#### 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 COMPETITIVE SUPPLY

**MARKET** 

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D.P.U. 19-07

# RETAIL ENERGY SUPPLY ASSOCIATION'S COMMENTS REGARDING TIER ONE INITIATIVES

The Retail Energy Supply Association ("RESA")<sup>1</sup> hereby submits comments in response to the request for comments on the Tier One initiatives ("Tier One Initiatives") identified in the Department of Public Utilities' ("Department") February 5, 2020 Memorandum.<sup>2</sup>

#### **BACKGROUND**

On January 18, 2019, the Department opened an investigation "to seek input from stakeholders on initiatives to further improve the retail electric competitive supply market in the Commonwealth of Massachusetts." In response to a request in the Order, various stakeholders, including RESA, filed comments.<sup>4</sup> On June 6, 2019, the Department convened a technical session, during which Department staff ("Staff") announced that they intended to investigate the

<sup>&</sup>lt;sup>1</sup> The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at www.resausa.org.

<sup>&</sup>lt;sup>2</sup> See Memorandum re Request for Comments (Feb. 5, 2020) ("Memorandum").

<sup>&</sup>lt;sup>3</sup> Vote and Order Opening Investigation (Jan. 18, 2019) ("Order"), at 1.

<sup>&</sup>lt;sup>4</sup> See, e.g., Initial Comments of the Retail Energy Supply Association (Mar. 8, 2019).

initiatives in the instant proceeding "in a tiered manner," with three tiers. Tier One addresses initiatives that can be resolved in the timeliest manner; Tier Two addresses initiatives requiring additional information before the Department can determine how best to proceed; and Tier Three addresses initiatives that would require fundamental changes to the way in which the retail competitive markets operate. The Department has considered certain of these initiatives through working group meetings, technical sessions, and receipt of comments. Among other things, the Department received proposals from a group of competitive suppliers ("Competitive Supplier Group") and from consumer advocates on certain issues.

In response to the Department's invitation, the Competitive Supplier Group subsequently submitted revised proposals and comments in response to the consumer advocates' proposals. 

Thereafter, on November 1, 2019, the Department held a technical session to discuss Tier One and Tier Two initiatives. 

On February 5, 2020, the Department issued the Memorandum. 

In the Memorandum, the Staff put forward proposals for Tier One Initiatives and Tier Two initiatives, and a proposal regarding licensees that do not submit timely license renewal applications. 

In accordance with the schedule outlined in the Memorandum, 

RESA hereby submits its comments on the Tier One Initiatives.

<sup>&</sup>lt;sup>5</sup> Memorandum, at 1.

<sup>&</sup>lt;sup>6</sup> See id. at 1-2.

<sup>&</sup>lt;sup>7</sup> *See id.* at 2-3.

<sup>&</sup>lt;sup>8</sup> See id. at 2.

<sup>&</sup>lt;sup>9</sup> See id.

<sup>&</sup>lt;sup>10</sup> See Id. at 3.

<sup>&</sup>lt;sup>11</sup> Memorandum.

<sup>&</sup>lt;sup>12</sup> *See id.* at 3.

<sup>&</sup>lt;sup>13</sup> See id. at 21. RESA reserves the right to submit comments on the Tier Two Initiatives in accordance with the timeframes in the same schedule. See id.

#### COMMENTS

RESA appreciates Staff's proposals regarding Tier One Initiatives and supports the continued consideration of proposals for initiatives to improve the retail electric competitive supply market. Many of the Tier One Initiatives are reasonable efforts to enhance consumer protection in the competitive retail supply market and should be adopted, either as proposed or with modest clarifications or adjustments. However, the Department should decline to adopt the proposals respecting periodic automatic renewal reporting and enrollment reporting. Further, the Department should revise the rules for the Energy Switch Massachusetts website ("Website") to expand (and not constrict) the Website's ability to describe products containing voluntary renewable energy content.

