

ATTORNEYS AT LAW

The firm has attorneys also admitted to practice in District of Columbia, Idaho and Vermont

271 Waverley Oaks Road, Suite 203 Waltham, Massachusetts 02452 617.244.9500

FACSIMILE: 802.419.8283
E-MAIL: bckboston@bck.com
Website: www.bck.com

March 5, 2020

VIA ELECTRONIC MAIL ORIGINAL BY HAND DELIVERY

Mark D. Marini, Secretary Department of Public Utilities One South Station, 5th Floor Boston, MA 02110

Re: D.P.U. 19-07

Investigation by the DPU on its own Motion into Initiatives to Promote and Protect Consumer Interests in the Retail Electric Competitive Supply Market.

Dear Secretary Marini:

Enclosed for filing please find the original and two copies of the Comments of the Cape Light Compact JPE (the "Compact") in the above-referenced proceeding.

Thank you for your attention to this matter.

Sincerely,

Audrey A. Eidelman

Audrey A. Edelo

AAE/drb Enclosure

cc: Greggory Wade, Esq., Hearing Officer (via email only)

Margaret T. Downey, Compact Administrator (via email and first class mail)

Telephone: 617.584.8338 Facsimile: 802.419.8283 E-Mail: bckidaho@bck.com

COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF PUBLIC UTILITIES

Investigation by the Department of Public Utilities)
on its own Motion into Initiatives to Promote and)
Protect Consumer Interests in the Retail Electric) D.P.U. 19-07
Competitive Supply Market)

COMMENTS OF THE CAPE LIGHT COMPACT JPE

I. INTRODUCTION AND BACKGROUND

The towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Edgartown, Eastham, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, West Tisbury, Wellfleet and Yarmouth, and Dukes County, organized and operating collectively as the Cape Light Compact JPE ("Compact"), hereby provide the following comments to the Department of Public Utilities ("DPU" or the "Department") in accordance with the February 5, 2020 Request for Comments ("Request for Comments") in this proceeding.

The Compact is a governmental aggregator under G.L. c. 164, §134 that provides energy services to consumers on Cape Cod and Martha's Vineyard. The Compact maintains a business office at 261 Whites Path, Unit 4, South Yarmouth, Massachusetts 02664. The purposes of the Compact include, among other things, to negotiate the best terms and conditions for electricity supply and transparent pricing for consumers on Cape Cod and Martha's Vineyard and to advance consumer protection and interests for the residents of Cape Cod and Martha's Vineyard.

First Amended and Restated Joint Powers Agreement of the Cape Light Compact JPE at Article II.¹

II. COMMENTS OF THE COMPACT

The Compact appreciates the focus of the Department and this investigation on initiatives that are intended to: (1) increase customer awareness of the electric competitive supply market and the value these markets can provide, (2) facilitate the Department's adoption of a more pro-active approach toward oversight of competitive supplier performance; and (3) improve the operational efficiency of the competitive market to optimize the value to customers. Request for Comments at 1. The Compact's comments herein are specific to the Department's Staff proposal ("Proposal") for displaying municipal aggregation products on the Energy Switch website ("Website") and are intended to encourage the Department to allow municipal aggregation customers to benefit from a Website that promotes customer awareness, transparency and informed decision-making.

The Compact fully supports the Department's interest in providing customers shopping for competitive supply the opportunity to view municipal aggregation products available in their service territory. The Compact also supports that: (1) the listing of municipal aggregation products be voluntary; (2) the municipality would input information about its products and would be responsible for ensuring the accuracy of that information; (3) the Website would only display municipal aggregation products to those customers for whom the products are available; and (4) the Website would display the name and logo of the municipal aggregator. Request for Comments at 17-18.

 $^{^{1} \ \, \}text{The Compact's Joint Powers Agreement is available online at } \underline{\text{https://3jy14ha9u771r7qzn35g0s6c-wpengine.netdna-ssl.com/wp-content/uploads/2018/01/First-Amended-and-Restated-JPA-FINAL-12-13-17.pdf.}$

However, in addition to municipal aggregators designating their consultants to serve as Website administrators (Request for Comments at 18, n. 22), the Compact recommends that the Department also allow municipal aggregators to designate their competitive electric suppliers to serve as Website administrator. This could be done in the same manner as the Proposal suggests for consultants, with a letter from each municipal aggregator granting the competitive electric supplier such authority for the term of its power supply contract. The Compact does not utilize a consultant to manage the day-to-day operations for its 21 member municipalities; instead, its power supply staff works directly with its competitive electric supplier and would similarly authorize the supplier to update the Website product listing.

