

2015 -- H 5978

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- ELECTRIC SUPPLIER  
CONSUMER BILL OF RIGHTS

Introduced By: Representatives Kennedy, Carnevale, Shekarchi, Keable, and Marshall

Date Introduced: March 25, 2015

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 39 of the General Laws entitled "PUBLIC UTILITIES AND  
2 CARRIERS" is hereby amended by adding thereto the following chapter:

3 CHAPTER 26.7

4 ELECTRIC SUPPLIER CONSUMER BILL OF RIGHTS

5 **39-26.7-1. Short title.** – This chapter shall be known and may be cited as the "electric  
6 supplier consumer bill of rights."

7 **39-26.7-2. Purpose.** – The purpose of this act is to assist consumers in making an  
8 informed choice of electric supplier.

9 **39-26.7-3. Definitions.** – When used in this chapter, the following terms shall have the  
10 following meanings:

11 (1) "Commission" means the Rhode Island public utilities commission.

12 (2) "Board" means the distributed generation standard contract board established pursuant  
13 to the provisions of chapter 26.2 of this title, or the office of energy resources. Until such time as  
14 the board is duly constituted, the office of energy resources shall serve as the board with the same  
15 powers and duties pursuant to this chapter.

16 (3) "Division" means the division of public utilities.

17 (4) "Non-regulated power producer" means a power producer offering electric power for  
18 sale pursuant to chapter 1 of this title, and otherwise known as an "electric supplier."

1           **39-26.7-4. Consumer information requirements.** – (a) On or before July 1, 2015, the  
2 division shall initiate a docket to redesign the standard billing format for residential customers to  
3 better enable such residential customers to compare pricing policies and charges among electric  
4 suppliers, and the account summary page of a residential customer located on the electric  
5 distribution company's Internet website. The division shall issue a final decision on such docket  
6 not later than six (6) months after its initiation. Such final decision shall include the placement of  
7 the following items on the first page of each residential customer's bill from an electric  
8 distribution company: The electric generation service rate; the term and expiration date of such  
9 rate; any change to such rate effective for the next billing cycle; the cancellation fee, if applicable,  
10 provided there is such a change; notification that such rate is variable, if applicable; the standard  
11 service rate; the term and expiration date of the standard service rate; the dollar amount that  
12 would have been billed for the electric generation services component had the customer been  
13 receiving standard service; and a toll-free telephone number and other information necessary to  
14 enable the customer to obtain service. Such final decision shall also include the feasibility of an  
15 electric distribution company transferring a residential customer receiving electric generation  
16 service from an electric supplier to a different electric supplier in a timely manner and ensuring  
17 that the electric distribution company and the relevant electric suppliers provide timely  
18 information to each other to facilitate such transfer, and allowing residential customers to choose  
19 how to receive information related to bill notices, including United States mail, electronic mail,  
20 text message, an application on a cellular telephone or a third-party notification service approved  
21 by the division. On or before July 1, 2015, the division shall implement, or cause to be  
22 implemented, the redesigned standard billing format for a customer's account summary. On or  
23 before July 1, 2020, and every five (5) years thereafter, the division shall reopen such docket to  
24 ensure the standard billing format and Internet website for a customer's account summary remains  
25 a useful tool for customers to compare pricing policies and charges among electric suppliers.

26           (b) The division shall also implement an Internet website which shall provide information  
27 necessary for a consumer to obtain service.

28           (c) From the effective date of this section, each electric distribution company shall, on a  
29 quarterly basis, include the following items in a bill insert to each residential customer who  
30 obtains standard service or electric generation service from an electric supplier: (1) The electric  
31 generation service rate; (2) The term and expiration date of such rate; (3) Any change to the  
32 standard offer rate not later than forty-five (45) days after the standard rate is approved by the  
33 division; and (4) Before any reference to the term "standard offer," the name of the electric  
34 distribution company.

1 (d) From the effective date of this section, each electric supplier shall, on a quarterly  
2 basis, include the following items in a mailing to each residential customer receiving electric  
3 generation service from such supplier: (1) The electric generation service rate; (2) The term and  
4 expiration date of such rate; (3) Any change to such rate effective for the next billing cycle; (4)  
5 The cancellation fee, if applicable, provided there is such a change; (5) Notification that such rate  
6 is variable, if applicable; (6) The standard service rate; (7) The term and expiration date of the  
7 standard service rate; and (8) The dollar amount that would have been billed for the electric  
8 generation services component had the customer been receiving standard service.