### I. THE DEPARTMENT SHOULD ADOPT THE STAFF'S LICENSE REVIEW APPLICATION PROPOSAL

Staff proposed an updated process for the review of new license applications.<sup>14</sup> Under this process, information about new license applications would be made available on the Department's website, and stakeholders would have the opportunity to comment on such applications.<sup>15</sup> The Department would review those comments and would have the ability to request additional information from applicants based on stakeholder comments.<sup>16</sup> Stakeholders would have an additional opportunity to respond to any such additional information that applicants provide.<sup>17</sup> The Department would inform the applicant that its application was approved or rejected within twenty (20) business days of determining that no additional

<sup>&</sup>lt;sup>14</sup> See Memorandum, at 4-5.

<sup>&</sup>lt;sup>15</sup> See id. at 4.

<sup>&</sup>lt;sup>16</sup> Seeid. at 5.

<sup>&</sup>lt;sup>17</sup> See id.

information is needed.<sup>18</sup> RESA supports this proposal. It strikes an appropriate balance between stakeholder engagement and the applicant's interest in the timely processing of its application.

The Memorandum also noted the Department's review of license renewal applications, without proposing changes to the Department's current approach. PRESA supports the Department's current approach to reviewing license renewal applications. Further, RESA notes that the Department has recently revised its license renewal application forms. RESA appreciates the revision of these forms. The new forms are well-designed and should accomplish the Department's goals for the license renewal process.

### II. ADDITIONAL MUNICIPALITIES SHOULD BE LISTED ON DOOR-TO-DOOR MARKETING NOTIFICATIONS

The Memorandum proposed changes to the door-to-door marketing notification process established by D.P.U. 14-140-G.<sup>22</sup> Under the Department's proposal, among other things, suppliers would be limited to providing a maximum of three municipalities on each notification.<sup>23</sup> Further, the Department proposed to require, for specified large municipalities, that suppliers identify the neighborhoods in which they would market, with each neighborhood counting as a municipality for the purposes of the three-municipality limit.<sup>24</sup> The Department also sought comment about the municipalities, in addition to Boston, that should be subject to neighborhood-level door-to-door marketing disclosure.<sup>25</sup>

<sup>&</sup>lt;sup>18</sup> See Memorandum, at 5.

<sup>&</sup>lt;sup>19</sup> See id.

<sup>&</sup>lt;sup>20</sup> See Competitive Supplier and Electricity Broker License Application -- Renewal (Jan. 9, 2020); Competitive Gas Supplier and Retail Agent License Renewal Application (Feb. 20, 2020).

<sup>&</sup>lt;sup>21</sup> See Memorandum, at 5 (describing the purpose of the license renewal process as "to verify that a licensee seeks to maintain its license for the upcoming year, and to ensure that the licensee's business information . . . is current").

<sup>&</sup>lt;sup>22</sup> See Memorandum, at 7; see also D.P.U. 14-140-G (May 4, 2018).

<sup>&</sup>lt;sup>23</sup> See Memorandum, at 8.

<sup>&</sup>lt;sup>24</sup> See id.

<sup>&</sup>lt;sup>25</sup> See id.

First, limiting suppliers to a maximum of three municipalities on each notification is too restrictive. For example, such a limit could frustrate reasonable efforts of suppliers to market in multiple geographic regions in the Commonwealth. Some suppliers, or their door-to-door marketing vendors, may have multiples offices in the Commonwealth and may be able to market in multiple regions at the same time. A three-municipality limit could deny such suppliers the flexibility to adapt to changing conditions, such as traffic delays, weather, or comparable unexpected events. For example, if a supplier, or its marketing vendor, has offices in Fall River, Lowell, and Springfield, and notifies the Department that it will be marketing in those municipalities, with a three-municipality limit, it could not easily respond to changing conditions in one of these locations (e.g., a water main break)<sup>26</sup> by shifting its operations to another of these locations: It may not be practical to shift its Fall River operations to Lowell or Springfield, for instance. To prevent these problems from arising, the Department should increase the number of municipalities on each notification. Allowing suppliers to list fifteen (15) municipalities on each notification will allow suppliers to adapt to changing conditions, even if they are marketing in multiple areas in the Commonwealth. If the Department finds it appropriate, apportioning these municipalities by region could be reasonable. In any event, because suppliers will have to indicate that they have acquired or will acquire any required municipal door-to-door marketing permits, suppliers will have provided appropriate local notice of their door-to-door marketing activities.

