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Mark D. Marini, Secretary  
Department of Public Utilities  
One South Station – 5<sup>th</sup> Floor  
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**D.P.U. 19-07.** Investigation by the Department of Public Utilities on its Own Motion into Initiatives to Promote and Protect Consumer Interest in the Retail Electric Competitive Supply Market

## Comments of Astral Energy

### Executive Summary

Residential customers in the State of Massachusetts access information from the Department's Energy Switch website when choosing its retail supplier. However, the Energy Switch website does not show ALL its licensed retail suppliers, only suppliers that provide the customer with a fixed rate product. This does not give the consumer a complete awareness of the competitive supply market and its products, so the consumer cannot make an informed decision of which retail supplier would best meet their energy needs. By being more transparent with the different products that a customer could acquire in the deregulated energy industry, it could maximize the customer's awareness of the competitive supply market and provide value with the different types of product presented by retail suppliers.

### Answers to specific questions

**1. Increase customer awareness of the electric competitive supply market and the value these markets can provide, thus allowing customers to make well-informed decisions.**

The Massachusetts Department of Public Utilities (Department) wants to receive the public's opinion to improve the protection provided to residential customers related to the marketing and delivery of competitive suppliers' product offering. In order to increase the customer's awareness of the electric competitive supply market and the value they provide; the Massachusetts Energy Switch website should include ALL licensed suppliers and their products. Currently, the Energy Switch website only provides customers with fixed price products. This does not provide consumers with thorough information required to have the customer make an informed decision when choosing a retail supplier. It should be up to the consumers to choose which supplier would best service them once they have all the information, and the only way to attain that is by having the Department's website give a list of all suppliers and its products. Consumers depend on the Department's ability to oversee the competitive supplier's marketing practice and provide the consumers with the best value. Although fixed unit price rates, may look appealing, they may not be the best decision for consumers in the long run. The idea of a fixed price is to lock in a specific kwh rate per month for the duration of the contract. These contracts can be anywhere from six months to a year; however, this does not give the customer the best value, since the utility supply rate can fluctuate each month, and at any given month the utility supply rate can fall below the fixed rate quoted to the customer. Additionally, variable rates, does not provide the best value because at any given month, the supply rate could be considerably higher than the utility supply rate. In order to be more transparent and help improve operational efficiency the Department should be more inclined to expand

the website to include unlimited flat fee electricity products that are custom priced to each unique household. Astral would like the opportunity to have its unlimited custom price product in the Massachusetts's Energy Switch website.

The "Ultimate Power Plan;" is a green product that provides unlimited electricity, at one monthly flat, all-inclusive custom price. Astral proposes to only market the Ultimate Power Plan to residential customers. This product offers the benefit of customized pricing which best serves the individual consumer's energy needs, by providing a competitive all-inclusive price based on the customer's unique historical usage. The product offers complete budget certainty as Astral assumes all the risk associated with market volatility. The Ultimate Power Plan is not a utility budget plan, as there are no true-ups at the end of the six-month contract period. Astral strongly encourages consumers to conserve electricity during the contract period and will factor the reduction in usage, towards the customer's next contract period creating an economic incentive to conserve energy. This product is designed to be an unlimited electricity product. This particular product is neither a traditional variable or fixed product and it is designed to give the consumers, peace of mind when making an informed decision about choosing their electricity supplier. The customer will know exactly how much they will pay each month, and will be able to budget accordingly. At the beginning of the 5<sup>th</sup> month, Astral will provide the customer a renewal contract. If the customer does not enter into another six-month contract, and does not state whether they want to return to the utility or another supplier, they will be charged the default price as stated initially on their contract, therefore never falling into any variable pricing. Astral currently markets this new product through affinity marketing, and by word of mouth from satisfied customers. The consumer also receives an executed hard copy of the contract to keep for their records.

