



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

REMEDIAL PLAN BETWEEN DEPARTMENT OF PUBLIC UTILITIES DELEGATED COMMISSIONER AND CLEANCHOICE ENERGY, INC.

I. INTRODUCTION

Pursuant to the Department of Public Utilities' ("Department") Interim Guidelines for Competitive Supply Investigation and Proceedings, the Department and CleanChoice Energy, Inc. ("Company") agree to the following Informal Remedial Plan ("Plan"). Order Establishing Final Interim Guidelines for Competitive Supply Investigations and Proceedings, D.P.U. 16-156-A (2017), Attachment A, Section 3(5). This Plan results from an informal review that the Delegated Commissioner initiated on July 9, 2020, to investigate a consumer complaint filed with the Department's Consumer Division on January 26, 2020. The Plan provisions set forth below establish requirements for the Company, which are intended to resolve issues raised by the January 26, 2020 consumer complaint.

II. DEFINITIONS

Automatic Renewal Provisions refers to provisions within Fixed-Price Contracts that allow the Company to automatically renew the contract at the end of the specified term to a new fixed-price or monthly-price product.

Company refers to CleanChoice Energy, Inc.

Current Impacted Customers refer to Impacted Customers that were on Company service as of the date of this Plan.

Department refers to the Massachusetts Department of Public Utilities.

Fixed-Price Contracts refer to contracts that call for a customer to receive a renewable energy-only supply product for which the price is fixed per kilowatt-hour over a specified term.

Former Impacted Customers refer to Impacted Customers that were no longer on Company service as of the date of this Plan.

Impacted Customers refer to customers who either enrolled with the Company or changed their plan with the Company in response to Mailing 1 (see definition below).

Mailing 1 refers to the direct mail marketing material that was the subject of the January 26, 2020 complaint filed with the Department's Consumer Division.

Plan refers to refers to this Informal Remedial Plan.

Refund Notice Letter refers to the letter that the Company shall send to each Impacted Customer to inform them of the Informal Remedial Plan.

Refund refers to the compensation that shall be provided to Impacted Customers pursuant to this Informal Remedial Plan.

III. DIRECT MAIL MARKETING MATERIAL

1. For each Impacted Customer, the Company shall calculate:
 - a. a monthly compensation for each monthly billing cycle that the customer was served by the Company in response to Mailing 1, through the customer's billing cycle that ends immediately prior to the period in which the new rate addressed in (4), below, is utilized, but no later than March 15, 2021. The Company shall calculate the monthly compensation as the product of (i) the difference between the price paid by the customer during the month and the prevailing six-month basic service price for that month and (ii) the customer's usage for the month; and
 - b. the sum of the monthly compensations.
2. For each Impacted Customer for whom the sum of the monthly compensations is equal to or greater than \$5.00, the Company shall issue a Refund check to the customer, in the amount of the sum of the monthly compensations. The Company shall include the Refund check in the Refund Notice Letter sent to the customer.
3. For each Impacted Customer for whom the sum of the monthly compensations is greater than \$0.00 but less than \$5.00, the Company shall provide a Refund check to the customer upon request, but shall not include a Refund check in the Refund Notice Letter sent to the customer.
4. The Company will update Current Impacted Customers to the Company's lowest twelve-month fixed price rate that is publicly available to customers in the applicable electric distribution company service territory. The Company shall submit this rate change to the applicable electricity distribution utility as soon as practicable but no later than January 15, 2021.
5. The Company shall send to Impacted Customers one of the following versions of the Refund Notice Letter:

- a. Version #1 shall be the Refund Notice Letter that the Company will send to Current Impacted Customers for whom the sum of the monthly compensations is equal to or greater than \$5.00. A Refund check will be included with this letter;
- b. Version #2 shall be the Refund Notice Letter that the Company will send to Current Impacted Customers for whom the sum of the monthly compensations is greater than \$0.00 but less than \$5.00;
- c. Version #3 shall be the Refund Notice Letter that the Company will send to Current Impacted Customers for whom the sum of the monthly compensations is \$0.00 or less
- d. Version #4 shall be the Refund Notice Letter that the Company will send to Former Impacted Customers for whom the sum of the monthly compensations is equal to or greater than \$5.00. A Refund check will be included with this letter;
- e. Version #5 shall be the Refund Notice Letter that the Company will send to Former Impacted Customers for whom the sum of the monthly compensations is greater than \$0.00 but less than \$5.00;
- f. Version #6 shall be the Notice Letter that the Company will send to Former Impacted Customers for whom the sum of the monthly compensations is \$0.00 or less.