With respect to the proposed exceptions to the Website rules for municipal aggregation products, the Compact supports the order of product listing set forth in the Proposal. The Compact also supports the proposed display of contract terms for municipal aggregation products to be similar to that of basic service, *provided that* there is clarity for the customer that service begins and ends on the meter read dates for the months listed. For example, the contract term for a municipal aggregation product could read "Jan '20 meter read through Jun '20 meter read." Alternatively, within the information box associated with the "Contract Term" column, a sentence could be added to state, "The contract term for a municipal aggregation or competitive supply product begins and ends on the days of the month that your meter is read in your service area."

The Compact has several concerns regarding the Proposal for listing municipal aggregation renewable energy products. In general, the Proposal invites customer confusion regarding the display of voluntary renewable resources, when it should instead seek to provide customers with an "apples to apples" comparison of products and should avoid sending improper

price signals. The Proposal sets forth a new construct for listing the voluntary renewable energy content of municipal products without providing any rationale for the distinction between municipal aggregation and competitive supply products. The Compact believes that as a matter of parity, municipalities should be able to list voluntary renewable energy content on the Website in the same manner as competitive suppliers in accordance with the currently effective Website rules.

Moreover, while the Proposal purports to be an "exception" to the Website rules, in effect it is a strict limitation on a municipality's listing of voluntary renewable energy content. The Proposal would only allow municipalities to show voluntary renewable energy content if their product is composed *entirely* of RPS Class I resources and represents at least five percent of the product's total resources. Proposal at 19. No such restriction exists for competitive supply products, creating an unfair advantage for competitive suppliers using the Website. See Website Rules, Sections III(H) and IV.² If the Department were to adopt the Proposal, a municipal aggregation product may appear to the customer as less desirable if showing a five percent voluntary renewable energy content (comprised entirely of RPS Class I resources) compared to a competitive supply product showing a 75 percent voluntary renewable energy content (when in reality there may be no RPS Class I resources in the competitive supply product).

In the event that the Department maintains this "exception" in its Proposal, the Compact submits that municipalities should have the option to present voluntary renewable energy product information under the current Website rules, *or*, at their discretion, display product information under the Department's exception to the rules. The Compact believes that many municipalities offer renewable energy content with one – four percent voluntary RPS Class I resources and

² http://energyswitchma.gov/Content/documents/website-rules.pdf.

would be unfairly excluded from listing a product on the Website under the current Proposal, when competitive supply products with lesser RPS Class I content would have the opportunity to display product content under the Website rules.³ Larry Chretien, Daria Mark, Eugenia Gibbons, Yaima Braga and Kate Marcellino, *Green Municipal Aggregation in Massachusetts* at 5 (2d ed. 2020)⁴; *See generally* D.P.U. 19-MA (municipal aggregation annual report descriptions of renewable energy options).

Lastly, if the Department is considering revising the Website rules for competitive supplier display of voluntary renewable energy content (Proposal at 19), the Compact submits that there should be no minimum total renewable energy content limitation for either competitive suppliers or municipalities. Competitive suppliers and municipalities should have the option to list any percentage of voluntary renewable energy content and to denote the percentage of the content comprised of RPS Class I RECs. Such a rule would afford customers the opportunity to compare all municipal aggregations and competitive suppliers on an apples-to-apples basis.

III. CONCLUSION

The Compact appreciates the opportunity to provide comments in response to the Department's Request for Comments.

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³ The Compact's default supply product contains an additional one percent RPS Class I renewable energy certificates ("RECs") and it should be noted that given the total kWh electric load of the Compact (comprised of 21 municipalities), the Compact's default product is likely to contain more RPS Class I RECs than many individual municipal aggregators who are purchasing an additional five percent or more RPS Class I RECs. Thus, the proposal may be particularly unfair in its application to larger aggregations that have significantly higher electric load than smaller aggregations, including the Compact.

⁴ The report is available online at https://cdn2.hubspot.net/hubfs/260434/State%20of%20GMA%20Report%202020.pdf.

Respectfully Submitted,

CAPE LIGHT COMPACT JPE

Audrey A Eddle

By its attorneys,

Jeffrey M. Bernstein, Esq. (jbernstein@bck.com)

Audrey A. Eidelman, Esq. (aeidelman@bck.com)

BCK LAW, P.C.

271 Waverley Oaks Road, Suite 203

Waltham, MA 02452

617-244-9500 (voice)

802-419-8283 (fax)

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6