STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

IN RE: PETITION OF CITY OF CENTRAL FALLS	**:**	
FOR THE APPROVAL OF THE PROPOSED	**:**	
COMMUNITY ELECTRICITY AGGREGATION	**:**	**DOCKET NO. 5042**
PLAN PURSUANT TO R.I. GEN. LAWS § 39-3-1.2	**:**	

REPORT AND ORDER

I. Background

Rhode Island's electric utilities operate in a restructured electricity market which means that the electric distribution company does not own the generation which supplies the electrical energy to the power grid. Rather, the supply of electrical energy is either procured by the electric distribution company from wholesale electric suppliers for resale to its customers with no profit to the electric distribution company or can be purchased by customers directly from competitive energy suppliers.[1,2] In 2002, the Rhode Island General Assembly passed a law allowing municipalities to contract for electrical energy supply for the residents of their communities from competitive suppliers (community electricity aggregation).[3]

The law provides a procedural framework the municipality must follow and includes certain minimum consumer protections, including equitable access for all customers and advance notice of the plan, pricing, eligibility, and any affirmative action a customer may or must take. A community aggregation plan can either be designed as an opt-out program whereby residents are automatically enrolled into the aggregation if they do not affirmatively opt out by a date certain, or opt-in whereby residents must affirmatively choose to join the aggregation. A community electricity aggregation plan must also be reviewed by the Public Utilities Commission

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[1] The legal designation in Rhode Island is nonregulated power producer (R.I. Gen. Laws § 39-1-2(19)).
[2] R.I. Gen. Laws §§ 39-1-27, 39-1-27.3.
[3] R.I. Gen. Laws § 39-3-1.2 (The law was amended in 2017 to streamline the process through which a municipality may exercise that authority).

(Commission) prior to solicitation of electric energy supply by a municipality on behalf of its residents. The Commission retains limited oversight of the plan after approval, but the governmental aggregator remains subject to supervision and regulation by the Commission to the extent of the retail electric service it provides and Commission authority.[4]

II. Central Falls' Filing

On July 3, 2020, the City of Central Falls (Municipality), Good Energy L.P. (Good Energy), its municipal aggregator, filed a Petition for Approval of Community Aggregation Plan (Plan) which was attached to the Petition.[5] The Municipality also submitted written testimony of Thomas Deller, its Director of Planning and Economic Development, and Philip Carr, Good Energy's Managing Director for Energy Sales. The Petition provided that the goals of the Plan are "to bring the benefits of competitive choice of electric supplier, including longer-term price stability than provided by the electric distribution company, lower cost of electricity, and more renewable energy options, to the residents and businesses of the Municipality." Several of the pricing plans to be offered to electric customers residing in the Municipality included a voluntary renewable energy supply product intended to exceed the State minimum requirements.[6]

The Plan outlined the process followed by the Municipality prior to filing with the Commission and also outlined the implementation process to be followed after Commission approval of the Plan. R.I. Gen. Laws § 39-3-1.2 (Act) requires a municipality to follow certain procedural steps prior to filing a plan with the Commission. First, a city initiates the process through a majority vote of the council with approval of the mayor or city manager. As part of the

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[4] R.I. Gen. Laws § 39-3-1.2(f).
[5] Central Falls Filing; http://www.ripuc.ri.gov/eventsactions/docket/5042-CentralFalls-CCAggregationPlan(7-3-20).pdf. This was the first of four filings made within a two-month period. The proposals in all four matters were substantially similar and were ultimately decided on the same date. (See RIPUC Docket Nos. 5047 (Town of Barrington); 5061 (City of Providence); 5062 (Town of South Kingstown).
[6] Plan at 4-5; The State mandated minimum renewable energy supply obligation can be found at R.I. Gen. Laws § 39-26-1 to 10 (Renewable Energy Standard or RES).