Further, limiting suppliers to a maximum of three neighborhoods in a single large municipality on each notification is particularly restrictive. For example, Boston's neighborhoods can be very small in geographic area and located in close proximity to each

<sup>&</sup>lt;sup>26</sup> WCVB5, Water main break floods Fall River neighborhood streets, causing them to crumble, <a href="https://www.wcvb.com/article/fall-river-new-years-day-water-main-break/30372266">https://www.wcvb.com/article/fall-river-new-years-day-water-main-break/30372266</a> (Jan. 1, 2020) (last visited Mar. 4, 2020).

other.<sup>27</sup> A door-to-door marketing representatives could easily walk through the Back Bay, Beacon Hill, Chinatown-Leather District, Downtown, the North End, and the West End in the course of an afternoon. Allowing the representative to market in only three of these neighborhoods could restrict the representative's activities. Consequently, if door-to-door marketing notifications are to contain limits on the number of neighborhoods in a large municipality that can be listed, the number of neighborhoods that can be listed should be increased markedly, especially if those neighborhood limits will count toward the total number of locations that can be listed.

In addition, it is not clear that requiring the reporting of planned door-to-door marketing by neighborhood is appropriate for cities other than Boston. First, Boston has a population that is significantly higher than other cities in the Commonwealth.<sup>28</sup> If the proposal of requiring notifications to list neighborhoods of large municipalities is founded on a view that a city's population should determine how it is treated for the purposes of door-to-door marketing notices, because of Boston's uniquely high population, it does not make sense to treat any other municipality comparably. Further, it is not clear that neighborhoods in other municipalities are as clearly defined as neighborhoods in Boston.<sup>29</sup> However, in order to comply with a door-to-door marketing notice form restricting marketing to particular neighborhoods, a marketing representative will need to know the precise geographic boundaries of the neighborhoods in

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<sup>&</sup>lt;sup>27</sup> See, e.g., City of Boston, <a href="https://www.boston.gov/neighborhood/beacon-hill">https://www.boston.gov/neighborhood/beacon-hill</a> ("Beacon Hill is about one square mile in size . . . ."); City of Boston, <a href="https://www.boston.gov/neighborhood/chinatown-leather-district">https://www.boston.gov/neighborhood/chinatown-leather-district</a> (describing the Leather District as a "small neighborhood" comprised on "nine distinct blocks"), <a href="https://www.boston.gov/neighborhood/chinatown-leather-district">https://www.boston.gov/neighborhood/chinatown-leather-district</a> (last visited Mar. 4, 2020).

<sup>&</sup>lt;sup>28</sup> See, e.g., UMass Donahue Institute, Massachusetts Population Estimates Program, <a href="http://www.donahue.umassp.edu/business-groups/economic-public-policy-research/massachusetts-population-estimates-by-massachusetts-geography/by-city-and-town">http://www.donahue.umassp.edu/business-groups/economic-public-policy-research/massachusetts-population-estimates-by-massachusetts-geography/by-city-and-town</a> (last visited Mar. 1, 2020).

<sup>&</sup>lt;sup>29</sup> Even in the case of Boston, if the Department adopts the Staff's proposal, it should provide a map clearly showing the borders of neighborhoods to eliminate any potential confusion. *See*, *e.g.*, Boston Streets & Neighborhoods, http://www.bostonplans.org/3d-data-maps/gis-maps/citywide-maps (last visited Mar. 4, 2020).

order to avoid inadvertently crossing a neighborhood boundary and marketing in a neighborhood that had not been disclosed. If neighborhood boundaries are set by local custom,<sup>30</sup> rather than law, this may not be possible.