9 (e) On and after July 1, 2015, if a residential customer is enrolled in automatic electronic  
10 bill payments and does not receive a bill through United States mail, an electric distribution  
11 company shall send such customer a link to such customer's bill in electronic mail with  
12 confirmation of bill payment.

13 (f) The distribution company shall make available to the division for posting on the  
14 division's Internet website and shall list on the company's own Internet website, on a monthly  
15 basis, the highest and lowest electric generation service rate charged by the distribution company  
16 as part of a variable rate offer in each of the preceding twelve (12) months to any customer  
17 eligible for standard service. Any contract between a distribution company and a residential  
18 customer entered into on and after the effective date of this section shall provide for the same  
19 electric generation service rate that may not be exceeded for at least the first three (3) billing  
20 cycles of the contract, provided the licensee may decrease such rate at any time.

21 **39-26.7-5. Certain customer rights.** – (a) An electric distribution company shall transfer  
22 a residential customer to the standard service rate not later than seventy-two hours (72) after  
23 receipt of a request from a residential customer eligible for standard service, provided such  
24 customer shall remain on the standard service rate for at least the remainder of that billing cycle.  
25 An electric distribution company shall transfer a residential customer to the electric generation  
26 service rate of an electric supplier not later than forty-five (45) days after the electric distribution  
27 company receives from the electric supplier a successful enrollment of such residential customer.

28 (b) Notwithstanding any other provision of the general laws, nothing shall prohibit a  
29 residential customer who moves from one dwelling to another dwelling within the state from  
30 immediately receiving electric generation service from an electric supplier, provided such  
31 customer was receiving such service from an electric supplier immediately prior to such move.

32 (c) To protect a customer's right to privacy from unwanted solicitation, each electric  
33 company or electric distribution company, as the case may be, shall distribute to each customer a  
34 form approved by the division which the customer shall submit to the customer's electric or

1 electric distribution company in a timely manner if the customer does not want the customer's  
2 name, address, telephone number and rate class to be released to electric suppliers. Each electric  
3 or electric distribution company, as the case may be, shall make available to all electric suppliers  
4 customer names, addresses, telephone numbers, if known, and rate class, unless the electric  
5 company or electric distribution company has received a form from a customer requesting that  
6 such information not be released. Additional information about a customer for marketing  
7 purposes shall not be released to any electric supplier unless a customer consents to a release by  
8 one of the following: (1) An independent third-party telephone verification; (2) Receipt of a  
9 written confirmation received in the United States mail from the customer after the customer has  
10 received an information package confirming any telephone agreement; (3) The customer signs a  
11 document fully explaining the nature and effect of the release; or (4) The customer's consent is  
12 obtained through electronic means, including, but not limited to, a computer transaction.

13 (d) All electric suppliers shall have equal access to customer information required to be  
14 disclosed under subsection (a) of this section. No electric supplier shall have preferential access  
15 to historical distribution company customer usage data.

16 (e) No electric or electric distribution company shall include in any bill or bill insert  
17 anything that directly or indirectly promotes a generation entity or affiliate of the electric  
18 distribution company. No electric supplier shall include a bill insert in an electric bill of an  
19 electric distribution company.

20 (f) All marketing information provided pursuant to the provisions of this section shall be  
21 formatted electronically by the electric company or electric distribution company, as the case may  
22 be, in a form that is readily usable by standard commercial software packages. Updated lists shall  
23 be made available within a reasonable time, as determined by the division, following a request by  
24 an electric supplier. Each electric supplier seeking the information shall pay a fee to the electric  
25 company or electric distribution company, as the case may be, which reflects the incremental  
26 costs of formatting, sorting and distributing this information, together with related software  
27 changes. Customers shall be entitled to any available individual information about their loads or  
28 usage at no cost.

29 (g) On or before January 1, 2016, the division shall initiate a contested proceeding to  
30 develop a standard summary form of the material terms and conditions of the contract for electric  
31 generation services signed by a residential customer. Such form shall include, but not be limited  
32 to, the following: (1) A description of the rate the customer will be paying; (2) Whether such rate  
33 is a fixed or variable rate; (3) The term and expiration date of such rate; (4) Whether the contract  
34 will automatically renew; (5) A notice describing the customer's right to cancel the service, as

1 provided in this section; (6) Information on air emissions and resource mix of generation facilities  
2 operated by and under long-term contract to the electric supplier; (7) The trade name of the  
3 electric supplier; (8) The toll-free telephone number for customer service of the electric supplier;  
4 (9) The Internet website of the electric supplier; and (10) The toll-free telephone number for  
5 customer complaints of the division.