Plan, the Municipality included a copy of the resolution passed by the Central Falls City Council on July 8, 2019 authorizing the initiation of a community electricity aggregation plan.[7] The next step in the process under the law is the development of a plan of operation and governance for the aggregation. For this, the Municipality, following a competitive solicitation, on March 4, 2020, chose Good Energy as its aggregation consultant to assist in the development and implementation of the community electricity aggregation plan that is now before the Commission.[8] Good Energy assisted in the drafting of an aggregation plan for review by the public. The draft plan was available commencing on April 30, 2020 and was subject to a hearing on May 11, 2020, at which the public was invited to comment. Minutes of that meeting show that presentations were made, and questions were answered by Mr. Deller and the attorney for Good Energy. The Municipality published notice of the public hearing in the Pawtucket Times on May 2, 2020 and May 9, 2020.[9] At the conclusion of the hearing, the City Council voted to approve the Plan as submitted.[10]

There are certain minimum components that a Plan must include. For example, the Act provides generally that:

> The legislative authority of a municipality may adopt an ordinance or resolution, under which it may aggregate in accordance with this section one or more classes of the retail electrical loads located, respectively, within the municipality or town and, for that purpose, may enter into service agreements to facilitate for those loads the sale and purchase of electricity….[11]

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[7] Plan at 11.
[8] Plan at 12.
[9] The Act requires two notices to be published in a newspaper of general circulation in the municipality at least one time for each of two weeks prior to the hearing. Central Falls also posted its notice on the Rhode Island Secretary of State's website in accordance with the Open Meetings Act; https://opengov.sos.ri.gov/Common/DownloadMeetingFiles?FilePath=\Notices\4043\2020\363457.pdf.
[10] Plan at 12; Minutes of Central Falls May 11, 2020 Council Meeting; https://opengov.sos.ri.gov/Common/DownloadMeetingFiles?FilePath=\Minutes\4043\2020\370926.pdf.
[11] R.I. Gen. Laws § 39-3-1.2(a)(1). This law appears to limit a municipality's authority to the aggregation of electrical load for sale by a competitive supplier, including the development of an optional energy product that a customer can choose to purchase. For example, as in this case, a municipality can authorize the development of an aggregation plan that offers an optional renewable product, but also offers a product that complies with minimum state law requirements. Regardless, the optional product must be directly related to the energy being procured and delivered to the customer. In this plan, a customer purchasing a renewable energy product in excess of the State

> No legislative authority pursuant to an ordinance or resolution under this section that provides for automatic aggregation as described in this section, shall aggregate the electrical load of any electric load center located within its jurisdiction unless it in advance clearly discloses to the person owning, occupying, controlling, or using the load center that the person will be enrolled automatically in the aggregation program and will remain so enrolled unless the person affirmatively elects by a stated procedure not to be so enrolled. The disclosure shall state prominently the rates, charges, and other terms and conditions of enrollment. The stated procedure shall allow any person enrolled in the aggregation program the opportunity, at a minimum, to opt-out of the program every two (2) years, without paying a switching fee. Any person who leaves the aggregation program pursuant to the stated procedure shall default to the last-resort service until the person chooses an alternative supplier.[12]

More specifically, the Act requires that the Plan include (1) the identification of the classes of customers that may participate; (2) the provision of universal access to all applicable customers and equitable treatment of applicable classes of customers (3) an organizational structure of the program, its operations, and its funding;[13] (4) the process for establishing rates and allocating costs among participants; (5) the methods for entering and terminating agreements with other entities; (6) the rights and responsibilities of program participants; and (7) termination of the program. The plan is also required to set forth the terms and conditions under which retail electric customers who have chosen to opt out of the aggregation may later opt into the aggregation.[14] Under no circumstance may an aggregation plan deny a customer the right to take retail energy supply from

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minimum is paying to purchase renewable energy certificates to match a certain percentage of their usage. The customer will be able to see those purchases through their energy source disclosure label.

