



VIA ELECTRONIC SERVICE

December 1, 2021

Luly E. Massaro, Commission Clerk
State of Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, Rhode Island 02888

Re: Docket 5073 – Petition of Retail Energy Supply Association for Implementation of Purchase of Receivables Program

Dear Ms. Massaro:

Direct Energy Services, LLC, Direct Energy Business, LLC and Direct Energy Business Marketing, LLC (collectively “Direct Energy”¹) respectfully submits this letter in lieu of written comments regarding the above-referenced docket.

As previously stated, a Purchase of Receivables (“POR”) program is a major contributory factor in supporting retail market development. Moreover, the POR billing mechanism enables Non-regulated Power Producers (“NPPs”) to more cost-effectively serve customers, especially the residential and small commercial market segments, by fundamentally reducing the risk of non-payment. Specifically, NPPs will be able to avoid costly credit screening and selective enrollment processes as well as eliminating the need for customers to post security deposits. As a result, the implementation of a well-designed POR program will provide Rhode Island electricity consumers with greater access to innovative pricing products and related energy services offered in the competitive retail market.

Direct Energy finds the Narragansett Electric Company d/b/a National Grid (“National Grid”) updated Attachment E to the Billing Services Agreement dated October 8, 2021, to be consistent with the Settlement Term Sheet between the Retail Energy Supply Association (“RESA”) and National Grid filed on June 2, 2021. In addition, National Grid’s response to PUC 2-1 regarding the Commission’s Second Set of Data Requests² issued at the Commission’s Technical Session on November 18, 2021, describes the requirements by which NPPs are

¹ On January 5, 2021, the NRG Energy, Inc. acquired Direct Energy Business, LLC, Direct Energy Business Marketing, LLC and Direct Energy Services, LLC. NRG’s retail brands collectively maintained one of the largest combined competitive retail energy portfolios in the U.S. with 152,000 GWh of electricity and 914 MMDth of natural gas sold in 2020 and approximately six million customers served.

² Docket 5073 – RESA Petition for Implementation of POR Terms and Conditions for Municipal Aggregators and Nonregulated Power Producers Response to PUC Data Requests – Set 2 dated November 29, 2021.

eligible to have their existing accounts receivables purchased by National Grid. The proposed threshold requirements are as follows:

1. The NPP previously went through National Grid's current onboarding process, is an active supplier serving National Grid customers in the period leading up to its enrollment in POR, and has not alerted National Grid that it is leaving the market.
2. The NPP is not a EDC GreenUp supplier.
3. The NPP completes the additional documentation required ahead of the switch from pay as-you-get-paid to POR:
 - a. signed Billing Services Agreement with Data Security Agreement;
 - b. lien search;
 - c. Certificate of Good Standing and/or Tax Compliance;
 - d. Sales and Use Tax Registration Certificate - Though there is currently no sales tax on utility service, the Company is reviewing whether this should be collected in case this changes in the future.

Direct Energy supports these eligibility requirements as being entirely reasonable and consistent with similar requirements in other state jurisdictions.

In its response to PUC 2-2³, National Grid delineates a proposed timetable pertaining to the implementation of Purchase of Receivables Program in Rhode Island. Assuming the timely approval of the Terms and Conditions and related templates for the Billing Services Agreement with attachments including the Data Security Agreement by the Public Utilities Commission ("Commission"), Direct Energy believes the proposed timing schedule is appropriate and reasonable.

For all the foregoing reasons, Direct Energy encourages the Commission to approve and timely implement the proposed Purchase of Receivables Program with the goal of furthering retail electricity competition, improving consumer access to NPPs, and the advancement of municipal aggregation programs in the State of Rhode Island.

Respectfully submitted,



Marc A. Hanks
Senior Manager, Regulatory Affairs

cc: Joseph A. Farside, Jr., Esq., and Krystle G. Tadesse, Esq., counsel to Direct Energy
Service List, Dockets 5073 – Petition of Retail Energy Supply Association for
Implementation of Purchase of Receivables Program

³ Docket 5073 – RESA Petition for Implementation of POR Terms and Conditions for Municipal Aggregators and Nonregulated Power Producers Response to PUC Data Requests – Set 2 dated November 29, 2021.