



D.P.U. 19-07

STAKEHOLDER WORKING

GROUP MEETING #1

June 26, 2019



AGENDA

1. Introduction
2. Overview of working group process
3. Summary of proposed stakeholder "assignments"
4. Discussion of assignments
5. Next steps



OVERVIEW

STAKEHOLDER WORKING GROUPS

- Periodic technical sessions used to develop/reach consensus on “high-level” principles associated with each initiatives, consistent with NOI/ comments
 - These principles would guide the development on how the initiative should be implemented - such principles would be the manner in which the Department presented the initiatives in the NOI, and would take into account the sentiments expressed by commenters
- More regular stakeholder working group meetings used to develop implementation details, guided by principles discussed above
- Working group(s) present their results at technical sessions for discussion by larger group



SUMMARY OF PROPOSED STAKEHOLDER ASSIGNMENTS

Refer to June 24 Hearing Officer Email

- Attachment - Stakeholder Working Group Tables, tab "Stakeholder Assignments"



DISCUSSION OF ASSIGNMENTS

AUTOMATIC RENEWAL

Notification

- i. *Timing of notification should be (1) far enough from date of renewal to provide customers with time to "opt-out" of renewal, but (2) close enough to create sense of "urgency"*
- ii. Content of notification
 - Date (month?) of renewal
 - Renewal product type (fixed, monthly)
 - Price, if renewal is to fixed price (*monthly price products discussed on subsequent slides*)
 - Term of renewal
 - Early termination fee
 - How to opt-out of renewal/supplier contact information
- iii. Language/format of notification should be uniform (to greatest extent possible)
- iv. *Method of notification should best ensure that customers "pay attention" to the notification*



AUTOMATIC RENEWAL (CONT.)

Notification (cont.)

- vi. For renewal to monthly-price product, customers should receive notification of upcoming monthly prices (in time for them to opt-out)
 - Staff feels strongly that notification of monthly price changes is an essential customer protection tool
 - it is counter-intuitive that a customer would need to “navigate” a supplier’s website to identify the monthly price they will pay
 - Staff is not swayed by supplier comments that sending monthly price notifications to customers will create confusion



AUTOMATIC RENEWAL (CONT.)

Reporting

- i. All suppliers should report on #/% of customers that have/have not opted-out of automatic renewal (both to fixed-price and monthly-price products)
 - o This information will be helpful in evaluating effectiveness of notifications
 - ii. Suppliers that do not adopt product limitations should be required to report on their fixed/monthly automatic renewal prices
- Staff proposed Automatic Renewal Report
 - Refer to spreadsheet attached to June 24 Hearing Officer Email



DISCUSSION OF ASSIGNMENTS

CUSTOMER COMPLAINT SCORECARD

1. A complaint defined as a Consumer Division case
 - Not necessary/useful to disaggregate complaints into marketing, billing, customer service, etc.
 - subject of Consumer Division cases often involve multiple types of issues
 2. Supplier performance calculated as ratio of (# complaints)/(# customers served)
 3. Both values calculated as monthly rolling average (12-month?)
 4. Minimum number of customers served required (100, 500, 1000?)
 5. Scoring system converts % into "grade"
 - *e.g., <5%=5 stars; <10%=4 stars; etc.*
- Department Staff is developing example scorecard for presentation to group



DISCUSSION OF ASSIGNMENTS STANDARDS OF CONDUCT

Disclosure of Product Information

1. Suppliers (and their third-party marketing vendors) should be required to provide a written document/telemarketing script that clearly summarizes product information:
 - price,
 - term
 - early termination fee
 - automatic renewal
 - renewable energy content (*electric only*), and
 - other products/services
2. Language (and format for written document) should be uniform
 - *[based on best practices in other states; also refer to work done on this issue in D.P.U. 14-140]*



STANDARDS OF CONDUCT (CONT.)

Agent Behavior

1. Uniform "introductory" and "closing" scripts should be developed for use by all agents
 - "Hello, my name I _____, I work for _____, a company that is licensed to provide electric/gas supply products in MA. I do not work for Dist Co."
 - "Thank you for purchasing ... We will be sending you ... You have 3 days to change your mind... Here is a product disclosure form."
2. Supplier oversight of third-party marketing vendors should be uniform to greatest extent possible
 - Training/performance of agents
 - Caller ID numbers



DISCUSSION OF ASSIGNMENTS SUPPLIER ENROLLMENT REPORTS

1. Suppliers should report information (on a regular basis) regarding their actual marketing activities
 - As compared to the expected activities provided in their license applications
2. The Department should look more closely at the practices of suppliers that enroll a **significant** number of low-income ("L-I") customers
 - e.g., suppliers whose ratio of L-I customers/residential customers exceeds ratio of
 - Distribution L-I customers/residential customers
 - Competitive supply L-I customers/residential customers
 - Staff proposed Enrollment Report
 - Refer to spreadsheet attached to June 24 Hearing Officer Email



DISCUSSION OF ASSIGNMENTS

ENERGY SWITCH.MA

1. Staff proposed Department message on supplier written materials and monthly electric bills:
 - “The Massachusetts Department of Public Utilities recommends that consumers visit the Energy Switch website to view the broad range of available electric supply products. You can visit the website at ...”



DISCUSSION OF ASSIGNMENTS

MUNICIPAL AGGREGATION PRODUCTS

1. The Website will display municipal aggregation products only to those residents of the applicable municipality
2. Municipal aggregation products will be treated similar to other competitive supply products (and municipal aggregators will be treated similar to competitive suppliers), except as provided in (3) below
3. Manner in which municipal aggregation product(s) will be displayed
4. Develop customer education information about municipal aggregations



NEXT STEPS

- Proposed schedule for “assignments”
- Next working group meetings