

The electricity generation choice you make has an impact on your budget, the local environment, the local economy, and the global climate. Your choice and the choice of others across the state will have a significant effect on the investments that are required to produce electricity and the quality of life in Massachusetts.

Electricity generators want to make it easy for customers to buy their electricity. Most suppliers offer an online form to switch and phone support for any questions. Some suppliers may provide phone service at times that are more convenient for you.

What to Consider in Making Your Choice?

If you don't make any other choice, you will continue to receive electricity from the supplier that currently generates your electricity. By making a choice, you may be able to have your electricity generated in a way that better matches your preferences. Below are some considerations to take into account as you explore options.

Cost

You buy electricity in kilowatt hours, which is usually abbreviated as kWh. A kilowatt hour is the amount of electricity it would take to power ten 100-watt light bulbs for an hour. Just as you pay for each gallon of gasoline, you also pay for each kWh of electricity.

Your electric bill shows charges for generation, charges for delivery, and total charges. Your choice of electricity provider may affect how much you pay for generation, but it will not affect how much you pay for delivery. The example to the right shows a generation charge of 9.7 cents per kWh for the current month. In the example, changing suppliers may result in a charge that is higher or lower than 9.7 cents per kWh. The example shows a delivery charge of 8.3 cents per kWh, and changing suppliers will not affect the delivery charge.

Example: Electric Bill Itemization	
	Current Month
Electric Charges	\$114.12
Total Electricity Use (kWh)	634
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Delivery Charges (per kWh)	8.3¢
<i>Cost to deliver electricity to your home</i>	
Delivery Charges Total	\$52.62
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Generation Charges (per kWh)	9.7 ¢
<i>Cost to purchase electricity on your behalf</i>	
Generation Total	\$61.50

A competitive supplier may have one or several pricing plans. For example, a single supplier may have an electricity product that keeps your cost of electricity fixed and second offer that allows the cost to change from month to month. You may need to sign a contract for a specific period of time in order to receive a fixed price. Some options from non-profit companies or options that include investments in new renewable energy sources can reduce your total costs by entitling you to a deduction on your income tax.

Environment

Generating electricity has a significant impact on the environment. For homes and businesses in Massachusetts, the power to generate electricity will usually come from one or a combination of the following sources.

- Burning fossil fuels such as coal, oil, or natural gas
- Nuclear

- Hydroelectric (water from a lake or river turning a turbine)
- Wind (wind turning a turbine)
- Solar (sunlight shining on solar panels)
- Burning municipal trash or agricultural waste

Today, approximately two-thirds of the electricity consumed in Massachusetts is produced by burning fossil fuels, and nuclear is the second largest source. Individuals who want to reduce the emission of carbon that contributes to global warming may avoid choices that involve burning fossil fuels, such as coal, oil, and natural gas. Other individuals may decide to avoid nuclear, municipal trash, or other sources.

Every electricity generating company is required to provide information called “product content” or “product disclosure”, similar to the example at right. Electricity product content will tell you how electricity has been generated. Product content for electricity is like the ingredients list on packaged foods that you buy in the grocery store.

Example: Product Content	
Wind	50%
Other Renewables	3%
Large Hydroelectric	1.5%
Coal	7%
Municipal Trash	2%
Natural Gas	18%
Oil	3.5%
Nuclear	15%
Total	100%

Local Economy

Electricity can be generated far away or near your home or business. It is possible for electricity to be generated a thousand miles from where is used, but it is usually generated much closer to customers. Electricity generators will indicate where electricity is generated in its “product content” or “product disclosure”. Customers who want their electricity generation choice to support the local economy can choose a generator that produces electricity only in Massachusetts, only in Massachusetts and neighboring states, or only in the northeastern United States.

Other Considerations

Every supplier must provide “Price, Terms, and Conditions” information to customers and prospective customers that will help you answer additional questions shown in the table in the next section of this document.

How to Choose?

There are many suppliers, and most offer more than one electricity product. To choose a supplier and offer that are best for you, do research, compare options, communicate your choice, and check your bill. Suggestions on how to do each of these steps is below.

Research

Most Massachusetts residents and businesses have over a dozen options for electricity offers. The options available to you will vary depending on what public utility provides your delivery service. Regardless of whether your electricity is delivered by Fitchburg Gas & Electric Light Company (also known as Unitil), National Grid, NSTAR, or Western Massachusetts Electric Company, you can begin your research by accessing lists of competitive suppliers available to you via the Massachusetts Office of

Energy and Environmental Affairs web site².