These Notice Letters are included in Attachment A to the Plan.

6. The Company shall make a donation to one or more Company-designated Massachusetts-based non-profit entities equal to the amount of aggregated Refunds that are less than \$5.00 and were not requested by customers within approximately ninety (90) days of receipt of the Notice Letter.
 - a. The Company shall propose to the Department which non-profit entities they intend to designate, and provide the reasoning for their selection.
 - b. The Department reserves the right to direct the Company to designate new non-profit entities.
7. Within one (1) month of the Company sending a Refund Notice Letter to all Impacted Customers, the Company shall report the following to the Department:
 - a. the number of Version #1 and #4 Refund Notice Letters sent, and the sum of the Refund checks included in those letters;

- b. The number of Version #2 and #5 Notice Letters sent, and the sum of potential refund amounts associated with those letters; and
- c. the number of Version #3 and #6 Refund Notice Letters sent.

The Company shall report this information in the format shown in Table 1, included as Attachment B to the Plan.

- 8. Approximately six (6) months after the Company has sent Refund Notice Letters to all Impacted Customers, the Company shall report the following to the Department:
 - a. the number of Refund checks that were deposited by Impacted Customers that received either Version #1 or #4 of the Refund Notice Letter, and the sum of the dollar amount of the deposited checks;
 - b. the number of Refund checks that were not deposited by Impacted Customers that received either Version #1 or #4 of the Refund Notice Letter, and the sum of the dollar amount of the undeposited checks;
 - c. the number of Impacted Customers that received either Version #2 or #5 of the Refund Notice Letter that requested a Refund check, and the sum of the checks sent to these customers;
 - d. the number of Current Impacted Customers that remain on Company service and (i) are on the Company's lowest twelve-month fixed price rate that was publicly available to customers in the applicable electric distribution company service territory when the Notice Letters were sent, or (ii) requested to be moved to a different plan subsequent to the change made pursuant to the Plan; and
 - e. the number of Current Impacted Customers that contacted the Company in response to the Notice Letter to cancel their service with the Company.

The Company shall report this information in the format shown in Table 2, included as Attachment B to the Plan.

IV. CONTRACT AUTOMATIC RENEWAL

1. As of the date of this Plan, and until such time that the Department issues an order in its D.P.U. 19-07 proceeding¹ that establishes automatic renewal product limitations,² the Company shall: renew Fixed-Price Contracts that include an Automatic Renewal Provision only to a new fixed-price product with no early termination fee, consistent with its current practice.
2. At such time that the Department issues an order in its D.P.U. 19-07 proceeding that establishes automatic renewal product limitations, and to the extent that such limitations are applicable to competitive suppliers generally and are voluntary, the Company shall, for a period of one (1) year following issuance of the order, either:
 - a. comply with the automatic renewal product limitations set forth in the order;
or
 - b. renew Fixed-Price Contracts that include an Automatic Renewal Provision to a twelve-month fixed-price product, the price of which shall be no greater than (i) the customer's then-current price, or (ii) 120 percent of the Company's lowest twelve-month fixed price that is publicly available to customers in the applicable electric distribution company service territory at the time of renewal.

The Company shall notify the Department of its selected option within sixty (60) days following the issuance of an Order.

V. MONTHLY PRICE PRODUCTS

1. As of the date of this Plan, for a period of one (1) year, for customers whose product price may change monthly, the Company shall not increase the price from one monthly billing period to the next by more than 20 percent.
2. Within sixty (60) days of the effective date of this Plan, the Company shall send a notice to inform customers whose product price may change monthly that they are eligible to switch their service to a twelve-month fixed price product and that they should contact the Company if they wish to do so. The price offered to customers in this notice shall be no greater than 120 percent of the Company's lowest twelve-month fixed price product that is then publicly available to customers in the applicable electric distribution company service territory.

¹ 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 (2019).

² See D.P.U. 19-07-A at 74.

