



# The Commonwealth of Massachusetts

## DEPARTMENT OF PUBLIC UTILITIES

### MEMORANDUM

TO: Distribution List in:  
D.P.U. 19-07, Investigation into Initiatives to Promote and Protect  
Consumer Interests in the Retail Electric Competitive Supply Market

FROM: Gregory Wade, Hearing Officer

RE: Customer Protection Stakeholder Working Group – Next Steps

DATE: August 15, 2019

CC: Mark D. Marini, Secretary

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#### I. INTRODUCTION

On August 6, 2019, the Department convened a meeting of the Customer Protection Stakeholder Working Group. The meeting focused on three issues: (1) Department reports; (2) competitive suppliers' proposals; and (3) consumer advocates' proposals. This Hearing Officer memorandum sets forth the next steps on these issues.

#### II. DEPARTMENT REPORTS

At the August 6<sup>th</sup> meeting, Department staff stated that we will distribute reports associated with automatic renewal and contract pricing to competitive suppliers. These tables are included as Attachment 1 to this memorandum. As discussed during the August 6<sup>th</sup> meeting, the Department requests that suppliers submit their populated tables no later than September 13, 2019. If a competitive supplier responding to this request seeks to protect this information from public disclosure, the supplier must submit a motion for protective treatment of confidential information. More information on filing such motions can be found on the Department's website here: <https://www.mass.gov/how-to/file-a-motion-for-protective-treatment-for-supplier-broker-and-gas-retail-agent-applications>.

### III. COMPETITIVE SUPPLIERS' PROPOSALS AND DEPARTMENT'S REQUEST FOR REVISED PROPOSALS

The competitive supplier group submitted proposals associated with (1) automatic renewal notices, (2) telemarketing and door-to-door marketing scripts, and (3) contract summary forms. At the August 6<sup>th</sup> meeting, Department staff presented alternatives to the suppliers' proposals. These alternatives are included as Attachment 2 to this memorandum. The Department invites the competitive supplier group to submit revised proposals, based on staff's proposed alternatives and the discussion during the August 6<sup>th</sup> meeting. The Department requests that the supplier group includes in the revised proposals a description of (1) how they propose to address customers for whom English is not their primary language, and (2) how their introductory marketing scripts comply with G.L. c. 159, § 5A. The Department requests that the supplier group submits its revised proposals no later than September 20, 2019.

The competitive supplier group also submitted a proposal related to notices sent to customers whose contracts will automatically renew from a fixed price to a variable price. The proposal set forth "a protocol that would be used to test variations on the transmittal and timing of the notice, with the goal of informing the Department's decision making regarding the formal adoption of such a requirement ...." The Department seeks to work with the supplier group to better understand the proposal, and to formulate a plan to move forward with its implementation. Department staff will contact the supplier group in an effort to move forward on this issue.

### IV. CONSUMER ADVOCATES' PROPOSALS AND DEPARTMENT'S REQUEST FOR COMMENTS

The consumer advocate group submitted proposals associated with (1) licensing proceedings, (2) door-to-door marketing notices, (3) recording of telemarketing and door-to-door marketing interactions, (4) third-party verification calls, (5) auditing requirements, and (6) retention of complaint information. With respect to licensing proceedings, the Department seeks to work with the consumer advocate group to refine its proposal related to (1) the information that the Department might post on our website related to license applications (to improve the transparency of the licensing process), (2) additional information the Department might require as part of our licensing process (to improve the effectiveness of the process), and (3) ongoing reporting requirements.<sup>1</sup> The Department

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<sup>1</sup> The Department's licensing requirements for competitive suppliers and electricity brokers are set forth in 220 CMR 11.05(2). In adopting, amending, or repealing a regulation, the Department must follow the rules contained in 220 CMR 2.00. G.L. c. 30A, §§ 2, 3. In considering the consumer advocates' proposals, we must be mindful of whether such proposals trigger 220 CMR 2.00.

similarly seeks to work with the consumer advocate group to identify ways in which we can improve the usefulness of our existing door-to-door marketing notices. Department staff will contact the consumer advocate group in an effort to move forward on these issues.

With respect to the consumer advocate group's proposals related to the recording of marketing interactions, third-party verification calls, auditing requirements, and retention of complaint information, the Department invites the competitive supplier group to provide comment on these proposals. The Department requests that the supplier group submit their comments no later than September 20, 2019.