# III. FURTHER CONSIDERATION IS WARRANTED BEFORE DEVELOPING A PROCESS FOR IDENTIFYING PROBLEMATIC THIRD-PARTY MARKETING VENDORS

Staff proposed to require suppliers to provide the Department with updated lists of their third-party marketing vendors.<sup>31</sup> In making this proposal, the Memorandum noted that "[S]taff seeks to work with stakeholders to develop a process by which we could pro-actively identify potentially problematic marketing vendors."<sup>32</sup> RESA supports the initial step of requiring suppliers to provide updated lists of their marketing vendors. That said, with respect to identifying potentially problematic marketing vendors, developing a process to identify such vendors seems, in principle, to be a potentially valuable initiative. However, the value of such an initiative will depend on how it is designed. For example, a process that does not include sufficient scrutiny might not accomplish the Department's goals. Conversely, a process that includes undue scrutiny could drive compliant vendors out of the market, which could increase competition for, and therefore the costs of, available vendor resources. These costs would likely be passed on to customers in the form of higher supply prices. Consequently, before the Department moves forward with adopting such an initiative, it should put forward a more detailed proposal for stakeholder comment.

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<sup>&</sup>lt;sup>30</sup> See 220 CMR 18.02 s.v. "Neighborhood" (characterizing a neighborhood as a geographic area within a municipality that "is recognized by the residents as including a unique community of interests").

<sup>&</sup>lt;sup>31</sup> See Memorandum, at 9.

<sup>&</sup>lt;sup>32</sup> *Id.* (citation omitted).

### IV. THE PROPOSED CONTRACT SUMMARY FORM SHOULD BE ADOPTED

Staff proposed a contract summary form that suppliers would be required to use for all products (with certain exceptions) and provide to customers at the point of sale.<sup>33</sup> For certain product types, such as products that include more renewable energy content than the mandatory minimum, suppliers would be required to submit a proposed contract summary form for Department review before use.<sup>34</sup>

RESA supports the adoption and use of the proposed contract summary form. It will help customers have clear understandings of competitive supply products and promote transparency. Moreover, it will align Massachusetts' product disclosure practices with the best practices adopted in other competitive retail energy markets. Further, RESA also supports the flexibility that Staff has proposed for allowing suppliers to develop voluntary renewable product contract summary forms "us[ing] language that describes the renewable resources that comprise the 'voluntary' renewable component of the product." For such products, because each supplier designs these products to meet the needs of their particular customers, it is important for each supplier to be able to describe its unique product offerings.

For the same reasons, RESA urges the Department to make corresponding changes to the rules of the Website, which impose certain limitations on how products with voluntary renewable energy content are described (e.g., products containing voluntary renewable energy content, but not containing a total of at least fifty percent renewable energy content are only identified by renewable energy percentage, not by resource type).<sup>37</sup> Moreover, aligning the presentation of

<sup>&</sup>lt;sup>33</sup> See Memorandum, at 10-11.

<sup>&</sup>lt;sup>34</sup> See id.

<sup>&</sup>lt;sup>35</sup> See, e.g., Connecticut Public Utilities Regulatory Authority Docket No. 14-07-17, *PURA Development of Standard Summary Form of Material Contract Terms*, Decision (Feb. 11, 2015), Attachments A, B, and C.

<sup>&</sup>lt;sup>36</sup> See Memorandum, at 10-11.

<sup>&</sup>lt;sup>37</sup> See D.P.U. 14-140-F, Energy Switch Massachusetts Website Rules (Oct. 17, 2017) ("Website Rules"), at § IV.

products on the Website with the presentation of products in mandatory contract summary forms will reduce the possibility that a customer might become confused if the Website describes the product in one way, but the contract summary form describes it in another.

### V. THE DEPARTMENT SHOULD ADOPT STAFF'S DOOR-TO-DOOR AND TELEMARKETING SCRIPT PROPOSAL

Staff proposed to adopt scripts proposed by the Competitive Supplier Group for door-to-door marketing and telemarketing, with the proviso that marketing representatives will not be permitted to identify the name of the customers' distribution utilities. RESA supports this proposal because it will appropriately enhance consumer protections in the Massachusetts competitive retail energy supply markets.

### VI. THE DEPARTMENT SHOULD CLARIFY THE DEFINITION OF TELEMARKETING

Staff proposed that suppliers be required to record their telemarketing calls.<sup>39</sup> Adopting this proposal will be a practical and reasonable way of advancing regulatory compliance.