- a. Within one (1) month of the Company sending the above notices, the Company shall report on the number of notices sent pursuant to this section.
- b. Approximately six (6) months after the Company has sent the above notices, the Company shall report on the number of customers who switched to a twelve-month fixed price.

Department of Public Utilities

Cecile M. Fraser

Date: 1/15/2021

Cecile M. Fraser
Delegated Commissioner

CleanChoice Energy, Inc.

Thomas C. Matzzie

Date: 1/14/2021

Thomas C. Matzzie
Chief Executive Officer

Version #1: Current Customer, Refund

Dear [First Name],

Thank you for purchasing 100% clean, pollution-free electricity from CleanChoice Energy. Recently, CleanChoice and the Delegated Commissioner of the Massachusetts Department of Public Utilities (“Department”) agreed to an Informal Remedial Plan to resolve issues related to CleanChoice’s marketing. When you enrolled with us, our marketing materials used 2017 data from the regional electricity transmission organization in New England (called ISO New England) to show that the default electricity supply in the region included only 4% renewable energy. However, the Commonwealth required that all electric supply products include a minimum of 27% renewable energy resources in 2020. CleanChoice’s marketing materials should have reflected this fact - we apologize for any confusion this may have caused.

While your purchase of a 100% renewable energy product does not guarantee that the electricity that flows into your home will be comprised entirely of renewable energy, it does guarantee that an amount of electricity equal to your usage will be produced by wind and solar resources. As such, your decision to purchase 100% clean, pollution-free energy from CleanChoice provides a positive impact on the environment compared to basic service.

The Informal Remedial Plan requires CleanChoice to provide a refund to customers who paid more for our service than they would have paid for utility basic service and to update the price of your renewable supply service. Therefore, we’ve enclosed a check for \$XXX.XX below, the difference between what you have paid CleanChoice Energy for your supply, and what you would have paid the utility. We also updated your service to a special low fixed rate of [XX cents / kWh] for the next 12 months. No additional action is required and your service will continue without interruption.

As a reminder, we have no early cancellation fees - you can call us at any time to cancel service at no cost. If you have questions, please don’t hesitate to contact our customer care representatives at 1-800-XXX-XXXX, Monday - Friday, 9:00 a.m. - 8:00 p.m. ET and Saturdays, 11 a.m. - 4 p.m. ET.

Thank you for all you do to help create a better world for future generations - we are proud to be your renewable energy supplier.

Sincerely,

Your CleanChoice Energy Team

P.S. The Department 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. You can visit the website at <https://energyswitchma.gov>.

[CHECK]

Version #2 – Current Customer, option to request refund (<\$5)

Dear [First Name],

Thank you for purchasing 100% clean, pollution-free electricity from CleanChoice Energy. Recently, CleanChoice and the Delegated Commissioner of the Massachusetts Department of Public Utilities (“Department”) agreed to an Informal Remedial Plan to resolve issues related to CleanChoice’s marketing. When you enrolled with us, our marketing materials used 2017 data from the regional electricity transmission organization in New England (called ISO New England) to show that the default electricity supply in the region included only 4% renewable energy. However, the Commonwealth required that all electric supply products include a minimum of 27% renewable energy resources in 2020. CleanChoice’s marketing materials should have reflected this fact - we apologize for any confusion this may have caused.

While your purchase of a 100% renewable energy product does not guarantee that the electricity that flows into your home will be comprised entirely of renewable energy, it does guarantee that an amount of electricity equal to your usage will be produced by wind and solar resources. As such, your decision to purchase 100% clean, pollution-free energy from CleanChoice provides a positive impact on the environment compared to basic service.

The Informal Remedial Plan requires CleanChoice to provide a refund to customers who paid more for our service than they would have paid for utility basic service and to update the price of your renewable supply service. Our records indicate that you are owed a refund of less than \$5.00. **If you would like to receive your refund by check, please contact our customer care representatives** at <phonenum>, Monday - Friday, 9:00 a.m. - 8:00 p.m. ET and Saturdays, 11 a.m. - 4 p.m. ET. **If you do not request to receive this refund by [approximately 90 days from Notice Letter date], it will be donated to one or more Massachusetts-based non-profit organizations.**

We have also updated your service to a special low fixed rate of [XX cents / kWh] for the next 12 months. No additional action is required and your service will continue without interruption.

