



# **D.P.U. 19-07-A**

## **Tier One Initiatives**

### **Issues for Further Discussion**

August 6, 2020

1:30-4 pm EST



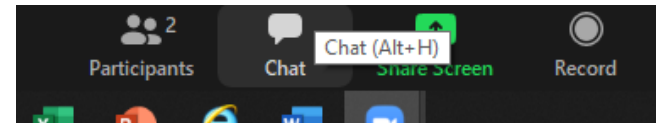
# Background

- On May 22, 2020, the Department of Public Utilities (“Department”) issued Initiatives to Promote and Protect Consumer Interests in the Retail Competitive Supply Markets, D.P.U. 19-07-A
- For several of the initiatives set forth in D.P.U. 19-07-A, the Department identified the issues that required further discussion with stakeholders
- On July 17, 2020, the Department issued a Hearing Officer Memorandum that announced that we would convene today’s Zoom meeting to discuss these issues



# Submitting Questions/Comments

- Everyone should stay muted unless called on
- If question is simple, type your comment or question in the chat for everyone to see



- **Alt+H**

- If question is complicated, select “raise your hand” and we will call on you

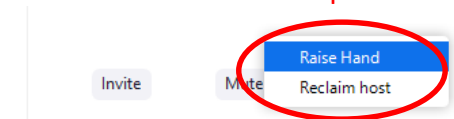
- **Alt+U**

Step 1



Step 2

Step 3





# Public Access to Licensee Information (D.P.U. 19-07-A at 12-13)

## Summary of Initiative

- New license applications are available to stakeholders for comment
- While license renewal applications are not subject to the stakeholder comment process, the Department recognizes that general business information about licensed entities should be available to the public
- The Department intends to post licensees' renewal applications on our website

## Issues for Further Discussion

- Identify the information that would be most useful to stakeholders
- Ensure that posting such information on the Department's website will not violate licensees' confidentiality concerns



# Public Access to Licensee Information (cont.)

## License Renewal Application

1. Legal name of applicant: \_\_\_\_\_
2. Business address: \_\_\_\_\_
3. Website URL (optional): \_\_\_\_\_
4. Name, title, toll-free telephone number, and email address of customer service contact person:

\_\_\_\_\_

Name

Title

\_\_\_\_\_

Toll-free telephone number (required)

Email

5. Name, title, and direct telephone number and direct email address of regulatory contact person:

\_\_\_\_\_

Name

Title

\_\_\_\_\_

Address

\_\_\_\_\_

Direct telephone number (required)

Email



# Public Access to Licensee Information (cont.)

## License Renewal Application (cont.)

6. Name and address of resident agent for service of process (must be located in Massachusetts):

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Name

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Address

7. Provide a summary of any history of bankruptcy, dissolution, merger, or acquisition of the entity in the last year.
8. Provide a statement identifying whether there have been any regulatory actions taken against the applicant in any jurisdiction in the last year.

## Discussion

- Is this information sufficient for stakeholders?
- Does this information pose confidentiality concerns for licensees?



# D2D Marketing Notification

(D.P.U. 19-07-A at 19-30)

## Summary of Initiative

- Daily notification, two business days prior to marketing day
- Limit of five municipalities
- Identify neighborhoods within Boston
- Suppliers should notify designated municipal officials of expected marketing activities - allow municipalities to provide enhanced consumer awareness/protection

## Issues for Further Discussion

- Application of municipality limit on a regional or vendor basis
- Adoption of neighborhood requirement for other municipalities
- Information that municipal officials would seek to receive from suppliers/confidential treatment of that information



# D2D Marketing Notification Municipality Limit

## Proposals

- Presentations
  - RESA – application of municipality limit by region
  - Davis, Malm & D'Agostine, P.C.- application of municipality limit by region





# D2D Marketing Notification Neighborhoods

*The Department will defer discussion of this issue until a later date*



# D2D Marketing Notify Municipal Officials

## Staff Proposal

- Municipalities that seek to be notified of upcoming D2D marketing activities must provide the Department with contact information for a designated municipal official
- Department will make such information readily available to suppliers
- Supplier sends email to designated official
  - Date of expected marketing in municipality
  - Supplier contact information
- Municipalities and suppliers must arrange for the exchange of confidential information



# Contract Summary Form – Basic/Default Service Prices

(D.P.U. 19-07-A at 39-52)

## Summary of Initiative

- Suppliers required to provide consumers, at point of sale, a Contract Summary Form that includes both product-specific and general information
- In addition to providing consumers with information about the supply product being offered, the Form serves as a vehicle to make consumers aware of alternate supply product options
  - "The Department of Public Utilities recommends that consumers visit the Energy Switch website to view the broad range of available electric supply products, including your electric utility's basic service price"
- The inclusion of basic service price information on the Form will provide consumers with a reference price against which they can evaluate the product being offered, and may provide "additional motivation" for consumers to consult Energy Switch



