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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- NONREGULATED POWER
PRODUCER CONSUMER BILL OF RIGHTS

Introduced By: Senators Seveney, Coyne, DiPalma, Euer, and Sosnowski

Date Introduced: January 21, 2020

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 39-26.7-5 of the General Laws in Chapter 39-26.7 entitled
2 "Nonregulated Power Producer Consumer Bill of Rights" is hereby amended to read as follows:

3 **39-26.7-5. Certain customer rights.**

4 (a) An electric-distribution company shall transfer a residential customer to the standard-
5 offer service rate not later than the next billing cycle after receipt of a request from a residential
6 customer eligible for standard-offer service.

7 (b) The electric-distribution company shall not be liable for any contract termination fees
8 that may be assessed by the nonregulated power producer.

9 (c) An electric-distribution company shall transfer a residential customer to the electric-
10 generation-service rate of a nonregulated power producer not later than the next billing cycle after
11 the electric-distribution company receives from the nonregulated power producer a successful
12 enrollment of such residential customer, unless the notification is not received by the electric-
13 distribution company in accordance with its commission-approved terms and conditions on file
14 with the division and commission.

15 (d) Notwithstanding any other provision of the general laws, nothing shall prohibit a
16 residential customer who moves from one dwelling to another dwelling within the state from
17 immediately receiving electric-generation service from a nonregulated power producer, provided
18 the customer was receiving service from a nonregulated power producer immediately prior to

1 such move.

2 (e) The electric-distribution company shall include in its terms and conditions, subject to
3 review and approval by the commission, conditions for release of customer information to a
4 nonregulated power producer.

5 (f) Customers shall be entitled to any available, individual information about their loads
6 or usage at no cost.

7 (g) On or before January 1, 2017, the division shall initiate a rulemaking proceeding to
8 develop a standard summary form of the material terms and conditions of the contract for
9 electric-generation services signed by a residential customer. Such form shall include, but not be
10 limited to, the following:

11 (1) A description of the rate the customer will be paying;

12 (2) Whether such rate is a fixed or variable rate;

13 (3) The term and expiration date of such rate;

14 (4) Whether the contract will automatically renew;

15 (5) A notice describing the customer's right to cancel the service, including the right to
16 schedule the cancellation of service on a date certain at any time during the contract period, as
17 provided in this section;

18 (6) Information on air emissions and resource mix of generation facilities operated by and
19 under long-term contract to the nonregulated power producer;

20 (7) The trade name of the nonregulated power producer;

21 (8) The toll-free telephone number for customer service of the nonregulated power
22 producer;

23 (9) The internet website of the nonregulated power producer;

24 (10) The toll-free telephone number for customer complaints of the division; and

25 (11) Any other information required by the division. Upon the division's filing of
26 regulations pursuant to this section, the commission shall initiate a rulemaking proceeding to
27 repeal any rules that overlap with the regulations filed by the division.

28 (h) On and after January 1, 2017, each nonregulated power producer shall, prior to
29 initiation of electric-generation services, provide the potential residential customer with a
30 completed summary form developed pursuant to this section. Each nonregulated power producer
31 shall, prior to the initiation of electric-generation services, provide the potential commercial or
32 industrial customer with a written notice describing the rates; information that complies with §
33 39-26-9 and the commission's rules governing energy source disclosure, which may be amended
34 from time to time; terms and conditions of the service; and a notice describing the customer's

1 right to cancel the service; as provided in this section.

2 (i) No nonregulated power producer shall provide electric-generation services unless the
3 customer has signed a service contract or consents to such services by one of the following:

4 (1) An independent, third-party telephone verification;

5 (2) Receipt of a written confirmation, received in the United States mail from the
6 customer, after the customer has received an information package confirming any telephone
7 agreement;

8 (3) The customer signs a contract that conforms with the provisions of this section; or

9 (4) The customer's consent is obtained through electronic means, including, but not
10 limited to, a computer transaction.

11 (j) Each nonregulated power producer shall provide each customer with a written
12 contract, which contract may be provided in an electronic format, that conforms with the
13 provisions of this section and maintain records of the signed service contract or consent to service
14 for a period of not less than two (2) years from the date of expiration of the contract, which
15 records shall be provided to the division or the customer upon request.