When you view the competitive suppliers that are available via your electric utility company, note that some suppliers are active while others are inactive. Also note that some suppliers may serve only commercial customers, only residential customers, or both. Make sure to look at providers that are active and appropriate to you. If you are making a choice about electricity for your home, look at active suppliers for residential customers.

Choose offers from one or more suppliers to match your preference and compare them to your current supplier. To evaluate your options, have your current electric bill available, and for any offer that you plan to consider, locate the following two pieces of information. Most electricity generators provide this information on their website:

- Terms and conditions, which will include information about price and commitments
- Product content which may also be called product disclosure label

Compare

Below are some ways to compare your current energy supplier to alternatives you have selected.

Consideration	How to Evaluate?
Cost	<ol style="list-style-type: none"> 1. Look on your current electric bill to see how much you pay for electricity generation. 2. Compare the amount you currently pay to the amount offered by alternate electricity generators, and ask yourself these questions: <ul style="list-style-type: none"> • How much do I currently pay per kWh? • What is the cost per kWh for the alternative(s)? • How much can I save? Or how much can I afford? • Is the price guaranteed to stay the same, or will it change? • If the product is provided by a non-profit or is from renewable sources, ask yourself, will I be able to deduct a portion of my electricity expenses on my income taxes? If yes, how much will any deduction reduce my tax payments?
Environment	<ol style="list-style-type: none"> 1. Obtain the product content or product disclosure statement for your current electric service and for any electric service you are considering. 2. Compare the content for your current electric service with alternatives, and ask yourself what impact do my alternatives have on the environment?
Local Economy	<ol style="list-style-type: none"> 1. Obtain the product content or product disclosure statement for your current electric service and for any electric service you are considering. 2. Compare the content for your current electric service with alternatives, and ask yourself: <ul style="list-style-type: none"> • Do I want to my electricity choice to support the local economy? • Which alternatives generate electricity in Massachusetts? In New England? • Which alternatives require fuel from outside of Massachusetts and New England?

² As of 19 November, 2013, the lists can be accessed from this URL, <http://www.mass.gov/eea/energy-utilities-clean-tech/electric-power/electric-market-info/electric-competitive-suppliers/competitive-supplier-electric-brokers/>, or by navigating on the www.mass.gov/eea website to Home > Energy, Utilities & Clean Technologies > Electric Power > Electric Market Info > Electric Competitive Suppliers

Consideration	How to Evaluate? (continued)
Ease	<p>For each electricity generator's offer you consider, ask yourself:</p> <ul style="list-style-type: none"> • Is the offer easy to understand? • Will billing and payment be easy? (e.g., one bill and one payment, or two?) • Is there an easy way to switch to this generator (e.g., online form)? • Does the electric generator have representatives available to answer questions without long holds, and at times that are convenient? • Are representatives able to answer questions?
Other	<ul style="list-style-type: none"> • What value-added services, if any, in addition to electricity, will the supplier provide? • How long will the quoted price be guaranteed? • Will the price per kWh vary from month to month? If yes, how much? • Is there a penalty if you terminate your contract with the supplier? • Under what conditions, if any, can the supplier terminate your contract?

Communicate Your Choice

Once you determine what supplier and product is best for you, you may decide to stay with your current electricity supplier or switch. If you decide to switch, you will request the change by communicating with the supplier you have chosen. Many suppliers allow you to request the switch via their website, while others will receive your request via telephone or a paper form. Regardless of how you communicate the switch, know that you will need to have your current account number and other information from your current electric bill to make the request.

Inspect Your Bill

If you switch suppliers, in many but not all cases, you will continue to receive electric bills from the company that currently generates your electricity for one month or a few months. If prior to switching, you are on a fixed rate for basic service (where rates may change as frequently as every six months) and decide to switch before the six-month period is over, your past electric bills may be recalculated. This means your electric bill for the period since the most recent rate adjustment (a maximum of 6 months) will be recalculated as if you were on the monthly variable rate for that period. Any adjustment may be a credit or debit, and will be reflected on your first bill after the switch is effective. If you are on a variable rate service at the time you switch there will be no adjustments to past bills as a result of the change.

After you request a switch, check your subsequent electric bill from your current supplier for any adjustments. If you switch, once your new service starts, check your first bill to make sure the charges match what was provided to you in "Price, Terms, and Conditions".