[12] R.I. Gen. Laws § 39-3-1.2(a)(2).

[13] This appears to be the only place where administrative costs directly related to the aggregation can be identified and funded. This is the only manner set forth by the statute where non-customer specific costs that are not directly related to the delivery of energy to the retail customer can be recovered. As the Plan sets forth:

> All of the costs of the Program will be funded through the ESA. The primary cost will be the charges of the competitive supplier for the power supply. These charges will be established through the competitive solicitation for a supplier. The administrative costs of the Program will be funded through a per kilowatt-hour aggregation fee that will be paid by the competitive supplier to the Aggregation Consultant, as specified in the ESA. *This aggregation fee will cover the services of the Aggregation Consultant, including developing the aggregation plan, managing the Commission's approval process, managing the supply procurement, developing and implementing the public education plan, providing consumer support, interacting with National Grid, monitoring the supply contract, and providing ongoing reports*. This charge has been set at $0.001 per kilowatt-hour. (Plan at 8, emphasis added).

[14] R.I. Gen. Laws § 39-3-1.2(d).

the electric distribution company or another competitive supplier, subject to any opt-out provision.[15] Customers who are receiving service from competitive supply at the time the aggregation commences will not be automatically transferred to the aggregation.[16] The Municipality's supplier needs to comply with the Energy Source Disclosure requirements set forth in statute and tariff. The Municipality requested authority to provide the disclosure label through an alternative process rather than by mailing hard copies to all customers.[17]

Mr. Carr's testimony set forth the sections of the Plan that address each of the above-referenced items.[18] Addressing "universal access," he explained that the Plan anticipates all eligible customers in the Municipality will be enrolled in the aggregation unless they have already contracted with a competitive supplier or affirmatively opt out during the opt-out period. New customers to the Municipality will initially be placed on the electric distribution company's Last Resort Service rate and will then be included in a list of newly eligible customers provided by the utility to Good Energy. Those customers will then receive a notice that they will be automatically transferred to the aggregation energy supplier unless they opt out. The Plan allows customers in the aggregation to opt out at any time to either return to Last Resort Service or to choose an alternative competitive supplier.[19]

Turning to the requirement that there be "equitable treatment" of the classes of customers who participate in the program, Mr. Carr explained that each class of customers will have the opportunity to participate in the aggregation. He distinguished between equity and equality in terms of pricing. He explained that "[e]quitable treatment of all customer classes does not mean

[15] R.I. Gen. Laws § 39-3-1.2(e).
[16] *Id*.
[17] Petition at 2. The Energy Source Disclosure law is codified at R.I. Gen. Laws § 39-26-9(c) and the Commission's Energy Source Disclosure Rules can be found at 810-RICR-40-05. The Municipality's proposal was discussed at a September 17, 2021 Technical Session. Tech Session Tr. at 92-93.
[18] Carr Test. at 3.
[19] *Id*. at 2.

that all customer classes must be treated equally but that customer classes that are similarly situated must be treated equitably." The Plan, according to Mr. Carr, allows for varied pricing and terms and conditions for different customer classes to take into account the fact that they have different characteristics.[20] All customers within a customer class will receive the same initial pricing, but each customer class may have different pricing. The customer classes will follow the rate classes of the electric distribution company. All customers within a class will have the same product offerings through the aggregation but some may choose an option with more or less renewable energy than the standard option. All initial customers of the aggregation and all customers who join as new consumers in the Municipality (or who are ineligible at the commencement but later become eligible) will receive the same pricing within their class. Customers who opt out and later opt into the aggregation may receive different pricing from the other members of the class.[21]

Mr. Carr then explained the competitive bid process by which the Municipality would ultimately choose a competitive supplier. The process would be conducted by Good Energy on behalf of the Municipality and the Municipality will select the supplier. Within five (5) business days following the receipt of bids from competitive suppliers, the Municipality will file with the Commission a report on the results of the solicitation. The report will include whether the solicitation was successful, and in that case, it will identify the name of the winning supplier, the dates electric service will commence and terminate, the prices for each product to be offered to customers, and the specific renewable energy quantity for each.[22]