Nevertheless, clarifying precisely what types of telephone calls will be required to be recorded will be important to ensure that suppliers know when they must record calls and take necessary steps to do so. In doing so, the Department should adopt the definition of "unsolicited telephonic sales call" under Massachusetts telemarketing solicitation law.<sup>40</sup> Adopting this definition will ensure consistency with existing law and facilitate compliance. Further, it will incorporate reasonable and commonly understood exceptions to telemarketing activity, such as calls

<sup>&</sup>lt;sup>38</sup> See Memorandum, at 11-12.

<sup>&</sup>lt;sup>39</sup> See id. at 12.

<sup>&</sup>lt;sup>40</sup> M.G.L. c. 159C, § 1, s.v. "unsolicited telephonic sales call." An "Unsolicited telephonic sales call" is "a telephonic sales call other than a call made: (i) in response to an express written or verbal request of the consumer called; (ii) primarily in connection with an existing debt or contract, payment or performance of which has not been completed at the time of the call; (iii) to an existing customer unless such customer has stated to the telephone solicitor that such customer no longer wishes to receive the telephonic sales calls of such telephone solicitor; or (iv) in which the sale of goods and services is not completed, and payment or authorization of payment is not required, until after a face-to-face sales presentation by the telephone solicitor or a meeting between the telephone solicitor and customer." *Id.* 

responding to an express written or verbal request of the consumer and certain calls to existing customers.

#### VII. THE DEPARTMENT SHOULD PROVIDE ADDITIONAL GUIDANCE ABOUT DIRECT MAIL MARKETING MATERIALS

Staff proposed requiring suppliers to submit their direct mail marketing materials (to the extent not included in their license applications) for Department review before use. 41 RESA supports this proposal. Indeed, it can create clarity about the appropriateness of particular marketing materials. That said, suppliers would benefit from additional guidance about the representations that they must include on their direct mail marketing. For example, the Memorandum would have suppliers "clearly communicate that the notice is an advertisement for the sale of a product."<sup>42</sup> Additional guidance about statements that would fulfill such a mandate could help suppliers design compliant direct mail marketing, which, in turn, would facilitate Department review. For example, it would be beneficial for suppliers to know whether a disclaimer stating "This is an advertisement" in a particular font size will satisfy this requirement. With this knowledge, suppliers could easily design compliant direct mail marketing materials.

### VIII. THE DEPARTMENT SHOULD ADOPT STAFF'S PROPOSAL FOR CUSTOMER NOTIFICATION IN ADVANCE OF AUTOMATIC CONTRACT RENEWAL

Staff proposed to require suppliers to provide customers with automatic renewal notices thirty (30) to sixty (60) days before contracts with such provisions are set to expire. 43 Further, suppliers would be required to use a template developed by Staff (and attached to the

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<sup>&</sup>lt;sup>41</sup> See Memorandum, at 14.

<sup>&</sup>lt;sup>42</sup> *Id*.

<sup>&</sup>lt;sup>43</sup> See Memorandum, at 15.

Memorandum) to provide this notice.<sup>44</sup> This template would contain Department-specified language on its upper half.<sup>45</sup> The lower half of the notice would be available to be used for supplier-specific branding, language, and style.<sup>46</sup> RESA agrees with Staff that this proposal strikes an appropriate balance between ensuring that the notice serves its consumer protection goals, while allowing suppliers to "reflect their corporate voice and vernacular."<sup>47</sup> Consequently, RESA supports this proposal.

### IX. THE DEPARTMENT SHOULD REJECT STAFF'S PROPOSAL FOR PERIODIC AUTOMATIC RENEWAL REPORTING

Staff proposed that suppliers be required to report periodically on the number of residential customers that they serve through automatic renewal provisions in the customers' contracts. <sup>48</sup> This report would include the number of customers renewed automatically in a specified period and the total number of customers that were served through an automatic renewal provision on the last day of that period. <sup>49</sup> In addition, Staff developed a form to be used for these reports. <sup>50</sup>

The Department should decline to adopt this proposal. Reporting the information contemplated by the proposal would impose undue burdens on suppliers. Suppliers would need to track and gather this information, which would include not only the number of customers renewed automatically in a specified period and the total number of customers that were served through an automatic renewal provision on the last day of that period, but also information about

<sup>&</sup>lt;sup>44</sup> See id., Attachment 3.