6 (h) On and after January 1, 2016, each electric supplier shall, prior to initiation of electric  
7 generation services, provide the potential residential customer with a completed summary form  
8 developed pursuant to this section. Each electric supplier shall, prior to the initiation of electric  
9 generation services, provide the potential commercial or industrial customer with a written notice  
10 describing the rates, information on air emissions and resource mix of generation facilities  
11 operated by and under long-term contract to the supplier, terms and conditions of the service, and  
12 a notice describing the customer's right to cancel the service, as provided in this section.

13 (i) No electric supplier shall provide electric generation services unless the customer has  
14 signed a service contract or consents to such services by one of the following: (1) An independent  
15 third-party telephone verification; (2) Receipt of a written confirmation received in the United  
16 States mail from the customer after the customer has received an information package confirming  
17 any telephone agreement; (3) The customer signs a contract that conforms with the provisions of  
18 this section; or (4) The customer's consent is obtained through electronic means, including, but  
19 not limited to, a computer transaction. Each electric supplier shall provide each customer with a  
20 demand of less than one hundred kilowatts (100 kw), a written contract that conforms with the  
21 provisions of this section and maintain records of such signed service contract or consent to  
22 service for a period of not less than two (2) years from the date of expiration of such contract,  
23 which records shall be provided to the division or the customer upon request. Each contract for  
24 electric generation services shall contain all material terms of the agreement, a clear and  
25 conspicuous statement explaining the rates that such customer will be paying, including the  
26 circumstances under which the rates may change, a statement that provides specific directions to  
27 the customer as to how to compare the price term in the contract to the customer's existing  
28 electric generation service charge on the electric bill and how long those rates are guaranteed.  
29 Such contract shall also include a clear and conspicuous statement providing the customer's right  
30 to cancel such contract not later than three (3) days after signature or receipt in accordance with  
31 the provisions of this subsection, describing under what circumstances, if any, the supplier may  
32 terminate the contract and describing any penalty for early termination of such contract. Each  
33 contract shall be signed by the customer, or otherwise agreed to in accordance with the provisions  
34 of this subsection. A customer who has a maximum demand of five hundred kilowatts (500 kw)

1 or less shall have, until midnight of the third business day after the latter of the day on which the  
2 customer enters into a service agreement or the day on which the customer receives the written  
3 contract from the electric supplier as provided in this section, the right to cancel a contract for  
4 electric generation services entered into with an electric supplier.

5 (j) Between thirty (30) and sixty (60) days, inclusive, prior to the expiration of a fixed  
6 price term for a residential customer, an electric supplier shall provide a written notice to such  
7 customer of any change to the customer's electric generation price. Such residential customer  
8 shall select the method of written notice at the time the contract is signed or verified through  
9 third-party verification as described in this section. Such selection shall include the option for  
10 written notice through United States mail, electronic mail, text message, an application on a  
11 cellular telephone or a third-party notification service approved by the division. Such customer  
12 shall have the option to change the method of notification at any time during the contract.

13 (k) No electric supplier shall charge a residential customer month-to-month variable rates  
14 for electric generation services following the expiration of a contract entered into after the  
15 effective date of this section without providing written notification to such residential customer  
16 forty-five (45) days prior to the commencement of such month-to-month variable rates. Such  
17 notice shall include the highest and lowest electric generation service rate charged by such  
18 supplier as part of a variable rate offer in each of the preceding twelve (12) months to any  
19 customer eligible for standard service. The residential customer shall select the method of written  
20 notification at the time the contract is signed or verified through third-party verification as  
21 described in this section. Such selection shall include the option for written notice through United  
22 States mail, electronic mail, text messages, an application on a cellular telephone or a third-party  
23 notification service approved by the division. Such customer shall have the option to change the  
24 method of notification at any time during the contract.

25 (l) No electric supplier shall charge an electric generation service rate to a residential  
26 customer that is twenty-five percent (25%) more than the original contract price, or the last rate  
27 notification provided by the electric supplier, without disclosing the rate change described in this  
28 section fifteen (15) days before it takes effect. The notification shall be provided pursuant to the  
29 method agreed to by the customer in the contract and may include written notice through United  
30 States mail, electronic mail, text message, an application on a cellular telephone, or a third-party  
31 notification service approved by the division.