16 (k) Each contract for electric-generation services shall contain:

17 (1) All material terms of the agreement;

18 (2) A clear and conspicuous statement explaining the rates that the customer will be
19 paying, including the circumstances under which the rates may change;

20 (3) A statement that provides specific directions to the customer as to how to compare the
21 price terms in the contract to the customer's existing electric-generation-service charge on the
22 electric bill and how long those rates are guaranteed;

23 (4) The contract shall also include a clear and conspicuous statement providing the
24 customer's right to cancel such contract not later than three (3) days after signature or receipt in
25 accordance with the provisions of this subsection, describing under what circumstances, if any,
26 the supplier may terminate the contract and describing any penalty for early termination of the
27 contract;

28 (5) The methods by which a customer may cancel service through the nonregulated
29 power producer which shall include electronic termination of an existing consumer's service
30 agreement prior to the consumer's next bill read date so long as the request to disenroll has been
31 made at least seven (7) calendar days in advance of the next bill read date. The electronic
32 termination shall be provided in a clear and conspicuous location on the nonregulated power
33 producer's internet website, and a method by which a customer without internet access may
34 cancel service; and

1 (6) Any other information required by the division.

2 (l) Between thirty (30) and sixty (60) days, inclusive, prior to the expiration of a contract
3 for a residential customer, a nonregulated power producer shall provide a written notice to the
4 customer of the contract expiration date. The residential customer shall select the method of
5 written notice at the time the contract is signed or verified through third-party verification, as
6 described in this section, in a manner approved by the division. The customer shall have the
7 option to change the method of notification at any time during the contract.

8 (m) On and after August 1, 2019, no nonregulated power producer shall automatically
9 renew or cause to be automatically renewed a contract with a residential customer; provided,
10 however, that a new contract with a residential customer shall be required if the terms for electric-
11 generation services change from variable to fixed rates, fixed to variable rates, or to a different
12 fixed rate. Any residential customer with a contract prior to August 1, 2019, that is scheduled to
13 automatically renew any time after August 1, 2019, shall be notified by the nonregulated power
14 producer in writing no less than thirty (30) days prior to the automatic renewal, and any
15 residential customer on a variable rate without a new contract since August 1, 2019, shall be
16 notified by the nonregulated power producer no less than once annually, of: (1) The rate a
17 customer will pay under a renewed fixed rate agreement, or the current variable rate in the event
18 the customer will pay a variable rate; and (2) The current default rate available; and (3) Clear
19 instructions of the steps the residential customer must follow to return to the default rate. This
20 subsection shall not apply to, or otherwise affect, any government body that aggregates the load
21 of residential retail customers as part of an aggregation plan pursuant to § 39-3-1.2.

22 (n) No nonregulated power producer shall charge an electric-generation-service rate to a
23 residential customer that is twenty-five percent (25%) more than the original contract price, or the
24 last rate notification provided by the nonregulated power producer, without disclosing the rate
25 change described in this section fifteen (15) days before it takes effect. The disclosure shall be in
26 writing and shall conform to any rules that may be promulgated by the division.

27 (o) No third-party agent may sell electric-generation services on behalf of a nonregulated
28 power producer unless the third-party agent is an employee or independent contractor of the
29 nonregulated power producer and the third-party agent has received appropriate training directly
30 from the nonregulated power producer.

31 (p) All sales and solicitations of electric-generation services by a nonregulated power
32 producer, aggregator, or agent of a nonregulated power producer or aggregator to a customer
33 conducted and consummated entirely by United States mail; door-to-door sale; telephone or other
34 electronic means; during a scheduled appointment at the premises of a customer; or at a fair, trade

1 or business show, convention, or exposition in addition to complying with the provisions of this
2 section, shall comply with all state and local laws and regulations.

3 (q) Any representative of a nonregulated power producer, aggregator, or agent of a
4 nonregulated power producer or aggregator shall prominently display or wear a photo
5 identification badge stating the name of the person's employer or the nonregulated power
6 producer the person represents and shall not wear apparel, carry equipment, or distribute
7 materials that includes the logo or emblem of an electric-distribution company or contains any
8 language suggesting a relationship that does not exist with an electric-distribution company,
9 government agency, or other supplier.

10 (r) No nonregulated power producer, aggregator, or agent of a nonregulated power
11 producer or aggregator shall advertise or disclose the price of electricity to mislead a reasonable
12 person into believing that the electric-generation services portion of the bill will be the total bill
13 amount for the delivery of electricity to the customer's location, or make any statement, oral or
14 written, suggesting a prospective customer is required to choose a supplier. When advertising or
15 disclosing the price for electricity, the nonregulated power producer, aggregator, or agent of a
16 nonregulated power producer shall, on and after January 1, 2017, indicate, using at least a ten-
17 point (10) font size, in a conspicuous part of any advertisement or disclosure that includes an
18 advertised price, the expiration of such advertised price, and any fixed or recurring charge,
19 including, but not limited to, any minimum monthly charge.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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1 This act would exclude municipal and government bodies that aggregate electrical loads
2 for residential retail customers from the requirement that a new contract is required when there is
3 a change of terms for electric-generation services.

4 This act would take effect upon passage.

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