<sup>&</sup>lt;sup>45</sup> See Memorandum, at 15.

<sup>&</sup>lt;sup>46</sup> See id.

<sup>&</sup>lt;sup>47</sup> See id.

<sup>&</sup>lt;sup>48</sup> See id. at 16.

<sup>&</sup>lt;sup>49</sup> See id.

<sup>&</sup>lt;sup>50</sup> Competitive Supplier Automatic Renewal Report, *available at* https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/11832740 (last visited Mar. 5, 2020).

the number of renewal notifications that were sent by particular methods of delivery.<sup>51</sup> Suppliers' existing systems were not designed with these reporting requirements in mind and may not be able to accommodate producing these reports. In such circumstances, suppliers may need to review their records manually or make programming changes to their systems to produce the required reports. This could require a significant amount of time and supplier resources. In fact, suppliers may need to shift resources away from other regulatory compliance related activity to be able to complete these reports.

If, despite the foregoing, the Department imposes a requirement for reporting on automatic renewals periodically, it should delay the effectiveness of such a requirement until suppliers have had sufficient time to develop the systems to produce the required reports. Such a delay will enable suppliers to avoid manually producing the required reports and the cost and effort involved in doing so. Further, if the Department imposes this requirement, it should require the reports to be submitted on a semiannual, rather than quarterly, basis. A semiannual reporting schedule would ensure that the Department receives information periodically, but would reduce the administrative burden of preparing reports.

# X. THE DEPARTMENT SHOULD REJECT STAFF'S PROPOSAL FOR PERIODIC ENROLLMENT REPORTING

Staff proposed requiring suppliers to report periodically on the total number of residential customers and the total number of low-income customers that they enrolled during specified timeframes through particular marketing channels.<sup>52</sup> Suppliers also would report on the total

<sup>&</sup>lt;sup>51</sup> See Competitive Supplier Automatic Renewal Report, available at <a href="https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/11832740">https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/11832740</a> (last visited Mar. 5, 2020).

<sup>&</sup>lt;sup>52</sup> See Memorandum, at 17.

number of residential and low-income customers that they are serving on the last day of the specified period.<sup>53</sup> In addition, Staff developed a form to be used for these reports.<sup>54</sup>

The Department should decline to adopt this proposal. Reporting the information contemplated by the proposal, like reporting the information contemplated by the automatic renewal reporting proposal, would impose undue burdens on suppliers. Suppliers would need to track and gather this information. Moreover, suppliers' existing systems were not designed with these reporting requirements in mind and may not be able to accommodate producing these reports. In such circumstances, suppliers may need to review their records manually or make programing changes to their systems to produce the required reports. This could require a significant amount of time and supplier resources. In fact, suppliers may need to shift resources away from other regulatory compliance related activity to be able to complete these reports.

If, despite the foregoing, the Department imposes a requirement for reporting on enrollments periodically, it should delay the effectiveness of such a requirement until suppliers have had sufficient time to develop the systems to produce the required reports. Such a delay will enable supplier to avoid manually producing the required reports and the cost and effort involved in doing so.

Further, if the Department imposes a requirement for reporting on automatic renewals periodically, it should require the reports to be submitted on a semiannual, rather than quarterly, basis. A semiannual reporting schedule would ensure that the Department receives information periodically, but would reduce the administrative burden of preparing reports.

<sup>53</sup> See id.

<sup>&</sup>lt;sup>54</sup> Competitive Supplier Enrollment Report, available at https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/11832740 (last visited Mar. 5, 2020).