Finally, Mr. Carr discussed the education and outreach strategy associated with the aggregation. He explained that there would be broad based efforts designed to promote awareness

[20] Carr Test. at 2.
[21] Plan at 3.
[22] Carr Test. at 4.

to all residents and business in the Municipality including a Municipality-specific website, traditional media outreach, social media engagement, in-person presentations,[23] distribution of direct marketing materials,[24] and the establishment of a consumer help-line. He indicated that these communications will explain the purpose of this program and provide information on how to opt out of the program at no cost. Following commencement of the aggregation, he explained that all participants will have the right to opt out of the Program at any time without charge.[25]

Mr. Carr noted that during the aggregation, participants will continue to be responsible for paying their bills and for providing access to metering and other equipment necessary to carry out utility operations. Participants are responsible for requesting any exemption from the collection of any applicable taxes and must provide appropriate documentation of such exemption to the chosen supplier.[26]

III. Division's Position

On September 24, 2020, legal counsel for the Division of Public Utilities and Carriers (Division) submitted a letter summarizing the Division's review of the Plan and providing several recommendations. First, the Division indicated that the Plan satisfied the legal requirements of the Act. Second, the Division supported the Municipality's request to notify customers quarterly through public service announcements, posting at municipal buildings, and on the aggregation website in lieu of physical mailings.[27] Third, the Division focused on concerns it had for certain low-income customers in terms of notice and eligibility. The Division recommended the

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[23] The Plan identified the following local groups Good Energy planned to target for in-person presentations: Pawtucket-Central Falls Development; Fuerza Laboral; Progresso Latino; Broad Street Regeneration Initiative; Hispanic Chamber of Commerce RI; Northern Rhode Island Chamber of Commerce; Municipal Council Meetings; and Parent Teacher Organizations, including the Central Falls Parent Advisory Council.
[24] The Plan identified for distribution of marketing materials, in addition to the above-referenced local groups, other community and faith groups that may be identified by Municipal officials, the library and municipal offices.
[25] Carr Test. at 5.
[26] *Id*.
[27] Wold Letter at 1-4 (Sept. 24, 2020).

Commission require Good Energy to provide actual notice and a copy of the filings to the George Wiley Center, a consumer advocacy group and their legal counsel group, the Center for Justice, a low income advocacy law center, and the Blackstone Valley Community Action Program (CAP) or other appropriate CAP agency. Further, the Division recommended that the Municipality and Good Energy conduct at least one workshop at the Blackstone Valley CAP. The Division noted that customers enrolled on an Arrearage Management Plan could lose their ability to have past due balances forgiven if they are transferred to the aggregation during their enrollment in the AMP.[28] Finally, the Division recommended certain reporting requirements, similar to those in the Act.[29]

IV. Hearing

The Act requires the Commission to conduct a public hearing as part of its review of a community electricity aggregation plan. On October 5, 2020, the Commission held the first of two hearings to solicit public comment in this matter.[30] No members of the public participated.[31] Following the time allowed for public comment, an evidentiary hearing was held. At the outset, Good Energy agreed to all of the Division's recommendations with the exception of requesting additional time to better understand and address the concerns surrounding the AMP.