As a reminder, we have no early cancellation fees - you can call us at any time to cancel service at no cost. Thank you for all you do to help create a better world for future generations - we are proud to be your renewable energy supplier.

Sincerely,

Your CleanChoice Energy Team

P.S. The Department 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. You can visit the website at <https://energyswitchma.gov>.

Version #3: Current Customer, No Refund (paid less)

Dear [First Name],

Thank you for purchasing 100% clean, pollution-free electricity from CleanChoice Energy. Recently, CleanChoice and the Delegated Commissioner of the Massachusetts Department of Public Utilities ("Department") agreed to an Informal Remedial Plan to resolve issues related to CleanChoice's marketing. When you enrolled with us, our marketing materials used 2017 data from the regional electricity transmission organization in New England (called ISO New England) to show that the default electricity supply in the region included only 4% renewable energy. However, the Commonwealth required that all electric supply products include a minimum of 27% renewable energy resources in 2020. CleanChoice's marketing materials should have reflected this fact - we apologize for any confusion this may have caused.

While your purchase of a 100% renewable energy product does not guarantee that the electricity that flows into your home will be comprised entirely of renewable energy, it does guarantee that an amount of electricity equal to your usage will be produced by wind and solar resources. As such, your decision to purchase 100% clean, pollution-free energy from CleanChoice provides a positive impact on the environment compared to basic service.

The Informal Remedial Plan requires CleanChoice to provide a refund to customers who paid more for our service than they would have paid for utility basic service and to update the price of your renewable supply service. Our records indicate that you are not owed a refund, but we've updated your service to a special low fixed rate of [XX cents / kWh] for the next 12 months. No additional action is required and your service will continue without interruption.

As a reminder, we have no early cancellation fees - you can call us at any time to cancel service at no cost. If you have questions, please don't hesitate to contact our customer care representatives at 1-800-XXX-XXXX, Monday - Friday, 9:00 a.m. - 8:00 p.m. ET and Saturdays, 11 a.m. - 4 p.m. ET.

Thank you for all you do to help create a better world for future generations - we are proud to be your renewable energy supplier.

Sincerely,

Your CleanChoice Energy Team

P.S. The Department 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. You can visit the website at <https://energyswitchma.gov>.

Version #4 - Former Customer, Refund

Dear <FirstName>,

Thank you for purchasing 100% clean, pollution-free electricity from CleanChoice Energy. Recently, CleanChoice and the Delegated Commissioner of the Massachusetts Department of Public Utilities ("Department") agreed to an Informal Remedial Plan to resolve issues related to CleanChoice's marketing. When you enrolled with us, our marketing materials used 2017 data from the regional electricity transmission organization in New England (called ISO New England) to show that the default electricity supply in the region included only 4% renewable energy. However, the Commonwealth required that all electric supply products include a minimum of 27% renewable energy resources in 2020. CleanChoice's marketing materials should have reflected this fact - we apologize for any confusion this may have caused.

While your purchase of a 100% renewable energy product does not guarantee that the electricity that flows into your home will be comprised entirely of renewable energy, it does guarantee that an amount of electricity equal to your usage will be produced by wind and solar resources. As such, your decision to purchase 100% clean, pollution-free energy from CleanChoice provides a positive impact on the environment compared to basic service.

The Informal Remedial Plan requires CleanChoice to provide a refund to customers who paid more for our service than they would have paid for utility basic service and to offer special pricing for our renewable supply service. Therefore, we've enclosed a check for \$XXX.XX below, the difference between what you have paid CleanChoice Energy for your supply, and what you would have paid the utility.

If you want to switch back to 100% clean, pollution-free energy with CleanChoice, we are offering you a special fixed rate of [XX cents / kWh] for the next 12 months.

You can go online at <landingpage> or <phonenumber> to make your choice. <Utility> will still maintain your lines, deliver your electricity and provide your bill. By switching back to CleanChoice Energy, you'll help people live healthier lives through cleaner air.

If you have questions, please don't hesitate to contact our customer care representatives at <phonenumber>, Monday - Friday, 9:00 a.m. - 8:00 p.m. ET and Saturdays, 11 a.m. - 4 p.m. ET.

Sincerely,
CleanChoice Energy Team

P.S. The Department 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. You can visit the website at <https://energyswitchma.gov>.