# XI. THE ENERGY SWITCH WEBSITE SHOULD DESCRIBE ALL VOLUNTARY RENEWABLE ENERGY CONTENT INCLUDED IN EACH OFFER

The Memorandum contained certain proposals to update the Website to address municipal aggregation products.<sup>55</sup> Among these proposals is a proposal that, for municipal aggregation products, the Website display information about the products' voluntary renewable energy content if the voluntary renewable resources (1) are comprised entirely of RPS Class I resources and (2) represent at least five percent (5%) of the products' total resources.<sup>56</sup> Staff specifically sought comment on whether this proposal should apply to other competitive supply products.<sup>57</sup>

As an initial matter, the Website is a valuable tool for enhancing customer choice. With the Website, customers are able review offerings and sort them by the features that they find most important, such as price, contract length, and renewable energy content. Moreover, the Website is easy to navigate and presents information in a clear, easily digestible format. For example, the Website uses icons to represent the sources of voluntary renewable energy content in certain offers. RESA supports efforts of the Department to enhance and promote the Website for the benefit of consumers.

That said, Staff's proposal for the presentation of voluntary renewable energy content on the Website should be modified. Fundamentally, the Website should treat all voluntary renewable offers equally by allowing all voluntary renewable components of offers to be presented on the Website. Prohibiting voluntary offers that do not meet certain criteria from having all of their components identified on the Website is inappropriate. A customer using the

<sup>&</sup>lt;sup>55</sup> See Memorandum, at 17-19.

<sup>&</sup>lt;sup>56</sup> See id. at 19.

<sup>&</sup>lt;sup>57</sup> See id.

<sup>&</sup>lt;sup>58</sup> See Energy Switch Website, <u>www.energyswitchma.gov</u> (last visited Mar. 3, 2020).

<sup>&</sup>lt;sup>59</sup> See Website Rules, § IV.

Website should not be prevented from learning from the Website that an offer contains voluntary renewable energy content just because the offer does not contain enough voluntary renewable energy content or the right kind of voluntary renewable energy content as set by some administratively determined standard. However, Staff's proposal would do just that by providing that the Website display information about the products' voluntary renewable energy content only if the voluntary renewable resources (1) are comprised entirely of RPS Class I resources and (2) represent at least five percent (5%) of the products' total resources.<sup>60</sup>

Customers should have the opportunity to see *all* voluntary renewable energy content provided with offers presented on the Website. In this way, they will be able to make informed decisions about the products that best serve their needs and interests. Some customers may have preferences for non-RPS Class I resources, whether for cost or other reasons. In fact, the Website currently contains offers for such products, which are sourced from national wind resources, rather than RPS Class I resources.<sup>61</sup> If such a customer is using the Website to shop for electric supply, and is interested in a voluntary renewable product, but the only voluntary renewable products are products sourced from RPS Class I resources, which are outside the customer's price-range,<sup>62</sup> the customer simply may forgo purchasing a voluntary renewable product altogether. This would frustrate efforts to increase the voluntary consumption of renewable energy.<sup>63</sup> Similarly, if there are certain types of voluntary renewable energy content that suppliers cannot list on the Website (e.g., renewable energy content sourced from nationally located wind resources), because suppliers will not be able to distinguish their products readily,

<sup>&</sup>lt;sup>60</sup> See Memorandum, at 19.

<sup>&</sup>lt;sup>61</sup> See Energy Switch Website, <u>www.energyswitchma.gov</u> (last visited Mar. 3, 2020).

<sup>&</sup>lt;sup>62</sup> See D.P.U 14-140-F (Oct. 17, 2017) ("Providing a product with RPS Class I resources would likely have a price premium associated with the product . . . .").

<sup>&</sup>lt;sup>63</sup> *Cf.* Massachusetts 2016 Renewable Portfolio Standard (RPS) And Alternative Portfolio Standard (APS) Annual Compliance Report (Dec. 27, 2018), at 4 (observing that some RPS Class I RECs were used to meet voluntary green product claims that go above and beyond RPS requirements).

they will have a disincentive to develop products with such voluntary renewable energy content, even though there may be customers who desire it. Consequently, instead of adopting Staff's proposal restricting the listing of voluntary renewable energy content on the Website, the Department should revise the Website's rules to allow *all* the renewable energy content of all voluntary renewable offers to be listed on the Website.

### **CONCLUSION**

RESA appreciates the opportunity to offer these comments in this important proceeding and looks forward to submitting additional comments and working with the other stakeholders as this proceeding continues to develop.

Respectfully submitted,

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