At the hearing, the Commission noted that it had previously raised questions about the level of information that should be included in an Energy Source Disclosure label where there are product offerings that exceed the state's minimum Renewable Energy Standard. Patrick Roche, Good Energy's Director of Innovation for New England, explained that Good Energy was in the process of reviewing the Rhode Island and Massachusetts materials provided to customers and

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[28] *Id*. at 4-6. The Division also expressed concern with the interaction of an aggregation plan with the Commission's Rules and Regulations Governing the Termination of Residential Electric, Gas, and Water Utility Service.
[29] *Id*. at 5.
[30] The Commission had previously held a technical session on September 17, 2020 to gain a better understanding of the details of the proposals from Central Falls, Barrington, Providence, and South Kingstown.
[31] The hearing provided for remote participation via Zoom pursuant to multiple executive orders resulting from the COVID-19 State of Emergency.

believed they could develop a template label that will provide customers with better information about the source of their energy supply, particularly where there is an optional renewable product bundled with their energy.[32]

V. Resolution of AMP Customer Protections

The Division had raised concerns about additional risk that a low-income customer may face due to nonpayment as a result of being enrolled in an aggregation compared to their risk of continuing to receive their energy supply from the electric distribution company's last resort service. First, a customer who receives their energy supply through the electric distribution utility's last resort service supplier is subject to the Commission's Termination Rules for all of the charges on their bills. These charges are all subject to payment plan options. Additionally, low income customers who receive their energy supply through the electric distribution company can, under certain circumstances, enroll in an AMP and have their arrearages forgiven if they fulfill the terms of the plan. These protections would be lost for customers on last resort service (they would not be able to participate in an AMP and their competitive energy supply payment obligation would not be subject to the limitations and payment plans in the Termination Rules). Both the Division and Good Energy pointed out that if the electric distribution company had a purchase of receivables program whereby the utility purchases the receivables of the competitive supplier at a discount and therefore took responsibility for those collections, these concerns would be addressed. However, as of the date of the decision in this matter, the Commission was still considering a separate proposal for a purchase of receivables program.

Therefore, to address the nonpayment collections issue, on December 23, 2020, Good Energy submitted a revised Electricity Services Agreement to govern the terms and conditions of

[32] Hr'g. Tr. at 20-21. Additional discussion of the Energy Source Disclosure is in Section VI of this order.

the relationship between the Municipality and its chosen supplier for the aggregation.[33] According to Good Energy in its Request to Resume Plan Review and Schedule Public Hearing:

> ESA Article 4, "Termination of Supply Service," creates a contractual obligation on suppliers with the intention of protecting low-income residents of the City. Suppliers will need to agree to providing a minimum of fourteen (14) day notice to accounts that their supply service with the aggregation program will be terminated due to nonpayment. At that point the accounts will be returned to utility supply service or an alternative supplier should it be authorized by the customer. In exchange for the right to remove customers from aggregation supply service to alternative supply due to nonpayment, the supplier will be prohibited from pursuing collections on unpaid bills of those enrolled at the A-60 rate class. The customer will be prohibited from returning to the aggregation program under the current supply contract while there is an outstanding balance on their account.

Good Energy explained that this provision will allow low income customers to participate in the benefits of the program with a limitation on their liability to a supplier in the event of nonpayment. The supplier would be entitled to remove them from the aggregation after a 14-day notice period but would not be able to collect on those accounts independently from the electric distribution company.

To address a related concern that customers on an AMP at the time of commencement of an aggregation not be harmed by being automatically enrolled or by not participating initially, in a separate matter, The Narragansett Electric Company d/b/a National Grid (National Grid) proposed Terms and Conditions for Municipal Aggregation. One component of the approved Terms and Conditions was to exclude customers on an active AMP from eligibility for the aggregation until such time as they completed, canceled, or defaulted from the AMP. They would then be listed on the next eligibility list as a new customer. This will allow the customer the benefit of having his or her arrearages forgiven and also not penalize them for late entry to the aggregation.[34] On February 15, 2021, the Division's legal counsel submitted a supplemental letter

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[33] Revised Electricity Services Agreement; http://www.ripuc.ri.gov/eventsactions/docket/5042-CentralFalls-Request%20to%20Resume%20and%20Revised%20ESA%2012-23-20.pdf.
[34] Order No. 24098 (Docket No. 5058) (August 2, 2021).

indicating that most of the Division's concerns had been addressed and that the Division recommended approval of the Plan.[35]