# Contract Summary Form – Basic/Default Service Prices (cont)

## Issues for Further Discussion

- Manner and form in which basic/default service prices should be presented to consumers on the Contract Summary Form
  - information to be provided
  - location of information on Form

## Staff Proposal

- Information
  - current basic/default service price, and month through which price will be in effect
  - upcoming basic/default service price (if known at time of enrollment), and effective date and term of new price
  - if upcoming price is not known, information regarding expected price increase or decrease



# Contract Summary Form – Basic/Default Service Prices (cont)

## Staff Proposal (cont.)

- Information Examples – Electric:

“Your electric utility offers you a basic service supply product at a price of [xx] cents per kWh through [month/year]. For the period [month/year] through [month/year], the basic service price will be [xx] cents per kWh.”

*OR*

“Your electric utility offers you a basic service supply product at a price of [xx] cents per kWh through [month/year]. A new price will be in effect for the six-month period beginning [month/year]. Historically, basic service prices for the upcoming six-month period have tended to be higher than the prices for the current period.”



# Contract Summary Form – Basic/Default Service Prices (cont)

## Staff Proposal (cont.)

- Information Examples – Gas:

“Your gas utility is currently offering a gas supply rate, Gas Adjustment Factor or GAF, at [xx] cents per therm. This rate will [increase/decrease] to [xx] cents per therm, on [month/year]. Your utility will change this rate at least twice during the year, for the peak period (winter), November 1st through April 30<sup>th</sup>, and for the off-peak period (summer), May 1<sup>st</sup> through October 31<sup>st</sup>. Your utility may change the rate more often depending on the market price for natural gas.”



# Contract Summary Form – Basic/Default Service Prices (cont)

## Staff Proposal (cont.)

- Location
  - Bottom box of Form, directly preceding (and providing a useful context for) the Department’ statement regarding Energy Switch/Gas Division website
  - Example – Electric:  
“Your electric utility offers you a basic service supply product at a price of [xx] cents per kWh through [month/year]. For the period [month/year] through [month/year], the basic service price will be [xx] cents per kWh. The Massachusetts Department of Public Utilities recommends that consumers visit the Energy Switch website to view the broad range of available electric supply products, including your electric utility’s basic service. You can visit the website at <http://energyswitchma.gov>.”



# Voluntary Renewable Energy Content (D.P.U. 19-07-A at 43-45; 88-89)

## Summary of Initiative

- Both the Contract Summary Form and the Energy Switch website present information to consumers regarding the renewable energy content of electric supply products
- Suppliers are required to indicate whether a product meets or exceeds the Commonwealth's minimum requirements
- If a product exceeds such requirement, suppliers have the option, but are not required, to identify the types of resources that comprise the product's "voluntary" renewable component

## Issues for Further Discussion

- Improvements to presentation of product's voluntary renewable content





# Voluntary Renewable Energy Content (cont.)

## Staff Proposal

- Suppliers would be required to identify, on both their Contract Summary Forms and Energy Switch website, whether a product's voluntary renewable energy resources are located within or outside the New England region.
- Example – Contract Summary Form:  
The Commonwealth of Massachusetts requires that all electric supply products include a minimum of 27% renewable energy resources that are located within the New England region. This product includes 100% renewable energy resources, an amount that exceeds the minimum requirement. The resources that exceed the minimum requirement are located outside of the New England region.”



# Voluntary Renewable Energy Content (cont.)

## Staff Proposal (cont.)

- For resources located within New England, suppliers would be required to identify whether the Commonwealth has designated the resources as RPS Class I resources.  
“The Commonwealth of Massachusetts requires that all electric supply products include a minimum of 27% renewable energy resources that are located within the New England region. This product includes 100% renewable energy resources, an amount that exceeds the minimum requirement. All of the resources are located within the New England region and have been designated by the state as Class I resources.”