32 (m) Any third-party agent who contracts with or is otherwise compensated by an electric  
33 supplier to sell electric generation services shall be a legal agent of the electric supplier. No third-  
34 party agent may sell electric generation services on behalf of an electric supplier unless the third-

1 party agent is an employee or independent contractor of such electric supplier, and the third-party  
2 agent has received appropriate training directly from such electric supplier.

3 (n) All sales and solicitations of electric generation services by an electric supplier,  
4 aggregator or agent of an electric supplier or aggregator to a customer with a maximum demand  
5 of one hundred kilowatts (100 kw) or less conducted and consummated entirely by United States  
6 mail, door-to-door sale, telephone or other electronic means, during a scheduled appointment at  
7 the premises of a customer or at a fair, trade or business show, convention or exposition in  
8 addition to complying with the provisions of this section shall:

9 (1) For any sale or solicitation, including from any person representing such electric  
10 supplier, aggregator or agent of an electric supplier or aggregator: (i) Identify the person and the  
11 electric generation services company or companies the person represents; (ii) Provide a statement  
12 that the person does not represent an electric distribution company; (iii) Explain the purpose of  
13 the solicitation; and (iv) Explain all rates, fees, variable charges and terms and conditions for the  
14 services provided; and

15 (2) For door-to-door sales to customers with a maximum demand of one hundred  
16 kilowatts (100 kw), which shall include the sale of electric generation services in which the  
17 electric supplier, aggregator or agent of an electric supplier or aggregator solicits the sale and  
18 receives the customer's agreement or offer to purchase at a place other than the seller's place of  
19 business, be conducted: (i) In accordance with any municipal and local ordinances regarding  
20 door-to-door solicitations; (ii) Between the hours of ten o'clock a.m. and six o'clock p.m. unless  
21 the customer schedules an earlier or later appointment; and (iii) With both English and Spanish  
22 written materials available. Any representative of an electric supplier, aggregator or agent of an  
23 electric supplier or aggregator shall prominently display or wear a photo identification badge  
24 stating the name of such person's employer or the electric supplier the person represents and shall  
25 not wear apparel, carry equipment or distribute materials that includes the logo or emblem of an  
26 electric distribution company or contains any language suggesting a relationship that does not  
27 exist with an electric distribution company, government agency or other supplier.

28 (o) No electric supplier, aggregator or agent of an electric supplier or aggregator shall  
29 advertise or disclose the price of electricity to mislead a reasonable person into believing that the  
30 electric generation services portion of the bill will be the total bill amount for the delivery of  
31 electricity to the customer's location, or make any statement, oral or written, suggesting a  
32 prospective customer is required to choose a supplier. When advertising or disclosing the price  
33 for electricity, the electric supplier, aggregator or agent of an electric supplier or aggregator shall  
34 disclose the electric distribution company's current charges, including the competitive transition

1 assessment and the systems benefits charge, for that customer class, and on and after January 1,  
2 2016, indicate, using at least a ten (10) point font size, in a conspicuous part of any advertisement  
3 or disclosure that includes an advertised price, the expiration of such advertised price, and any  
4 fixed or recurring charge, including, but not limited to, any minimum monthly charge.

5 **39-26.7-6. Electric supplier obligations.** – (a) No contract for electric generation  
6 services by an electric supplier shall require a residential customer to pay any fee for termination  
7 or early cancellation of a contract in excess of fifty dollars (\$50.00), or twice the estimated bill  
8 for energy services for an average month, whichever is less, provided when an electric supplier  
9 offers a contract, it provides the residential customer an estimate of such customer's average  
10 monthly bill; and provided further, it shall not be considered a termination or early cancellation of  
11 a contract if a residential customer moves from one dwelling within the state and remains with the  
12 same electric supplier. If a residential customer does not have a contract for electric generation  
13 services with an electric supplier and is receiving a month-to-month variable rate from such  
14 supplier, there shall be no fee for termination or early cancellation.

15 (b) An electric supplier shall not make a material change in the terms or duration of any  
16 contract for the provision of electric generation services by an electric supplier without the  
17 express consent of the customer. Nothing in this section shall restrict an electric supplier from  
18 renewing a contract by clearly informing the customer, in writing, not less than thirty (30) days or  
19 more than sixty (60) days before the renewal date, of the renewal terms, including a summary of  
20 any new or altered terms, and of the option not to accept the renewal offer, provided no fee  
21 pursuant to this section shall be charged to a customer who terminates or cancels such renewal  
22 not later than seven (7) business days after receiving the first billing statement for the renewed  
23 contract.