VI. Energy Source Disclosure

As noted above, the Energy Source Disclosure law is codified at R.I. Gen. Laws § 39-26-9 and requires retail suppliers of electricity to disclose the generation sources of the energy delivered, including renewable energy procured through renewable energy certificates (RECs). In accordance with the statute, the Commission has promulgated Energy Source Disclosure Rules which have been codified as 810-RICR-40-05. In relevant part to the issue raised in this docket are the following portions of the law:

> § 39-26-9: (b) The energy source disclosure shall indicate what sources of energy were used to generate electricity for each electrical energy product, expressed as a percentage of the total amount of energy used towards each electrical energy product. The energy source disclosure shall show the percentages of energy obtained from each of the eligible renewable energy resources, as well as the percentage of energy obtained from nuclear plants, natural gas, oil (which may include any fossil fuel), hydroelectric plants that are not eligible renewable energy resources, coal, and any other sources that the commission may require to be included. The energy source disclosure shall also indicate the emissions created as a result of generating the electricity.
> (c) Energy source disclosures shall be distributed to consumers on a quarterly basis. The obligated entities shall be allowed to recover in rates all incremental costs associated with preparation and distribution of the disclosure label.
> (d) The commission shall allow for or require the use of NE-GIS certificates for the calculation of the energy source disclosure.
> (e) The energy source disclosure presented to any particular end-use customer shall take into consideration and account for voluntary purchases of generation attributes or related products, including purchases made by the end-use customer from providers other than the obligated entity, even if the end-use customer is billed by the obligated entity and also served by that obligated entity's electrical energy product.

Current law prohibits the counting of voluntary renewable energy purchases toward the State's renewable energy standard minimum requirements.[36] The unintended result of the requirement set

[35] Wold Letter at 2 (Feb. 15, 2021).
[36] R.I. Gen. Laws § 39-26-4(c): The minimum renewable energy percentages set forth in subsection (a) shall be met for each electrical energy product offered to end-use customers, in a manner that ensures that the amount of

forth in § 39-26-9(e) and the prohibition set forth in § 39-26-5(c) is that many customers who choose a "green" product whereby they believe they are purchasing renewable energy in excess of the state minimum still receive an Energy Source Disclosure Label from their competitive supplier that only shows the generation mix relevant to the supplier's procurement of energy. There may be different reasons for that result. The first is that it is possible the suppliers are including renewable energy purchases that do not qualify as Rhode Island-eligible renewable energy.[37] The second is that the suppliers may only be reporting their minimum obligation to show they are in compliance with the RES. There may also be other reasons. Regardless, the Commission raised the issue of whether the current Energy Source Disclosure rules and label are still reasonable given the fact that community electricity aggregation is designed to shift significantly more customers onto competitive supply with a promise of additional renewable energy, even with the standard product. Accordingly, the Commission requested Good Energy review the current label, the Massachusetts label, and the intent of energy source disclosure through a lens of customer education and truth in advertising.

In discovery, the Commission inquired about the source of the voluntary RECs on behalf of customers enrolled in the Municipality's aggregation. While the discovery response was not entirely definitive, at a Technical Session held on September 17, 2020, Mr. Roche confirmed that the intent is that the RECs will be sources from Rhode Island based facilities to the extent possible, but they may be sourced from facilities located outside of Rhode Island so long as they are eligible

renewable energy of end-use customers voluntarily purchasing renewable energy is not counted toward meeting such percentages.