**2. Improve the Departments ability to oversee and investigate competitive suppliers' marketing practices. Investigate initiatives that would improve the operational efficiency of the electric competitive supply market to optimize the value that the market provides to customers.**

The Massachusetts Department of Public Utilities should look at other jurisdictions that some of these electric competitive supply market retailers are operating in. By researching and investigating other jurisdictions' rules and regulations, the Department can improve and develop its own procedures to oversee its own competitive suppliers' marketing practices. Different Jurisdictions can help develop or modify a State's own procedures to better fit the State's needs for a more robust energy industry. Since some of these electric retail suppliers are conducting business in other jurisdictions, the Department can analyze the suppliers' marketing practice in these other states and see how they present their product in the other jurisdictions. The Department can investigate these supplier's licensing and/or issues they may have in other States that could help determine which suppliers are fit to continue marketing to the residents of the state of Massachusetts, since such information is public knowledge.

It is Astral's opinion that the Department should improve the operational efficiency for their own state by discovering how other State's Department provide information to its residents through an open market. Researching the main site that consumers use in order to shop for new retail suppliers in other jurisdictions could help the Department modify its own website in order to add variable and unlimited price products. It would be beneficial and an improvement for the Department because they can optimize the value the market can provide to its customers, while monitoring the competitive suppliers' practices and products.

A perfect example is the Ultimate Power Plan, that is currently being marketed in the State of Pennsylvania. On March 19, 2018, Astral submitted its material information to the Pennsylvania Public Utility Commission Staff, for review and comments prior to marketing the new product. After some back and forth regarding additional edits or changes needed to make the documents thoroughly compliant, approval from the Pennsylvania Office of Competitive Market Oversight was given on April 3, 2018, to commence marketing the Ultimate Power Plan.

On August 24, 2018 until September 14, 2018, after initially having some presence in the Pennsylvania Power Switch Site, Astral worked closely with the Pennsylvania Public Utility Commission Staff to modify the presentation of the product on the Pennsylvania Power Switch to correct any ambiguity that customers could have. Ever since marketing commenced through the PA Power Switch site, Astral has had much success in Pennsylvania, while the Pennsylvania Public Utility Commission monitors all retail supplier's marketing offers. Most Pennsylvania consumers who are looking to change to a new retail supplier, do their own research by viewing the site and obtaining information required to decide which retail supplier or product they should enroll in. Astral's Ultimate Power Plan is one of two companies that fall under the unlimited price product section in the Pennsylvania Power Switch site. Customers are able to request a quote through the Pennsylvania Power Switch site, or they simply call Astral's customer representative for any questions or concerns they may have prior to requesting a quote. Astral's customer service representatives provide responses to any customers inquiries, that many times result in customers requesting to be signed up to receive a quote. Astral's customer service representatives submit a request during these phone calls, and inform the customer that Astral will follow up with the customer within 3 business days. Customers know exactly what they are enrolling in with the Ultimate Power Plan before signing. Astral's primary objective is to provide customers with transparency regarding the Ultimate Power Plan so when the customer decides to enroll, they do so with a peace of mind when entering into a 6-month commitment.

In conclusion, it is Astral's opinion that the Ultimate Power Plan is the best product that will serve the residents in the State of Massachusetts and should be given the opportunity to be displayed in the Massachusetts Energy Switch Site. In closing, Astral has presented the Ultimate Power Plan to the Acting General Counsel in the State of Massachusetts on March 26, 2018. On March 29, 2018, Astral provided the Commissioner's administrator, two staff members in charge of the competitive electricity market matters, and one of the Commissioners to review the materials of the Ultimate Power Plan, since Commissioners do not request specific approval of the products being offered by Competitive Suppliers in the State. On April 18, 2018 Astral had a conference call with the Massachusetts Department of Public Utilities to discuss any suggestions or concerns they may have regarding the Ultimate Power Plan. After some back and forth with the Commissioners, on June 19, 2018, Astral received information that the Department of Public Utilities had reviewed the product and does not see any specific issues that concern them, Astral has gone through the process to present the Ultimate Power Plan in Massachusetts before marketing to its residents and now Astral would like the opportunity to add the Ultimate Power plan into the Energy Switch site.

Sincerely,

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