24 (c) Each electric supplier shall file annually with the division a list of any aggregator or  
25 agent working on behalf of such supplier.

26 (d) Each electric supplier shall develop and implement standards and qualifications for  
27 employees and third-party agents who are engaged in the sale or solicitation of electric generation  
28 services by such supplier.

29 (e) Each electric supplier, aggregator or agent of an electric supplier or aggregator shall  
30 comply with the provisions of the telemarketing regulations adopted pursuant to 15 U.S.C. 6102.

31 (f) Any violation of this section shall be deemed an unfair or deceptive trade practice.  
32 Any contract for electric generation services that the division finds to be the product of unfair or  
33 deceptive marketing practices or in material violation of the provisions of this section shall be  
34 void and unenforceable. Any waiver of the provisions of this section by a customer of electric



1 generation services shall be deemed void and unenforceable by the electric supplier.

2 (g) Any violation or failure to comply with any provision of this section shall be subject  
3 to civil penalties by the division, the suspension or revocation of an electric supplier or  
4 aggregator's license, or a prohibition on accepting new customers following a hearing.

5 (h) The division may adopt regulations to include, but not be limited to, abusive  
6 switching practices, solicitations and renewals by electric suppliers, provided the division shall  
7 alter or repeal any relevant regulations in conjunction with the development and implementation  
8 of the standards and practices described in this section.

9 (i) On or before July 1, 2016, the division shall initiate a contested proceeding to develop  
10 and implement, or cause to be implemented, standards relating to abusive switching practices,  
11 solicitations and renewals by electric suppliers, the hiring and training of sales representatives,  
12 door-to-door sales and telemarketing practices by electric suppliers. Such docket shall examine a  
13 disclosure statement for all electric suppliers to use on all promotional materials directed to  
14 residential customers that will direct consumers where they can find the highest and lowest  
15 electric generation service rate charged by such supplier as part of a variable rate offer in each of  
16 the preceding twelve (12) months to any customer eligible for standard service. The division shall  
17 issue a final decision on such docket not later than six (6) months after its initiation.

18 (j) The division may initiate a docket to review the feasibility, costs and benefits of  
19 placing on standard service all customers of all electric suppliers who are hardship cases.

20 **39-26.7-7. Additional duties of division.** – (a)(1) On or before October 1, 2015, the  
21 division shall redesign the rate board Internet website to better enable customers to compare  
22 pricing policies and charges among electric suppliers. Such redesign shall reflect the best  
23 practices of similar rate board Internet websites in other states and the development of a process  
24 to remove an electric supplier's price listings from such Internet website based on protocols  
25 established by the division to ensure compliance with this chapter and to address customer  
26 complaints, and emphasize uniformity in how electric suppliers provide information for each  
27 category on the rate board Internet website, ease of use by customers, and ease of selecting and  
28 purchasing a specific contract from an electric supplier shown on the rate board Internet website.

29 (2) On or before July 1, 2017, and every two (2) years thereafter, the division shall  
30 review the rate board Internet website and to make any improvements to ensure such Internet  
31 website remains a progressive tool for customers to compare pricing policies and charges among  
32 electric suppliers.

33 (b) The division shall monitor the market for electric generation services and electric  
34 distribution services to end use customers and take actions to prevent unfair or deceptive trade

1 practices, anticompetitive or discriminatory conduct, and the unlawful exercise of market power.  
2 (c) Upon complaint or upon its own motion, for cause shown, the division shall conduct  
3 an investigation of any possible anticompetitive or discriminatory conduct affecting the retail sale  
4 of electricity or any unfair or deceptive trade practices. Such investigations may include, but are  
5 not limited to, the effect of mergers, consolidations, acquisition and disposition of assets or  
6 securities of electric suppliers, or transmission congestion on the proper functioning of a fully  
7 competitive market, or targeting, with an artificially elevated electric generation services rate, a  
8 customer eligible for standard service who is a hardship case. Having monies due and owing  
9 deducted from such customer's bill by the electric distribution company or receiving other  
10 financial assistance from an electric distribution company, or otherwise protected by law from  
11 shut off of electricity services.

12 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- ELECTRIC SUPPLIER  
CONSUMER BILL OF RIGHTS

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1           This act would impose a series of regulatory requirements upon the electrical generation  
2 and distribution industry for the protection of consumers. This act includes a variety of consumer  
3 information which would have to be given to consumers. The act would also set forth procedures  
4 for sale and solicitation of electric generation services by an electric supplier.

5           This act would take effect upon passage.

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