[37] Only RECs from facilities qualified as Rhode Island-eligible which are retiring certificates in Rhode Island GIS accounts qualify as delivered in Rhode Island. Customers could be paying for certificates qualified as renewable elsewhere in the country and those certificates are never settled in the Rhode Island market. While customers may wish to invest in renewable energy regardless of where it is generated, if they do, indeed believe they are purchasing renewable energy to "offset" their Rhode Island based carbon footprint, they should know the actual source of that renewable energy and have assurances that it is being counted in Rhode Island.

as a Rhode Island New Renewable Energy Resource.[38] He further explained that Good Energy will engage with a supplier of green energy which will be responsible for procuring the requisite number of RECs and will then transfer them to the competitive supplier who will be responsible for retiring them in a Rhode Island account within the NEPOOL-GIS.[39]

During the Technical Session, Mr. Roche reviewed the disclosure label provided to the Massachusetts Department of Public Utilities. He agreed with the observation that the label looks very similar to Rhode Island's but contains footnotes to identify the voluntary renewable energy purchase. Upon further discussion, Good Energy indicated that the label provided to the Massachusetts Department of Public Utilities is not the mechanism used to provide disclosure to customers. Of particular importance to the Commission was that customers receive a clear presentation of their purchases. For example, those customers who choose a "100% renewable energy" product should be made aware of (the likely) case in which they are actually purchasing more RECs than needed to match 100% of their energy usage. In other words, the 100% renewable energy product is in addition to the state's minimum. Furthermore, the compliance filing made to the Commission should match what is provided to customers to allow the Commission to properly enforce the consumer notice provisions and respond to customer inquiries. Mr. Roche committed Good Energy to working toward a more transparent and educational energy source disclosure label for Commission consideration in this matter.

On March 4, 2021, after developing a new draft disclosure label template with the assistance of Sustainable Energy Advantage and after meeting with Commission staff to receive

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[38] Tech Session Tr. at 86 (Sept. 17, 2020).
[39] *Id*. at 89-92. Good Energy later provided that NEPOOL GIS User Guides differentiate retirements for compliance RECs and voluntary (or "General purpose") RECs. They require a retail sub-account for compliance RECs and a reserve sub-account for voluntary RECs. Suppliers have confirmed they follow this practice. For the voluntary RECs, suppliers further noted that they record for each REC 1) that it is for voluntary purpose and 2) reference the specific customer to which the RECs apply. (Good Energy Response to RR-2).

informal feedback, Good Energy filed a proposed Energy Source Disclosure Label template for use in the context of municipal aggregations, particularly where there are product offerings that exceed the state's minimum renewable energy standard.[40]

On March 25, 2021, an additional Technical Session was conducted to review the new proposed Energy Source Disclosure label. Mr. Roche participated along with Tom Michelman from Sustainable Energy Advantage to review the proposed label and to respond to questions from the Commission and Division. Mr. Roche explained that the label would describe the purpose of the disclosure along with the data. This new label would include a section to compare the supplier's intended sources of electricity for the upcoming year along with a review of the actual sources of electricity for the prior year. He indicated that this is important to allow customers to make a good apples-to-apples comparison of products. For example, a customer should be able to determine if the renewable energy resources were purchased or if there were alternative compliance payments made instead.[41] The second section sets forth product pricing (Section 1), an explanation of the characteristics of electricity sources, including important definitions (Section 2), the planned sources of electricity (Section 2A), and the actual sources of electricity and air emissions (Section 2B). The last two are presented in table form. Mr. Roche explained that because of the quarterly nature of the filing and the timing of REC purchases, there may not be many retirements until the fourth quarter of a compliance year. There are explanatory notes for that likelihood. The tables clearly delineate between the state RES and voluntary RI New

[40] New Energy Source Disclosure Label Template; http://www.ripuc.ri.gov/eventsactions/docket/5042-5047-5061-5062-GoodEnergy-Disclosure%20Label_RI%20Model%203-4-21.pdf.
[41] Tech. Session Tr. at 10-12 (Mar. 25, 2021).

purchases and their generation source.[42] They also clearly show how a customer choosing a 100% voluntary product is also meeting the RES minimums separately for totals exceeding 100%.[43]

