "Bostonians deserve energy they can count on without any surprise costs and unexpected bills. This campaign is about looking out for our neighbors and building a brighter and healthier future for Boston."

"We will not stand by while predatory electric companies take advantage of our residents, who work hard to make ends meet and are being hit with thousands of dollars in electricity bills every month," said **Chelsea City Manager Fidel Maltez**. "As a City, we owe it to our residents to call out these attempts by electric companies to trap people, like you and me, in confusing, overpriced contracts and to advocate for the freedom to choose a more trustworthy, stable, and predictably priced electricity supplier, such as our Chelsea Electricity Choice program. The City of Chelsea is an advocate for consumer choice, and we join the Attorney General's Office in its call for Massachusetts to take further action to ban third-party electric suppliers from the residential marketplace."

"Fitchburg's municipal aggregation program is saving consumers real dollars — in contrast, 'competitive' third-party suppliers overcharged residents and businesses by \$5,204 in April 2024 and left 11 percent of households paying more, according to the AG report, "A Predatory and Broken Market," said **Mayor Sam Squailia of Fitchburg**. "Our community deserves transparent information about its energy options."

"For too long, predatory electric suppliers have taken advantage of hardworking families across Massachusetts — promising savings and delivering skyrocketing bills instead," said **Mayor Michael Nicholson of Gardner**. "We've seen the impact across the Commonwealth, in almost every community. I applaud the Campaign for standing up for transparency, accountability, and consumer protection. I fully support efforts to end these deceptive practices and ensure our residents aren't exploited by companies looking to profit off their trust."

"With these third-party suppliers, our residents become enrolled in overpriced energy contracts and are forced to pay a huge cost," said **Mayor Jared C. Nicholson of Lynn**. "In April 2024, Lynn households lost nearly \$40,000 to third-party electric suppliers. That's why I'm proud to stand with other mayors and stakeholders to call for a statewide ban and ensure every resident gets fair, transparent, and affordable electric service."

"Cost of living and climate change are top concerns for residents in Malden and across the Commonwealth," said **Mayor Gary Christenson of Malden**. "Unfortunately, predatory companies are selling the promise of cheap, clean energy to lure residents into deceptive contracts that lock people into rates they can't afford and prevent them from benefiting from trusted alternatives. Without action by the state legislature, an estimated 20% of Malden households will remain stuck on these plans without the freedom to choose from trusted supply options."

"Third-party electric suppliers are taking advantage of residents, particularly vulnerable populations that are already facing financial challenges," said **Mayor Breanna Lungo-Koehn of Medford**. "The Campaign to Stop Predatory Electric Suppliers needs to be a priority for lawmakers as the cost of living becomes an increasing concern for all residents."

"My office hears regularly from constituents and residents trying to understand the misleading and confusing solicitations they receive from third-party electric suppliers," said **Mayor Jen Grigoraitis of Melrose**. "These unethical sales practices sow confusion among residential electric customers, particularly as communities like Melrose strive to improve energy affordability and sustainability through more effective and affordable programs and partnerships."

"There's a deep need to crack down on predatory electric suppliers here in Salem, where more than one in ten households contract with third-party suppliers," said **Mayor Dominick Pangallo of Salem**. "As we're working to make our community more affordable, these suppliers unnecessarily cost Salem families money to the tune of tens of thousands of dollars each month altogether. As a city with our own municipal electrical aggregation program, Salem PowerChoice, we're striving to provide people with options to access a more reliable and green electricity supply, with the option to opt out at any time for no charge. Predatory suppliers undercut that effort, and they can trap our residents in costly and complicated long-term contracts."

"Predatory electric suppliers have overcharged and misled residents for years. And most egregiously, the harm falls hardest on our most vulnerable neighbors; seniors, renters, and immigrants," said **Mayor Katjana Ballantyne of Somerville**. "That's why Somerville built a municipal aggregation program that puts our residents first, saving them over \$25 million so far. But until the state steps in to end third-party suppliers, too many people will stay at risk."

As in other states with <u>deregulated</u> electricity, third-party suppliers in Massachusetts have failed to deliver promised benefits to individual residential customers. Instead, they often charge exorbitant rates and frequently lean on unethical, aggressive, and sometimes even illegal sales practices.

Mayors and city managers routinely hear from residents hit with hundreds of dollars in electricity costs who hadn't realized they were even enrolled with a third-party supplier. A 2024 joint investigation by *The Boston Globe* and *WBUR* captured stories of residents' encounters with suppliers and the resulting harm. And <u>data released</u> by the Attorney General affirms what city officials and ratepayers are hearing from residents about the cost burdens of contracting with a third-party electric supplier.

The most recent report from the Attorney General's office found that between July 2023 and June 2024, Massachusetts consumers enrolled with third-party suppliers paid \$73.7 million more than they would have for basic service. Over the past nine years, total consumer losses have exceeded \$650 million.

The campaign builds on efforts supported by Governor Maura Healey, Attorney General Andrea Campbell, Boston Mayor Michelle Wu, former <u>Governor Charlie Baker</u>, and dozens of organizations from the last legislative session, who pushed for a ban on third-party electric suppliers but saw that language excluded from the final energy bill.

In addition to the more than 50 organizations <u>already supporting</u> an effort to ban third-party electric suppliers, the following mayors and city managers have endorsed the Campaign.

Kassandra Gove, Mayor of Amesbury

Michelle Wu, Mayor of Boston

Yi-An Huang, City Manager of Cambridge

Fidel Maltez, City Manager of Chelsea

Samantha Squailia, Mayor of Fitchburg

Michael Nicholson, Mayor of Gardner

Melinda Barrett, Mayor of Haverhill

Jared Nicholson, Mayor of Lynn

Gary Christenson, Mayor of Malden

Breanna Lungo-Koehn, Mayor of Medford

Jennifer Grigoraitis, Mayor of Melrose

D.J. Beauregard, Mayor of Methuen

Dominick Pangallo, Mayor of Salem

Katjana Ballantyne, Mayor of Somerville

More information on the campaign to Stop Predatory Electric Suppliers can be found here.

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