



STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS
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November 28, 2023

Luly Massaro, Clerk
Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

**Re: Docket No. 23-36-EL
Town of Middletown's Petition for Approval of Community Electricity Aggregation
Plan, Pursuant to R.I. Gen. Laws §38-3-1.2**

Dear Ms. Massaro,

The Division of Public Utilities and Carriers ("Division") writes to provide the Public Utilities Commission ("Commission") with its recommendation regarding the Petition of the Town of Middletown ("Middletown" or "Petitioner") for approval of the Town's Community Electricity Aggregation Plan ("Petition") pursuant to R.I. Gen. Laws § 39-3-1.2. The Division's recommendation is the product of a review that focused principally on (i) compliance of the Town of Middletown's Community Electricity Aggregation Plan ("Plan" or "Program") with the requirements of R.I. Gen. Laws § 39-3-1.2; and (ii) recent Commission Orders in Docket Nos. 5042, 5047, 5061, 5062, 5169, 5212, 22-10-EL and 23-35-EL. The Division believes that the Plan complies with the requirements of R.I. Gen. Laws § 39-3-1.2 and recommends its approval.

The Plan appropriately authorizes aggregation, identifying the majority vote of the Middletown Town Council¹ and approval of the finalized Plan².

¹ Plan at 11. (identifies that, on March 7, 2022, the Middletown Town Council passed a resolution authorizing the initiation of an aggregation program).

² Id. (identifies that, on September 18, 2023, the Middletown Town Council voted to approve the finalized Plan).

The Plan also properly provides for its own development³, as well as the operation and governance of the aggregation program. That is, the Plan identifies the classes of customers that may participate in the aggregation Program⁴; contains a statement of universal access and equitable treatment for all applicable customers⁵; identifies the organizational structure of the Program⁶; identifies the Program's operations⁷; identifies the Program's funding and sets forth a process for establishing rates⁸; identifies the process for allocation of costs among Plan participants⁹; sets out the methods of entering and terminating agreements with other entities¹⁰; establishes the rights and responsibilities of the participants¹¹; provides the method for entering and terminating the agreements with other entities¹²; designates the method for terminating the Program¹³; and reserves for the Town the right to terminate the Plan by placing customers on Last Resort Service ("LRS").¹⁴

³ *Id.* (identifies that a notice of public hearing on the Plan was published in the Newport Daily News on September 8, 2023 and September 15, 2023 and that a public hearing to review and take comments on the Plan was held on September 18, 2023).

⁴ *Id.* at 3. (identifies that the aggregation program will be available for the residential, commercial and industrial classes of electricity consumers as defined by Municipality's electric distribution company, Rhode Island Energy ("Applicable Classes"). The residential class is comprised of the rates A-16, A-60; the commercial class is comprised of rates C-06, G-02, S-05, S-06, S-10 and S-14; and the industrial class is comprised of B-32 and G-32.

⁵ *Id.* at 3-4. (states that the plan provides universal access to consumers by guaranteeing that all customers in Applicable Classes will be included in the Program under equitable terms).

⁶ *Id.* at 4. (identifies entities that have a specific role in the development, implementation, operation, and oversight of the plan).

⁷ *Id.* at 5-8. (identifies key operational steps following approval of the Plan by the Commission including issuance of a request for proposal for power supply, selection of a competitive supplier, implementation of public education campaigns, enrollment of consumers, and provision of service).

⁸ *Id.* at 8-9. (identifies that power supply charges will be established through the competitive solicitation for a supplier and will include the aggregation fee and applicable taxes pursuant to the ESA).

⁹ *Id.* (provides that prices, terms, and conditions may differ among classes).

¹⁰ *Id.* at 9. (provides that the process for terminating agreements must comply with the Town of Middletown's municipal charter and ordinances, and federal and state law and regulations).

¹¹ *Id.* at 9-10. (establishes, among other things, the right of all participants to opt-out of the Plan without charge).

¹² *Id.* at 9. (provides the manner for the Municipality to solicit bids for a new supply agreement and plans to continue the Program with the same or new supplier).

¹³ *Id.* at 10. (identifies the manner for terminating the Program).

¹⁴ *Id.* (provides that in the event of termination, consumers return to LRS).

Lastly, the Plan appropriately describes customers' rights once the Plan is approved. More specifically, the Plan identifies that customers may elect to receive retail supply from another licensed Supplier or the electric distribution company.¹⁵ The Plan also provides that, 30 days after the aggregated entity is operational, ratepayers who have not elected an alternative supplier will be transferred to the aggregated entity, subject to an opt out provision.¹⁶ Following adoption of the Program, the Plan provides that any retail customer may opt-out and choose any supplier that the retail customer wishes.¹⁷ The Plan requires that the aggregated entity must fully inform participating ratepayers in advance of automatic enrollment that they are to be automatically enrolled and have the right to opt-out.¹⁸ The Plan provides that participating ratepayers must be informed of all changes that are to be made¹⁹, provides for full disclosure of the LRS rate²⁰, identifies how customers may access LRS²¹, and requires that the Plan must be made available to ratepayers without penalty if they were previously on LRS.²²

Pursuant to all applicable recent Commission Orders, within two years from approval of the Community Aggregation Plan, the Town of Middletown and/or Good Energy, L.P. will provide written notice to the Commission and Division of Public Utilities and Carriers that the Plan has been implemented, describing with particularity all parts of the Plan that have not been implemented.

For the reasons set-forth herein, the Division believes that the Plan complies with the requirements of R.I. Gen. Laws § 39-3-1.2 and recommends approval.

¹⁵ *Id.* at 9. (provides that Plan participants may opt-out of the Program at any time by enrolling with another competitive supplier).

¹⁶ *Id.* at 7-8. (after completion of opt-out period, competitive supplier will enroll into the Program all Applicable Consumers on LRS with Rhode Island Energy who did not opt out).

¹⁷ *Id.* at 9-10. (discussing the opt-out process).

¹⁸ *Id.* at 6-7. (describing the initial outreach, consumer notification letter, and opt-out card that will be forwarded to the consumers).

¹⁹ *Id.* (provides that the notice prominently states all program charges and price and primary terms of the Municipality's competitive supply and compare the price and terms to the current LRS).

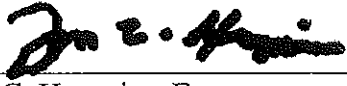
²⁰ *Id.* (provides for disclosure of the LRS rate).

²¹ *Id.* at 14-18, Attachment 2. (provides that all information relating to the Program will be posted on the Programs website and that the Program will also maintain a toll-free number to address Applicable Consumer questions).

²² *Id.* at 19-23, Attachment 3. (Sample consumer notification letter provides that there is no penalty for leaving the Program and that participants can leave the Program at any time).

Respectfully submitted,

Division of Public Utilities and Carriers

A handwritten signature in black ink, appearing to read "Jon G. Hagopian". The signature is written in a cursive style with some flourishes.

Jon G. Hagopian, Esq.
Chief of Legal Services