However, the label also makes clear that even if a customer's renewable energy purchases exceed 100% of their usage, air emissions are never negative; they could be a percentage of the regional air emissions. Mr. Roche and Mr. Michelman explained that the emissions listed on the label are compared to the regional air emissions. Even if one were to purchase all zero emissions products, the regional emissions could never go below zero. Additionally, if one were to voluntarily purchase all of the RECs available, renewable obligations by others would have to be made through alternative compliance payments which does not reduce emissions. Therefore, the regional air emissions would be reduced and possibly eliminated, but never really be negative.[44]

VII. Commission Findings

At an Open Meeting held on May 26, 2021, after ruling on terms and conditions filed by National Grid to allow for community electricity aggregation, the Commission considered the record in this matter. Finding that the Plan met all components of the Act, the Commission approved the Municipality's Plan with three conditions. First, the Municipality's chosen energy supplier shall use the Energy Source Disclosure Label template filed by Good Energy on March 4, 2021. The Energy Source Disclosure Label may be posted to the program website and at municipal buildings in lieu of providing it to the customer directly. The Commission thanks Good Energy for its commitment to transparency and customer education through the development of this new template. The Good Energy participants to this process went above and beyond to respond to Commission staff's concerns and developed a product superior to that which is being

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[42] *Id*. at 24.
[43] *Id*. at 22-23.
[44] *Id*. at 25-33.

used now. The Commission may open a new docket in the near future to consider whether the Energy Source Disclosure Rules should be amended to ensure that customers who purchase voluntary renewable products are receiving accurate information from their suppliers.

Second, within two years from approval of the Plan, the Municipality shall provide written notice to the Commission and Division that the Plan has been implemented, describing with particularity all parts of the Plan that have not been implemented. Third, the Municipality's Outreach and Education Plan shall include at least one workshop with the relevant local agencies, which may be the local CAP agency. The Division had identified specific agencies and the Municipality had listed others. The Commission notes that each community has their trusted local partners which may differ from those identified by the Division. This will be an important component to future aggregation filings.

Finally, the Commission noted that one outstanding issue was that of ongoing reporting requirements. As of the date of the Open Meeting, there was still disagreement about the appropriate reporting requirements. Good Energy had expressed concern with the Commission simply adopting those required by Massachusetts. However, the substantive implementation issues had been sufficiently addressed as of the date of the Open Meeting so there was not good reason to delay a ruling. Therefore, the Commission directed the parties to work with Commission Staff to develop proposed ongoing reporting requirements prior to the roll-out of the Municipality's Plan. The Commission expects to rule on reporting requirements before customer begin receiving energy from an aggregation.

Accordingly, it is hereby,

(24099) ORDERED:

1. The City of Central Falls Petition for Approval of Community Aggregation Plan is hereby approved subject to (1) use of the revised Electricity Services Agreement and (2) use of the Energy Source Disclosure Label template filed on March 4, 2021.
2. The City of Central Falls and Good Energy, L.P., shall conduct at least one workshop with a relevant local agency which may be the local Community Action Plan.
3. Within two years from approval of the Community Aggregation Plan, the City of Central Falls and/or Good Energy, L.P., shall 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.
4. The City of Central Falls and Good Energy, L.P., shall comply with all other orders and requirements of this Order.

EFFECTIVE AT WARWICK, RHODE ISLAND PURSUANT TO AN OPEN MEETING DECISION ON MAY 26, 2021. WRITTEN ORDER ISSUED AUGUST 3, 2021.

PUBLIC UTILITIES COMMISSION

Ronald T. Gerwatowski, Chairman

Abigail Anthony, Commissioner

*John C. Revens, Jr, Commissioner

*Commissioner Revens did not participate in this decision.

NOTICE OF RIGHT OF APPEAL: Pursuant to R.I. Gen. Laws § 39-5-1, any person aggrieved by a decision or order of the PUC may, within seven (7) days from the date of the order, petition the Supreme Court for a Writ of Certiorari to review the legality and reasonableness of the decision or order.