# Recording of Telemarketing Calls

(D.P.U. 19-07-A at 53)

## Summary of Initiative

- Suppliers required to record/retain telemarketing calls not generated by the customer that exceed one minute (regardless of whether call resulted in enrollment)
- Retain for a minimum of two years

## Further Discussion with Stakeholders

- Process by which Department can access recordings in a timely manner

## Staff Proposal

- Ideally, Department would have access to recordings in real-time
  - Allow staff to proactively review “random sample” of recordings
- At a minimum, suppliers should provide a copy of a recording within 72 hours of a Department request



# Direct Mail Marketing Material

(D.P.U. 19-07-A at 60-63)

## Summary of Initiative

- Competitive suppliers are required to submit all direct mail marketing material for Department review
- Department will review within ten business days

## Issues for Further Discussion

- Develop process for providing Attorney General with copies of direct mail material

## Staff Proposal

- Department will cc Attorney General on our email to suppliers informing them that they can proceed with using material



# Definition of Small C&I Consumer

## Background

- In D.P.U. 19-07-A, the Department stated that, unless specified otherwise, initiatives apply to both residential and small C&I consumers
- In the July 17, 2020 Hearing Officer Memorandum (at 2), the Department stated that further discussion with stakeholders is required regarding the definition of C&I before it can be applied in a useful manner
- Points of reference
  - Electric: Energy Switch website identifies small C&I consumers as consumers whose monthly usage does not exceed 25 kW
  - Gas: 220 CMR 14.00 defines small C&I as customers with an annual load less than or equal to 7,000 therms
- Presentation by RESA



# Energy Switch

(D.P.U. 19-07-A at 79)

## Summary of Initiative

- For the purpose of displaying information regarding a product's voluntary renewable energy content, the Website distinguishes between voluntary renewable products that are composed entirely of RPS Class I products and those that are not
  - "RPS Class I products" must include a minimum of 1% voluntary renewable resources
  - Non-RPS Class I products must include a minimum of 50% voluntary renewable resources

## Further Discussion with Stakeholders

- Elimination of minimum voluntary renewable content requirement

Sort By Monthly Cost: Low to High

View Summary



Print

Download to CSV (Excel)

Compare

## Electric Supply Products

Total Products: 58

SUPPLIER NAME	PRICE ⓘ	CONTRACT TERM ⓘ	RENEWABLE ENERGY ⓘ	ADDITIONAL PRODUCTS & SERVICES	ESTIMATED MONTHLY COST ⓘ
Basic Service ⓘ	9.898 ¢/kWh TBD	May '20 through Oct '20 Nov '20 through Apr '21	Required:27%   Voluntary:0% TOTAL : 27%		\$59.39 through Oct '20
Municipal aggregation ⓘ	10.631 ¢/kWh	Nov '19 through Nov '20 No cancellation fee Automatic renewal ⓘ	Required:27%   Voluntary:28% TOTAL : 55% ⓘ    100% New regional resources		\$63.79 through Nov '20
Supplier A <a href="#">Sign Up</a> <input type="checkbox"/> Compare	10.000 ¢/kWh \$4.00/month for initial 6 months \$25.00 enrollment fee	12 months Cancellation fee ⓘ Automatic renewal ⓘ	Required:27%   Voluntary:48% TOTAL : 75% ⓘ    100% New regional resources	Smart Thermostat ⓘ	\$34.08 through Jul '21
Supplier B <a href="#">Sign Up</a> <input type="checkbox"/> Compare	10.490 ¢/kWh	6 months No cancellation fee Automatic renewal ⓘ	Required:27%   Voluntary:0% TOTAL : 27%		\$62.94 through Jan '21
Municipal aggregation <a href="#">Sign Up</a> <input type="checkbox"/> Compare	10.756 ¢/kWh	12 months No cancellation fee No automatic renewal	Required:27%   Voluntary:48% TOTAL : 75% New regional resources		\$64.54 through Aug '20
Supplier C <a href="#">Sign Up</a> <input type="checkbox"/> Compare	10.790 ¢/kWh	24 months Cancellation fee ⓘ Automatic renewal ⓘ	Required:27%   Voluntary:0% TOTAL : 27%		\$64.74 through Jul '22
Supplier D <a href="#">Sign Up</a> <input type="checkbox"/> Compare	10.860 ¢/kWh	24 months Cancellation fee ⓘ Automatic renewal ⓘ	Required:27%   Voluntary:0% TOTAL : 27%		\$65.16 through Jul '22
Supplier C <a href="#">Sign Up</a> <input type="checkbox"/> Compare	10.890 ¢/kWh	12 months Cancellation fee ⓘ	Required:27%   Voluntary:0% TOTAL : 27%		\$65.34 through Jul '21



# Next Steps

- The Department will determine which (if any) of the issues discussed during today's meeting are ready for stakeholder comment, and which issues require further discussion with stakeholders
- The Department will announce a process for addressing Tier Two issues in the near future
- Note: Information regarding the Tier One initiatives set forth in D.P.U. 19-07-A can be found on the Department website at:
  - Electric: <https://www.mass.gov/information-for-competitive-suppliers-and-electricity-brokers>
  - Gas: <https://www.mass.gov/information-for-gas-competitive-suppliers-and-retail-agents>