[CHECK]

Version #5 – Former Customer, option to request refund (<\$5)

Dear <FirstName>,

Thank you for purchasing 100% clean, pollution-free electricity from CleanChoice Energy. Recently, CleanChoice and the Delegated Commissioner of the Massachusetts Department of Public Utilities ("Department") agreed to an Informal Remedial Plan to resolve issues related to CleanChoice's marketing. When you enrolled with us, our marketing materials used 2017 data from the regional electricity transmission organization in New England (called ISO New England) to show that the default electricity supply in the region included only 4% renewable energy. However, the Commonwealth required that all electric supply products include a minimum of 27% renewable energy resources in 2020. CleanChoice's marketing materials should have reflected this fact - we apologize for any confusion this may have caused.

While your purchase of a 100% renewable energy product does not guarantee that the electricity that flows into your home will be comprised entirely of renewable energy, it does guarantee that an amount of electricity equal to your usage will be produced by wind and solar resources. As such, your decision to purchase 100% clean, pollution-free energy from CleanChoice provides a positive impact on the environment compared to basic service.

The Informal Remedial Plan requires CleanChoice to provide a refund to customers who paid more for our service than they would have paid for utility basic service and to offer special pricing for our renewable supply service. Our records indicate that you are owed a refund of less than \$5.00. **If you would like to receive your refund by check, please contact our customer care representatives at <phonenumber>, Monday - Friday, 9:00 a.m. - 8:00 p.m. ET and Saturdays, 11 a.m. - 4 p.m. ET. If you do not request to receive this refund by [approximately 90 days from Notice Letter date], it will be donated to one of more Massachusetts-based non-profit organizations.**

If you want to switch back to 100% clean, pollution-free energy with CleanChoice, we are offering you a special fixed rate of [XX cents / kWh] for the next 12 months.

You can go online at <landingpage> or <phonenumber> to make your choice. <Utility> will still maintain your lines, deliver your electricity and provide your bill. By switching back to CleanChoice Energy, you'll help people live healthier lives through cleaner air.

Sincerely,
CleanChoice Energy Team

P.S. The Department 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. You can visit the website at <https://energyswitchma.gov>.

Version #6 - Former Customer, No Refund (paid less)

Dear <FirstName>,

Thank you for purchasing 100% clean, pollution-free electricity from CleanChoice Energy. Recently, CleanChoice and the Delegated Commissioner of the Massachusetts Department of Public Utilities ("Department") agreed to an Informal Remedial Plan to resolve issues related to CleanChoice's marketing. When you enrolled with us, our marketing materials used 2017 data from the regional electricity transmission organization in New England (called ISO New England) to show that the default electricity supply in the region included only 4% renewable energy. However, the Commonwealth required that all electric supply products include a minimum of 27% renewable energy resources in 2020. CleanChoice's marketing materials should have reflected this fact - we apologize for any confusion this may have caused.

While your purchase of a 100% renewable energy product does not guarantee that the electricity that flows into your home will be comprised entirely of renewable energy, it does guarantee that an amount of electricity equal to your usage will be produced by wind and solar resources. As such, your decision to purchase 100% clean, pollution-free energy from CleanChoice provides a positive impact on the environment compared to basic service.

The Informal Remedial Plan requires CleanChoice to provide a refund to customers who paid more for our service than they would have paid for utility basic service and to offer special pricing for our renewable supply service. Our records indicate that you are not owed a refund. However, if you want to switch back to 100% clean, pollution-free energy with CleanChoice, we are offering you a special fixed rate of [XX cents / kWh] for the next 12 months.

It's simple:

1. Return the form below by <OfferEndDate> to activate your 12-month fixed rate from CleanChoice Energy.
2. Get 100% clean, pollution-free energy.

You can go online at <landingpage> or <phonenumber> to make your choice. <Utility> will still maintain your lines, deliver your electricity and provide your bill. By switching back to CleanChoice Energy, you'll help people live healthier lives through cleaner air.

If you have questions, please don't hesitate to contact our customer care representatives at 1-800-XXX-XXXX, Monday - Friday, 9:00 a.m. - 8:00 p.m. ET and Saturdays, 11 a.m. - 4 p.m. ET.

Sincerely,

Your CleanChoice Energy Team

P.S. The Department 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. You can visit the website at <https://energyswitchma.gov>.