

**ADMINISTRATIVE APPEAL UNDER CONNECTICUT  
GENERAL STATUTES SECTION 4-183 — NOTICE OF FILING  
(For use when service is made by certified or registered mail)**

JD-CV-137 Rev. 2-20  
C.G.S. § 4-183; P.B. § 14-7A

STATE OF CONNECTICUT  
SUPERIOR COURT  
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2. Also serve a copy of the Appeal and this Notice of Filing by certified or registered mail on each party named in the decision of the agency at the address of the party contained in the decision.
3. File the Appeal and this Notice of Filing with the Clerk of the Superior Court for the Judicial District of New Britain or for the Judicial District in which the person appealing resides or, if that person is not a resident of this state, with the Clerk of the Judicial District of New Britain.

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Name of case ( <i>Plaintiff v. Defendant</i> )		Case type code (See reverse for codes)
<b>Direct Energy Services, LLC v. Public Utilities Regulatory Authority</b>		Major: A Minor: 90
Judicial District <b>New Britain</b>	Address of Court <b>20 Franklin Square, New Britain, CT 06051</b>	Telephone number of Court (with area code) <b>860-515-5180</b>

**For the plaintiff(s) enter the appearance of:**

Name and address of attorney, law firm or plaintiff if self-represented ( <i>Number, street, town and zip code</i> ) <b>Robinson &amp; Cole LLP, 280 Trumbull Street, Hartford, CT 06103</b>	Juris number (if attorney or law firm) <b>050604</b>
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Telephone number <b>860 )275 -8200</b>	Signature of plaintiff (if self-represented)
The attorney or law firm appearing for the plaintiff, or the plaintiff if self-represented, agrees to accept papers (service) electronically in this case under Section 10-13 of the Connecticut Practice Book. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
E-mail address for delivery of papers under Section 10-13 of the Connecticut Practice Book (if agreed) <b>bjensen@rc.com</b>	

Parties	Name ( <i>Last, First, Middle Initial</i> ) and Address of Each party ( <i>Number; Street; P.O. Box; Town; State; Zip; Country, if not USA</i> )	
First Plaintiff	Name: Direct Energy Services, LLC Address: 12 Greenway Plaza, Suite 250, Houston, TX 77046	P-01
Additional Plaintiff	Name: Direct Energy Business, LLC Address: 12 Greenway Plaza, Suite 250, Houston, TX 77046	P-02
First Defendant	Name: Public Utilities Regulatory Authority Address: Ten Franklin Square, New Britain, CT 06051	D-01
Additional Defendant	Name: Address:	D-02
Additional Defendant	Name: Address:	D-03
Additional Defendant	Name: Address:	D-04
Total number of plaintiffs: <b>5</b>	Total number of defendants: <b>1</b>	<input checked="" type="checkbox"/> Form JD-CV-2 attached for additional parties

**Notice to each defendant**

1. The Plaintiff will file the attached Appeal of a final administrative decision. The Appeal attached to these papers states the claims that the Plaintiff is making.
2. To receive further notices, you or your attorney must file an Appearance (form JD-CL-12) with the clerk at the address above within thirty (30) days of the mailing of the Appeal. You do not have to come to court on that date unless you receive a separate notice telling you to come to court.
3. If you do not file an Appearance on time, the Court may enter sanctions against you.
4. You can get an Appearance form at the Court address above or on-line at <https://jud.ct.gov/webforms/>.
5. If you have questions about the Notice of Filing and the Appeal, you should talk to an attorney.

**The court staff is not allowed to give advice on legal matters.**

Date <b>12/04/2020</b>	Signed ( <i>Sign and select proper box</i> ) 	<input type="checkbox"/> Plaintiff <input checked="" type="checkbox"/> Attorney for Plaintiff	Name of person signing <b>Benjamin C. Jensen</b>
			For Court Use Only
			File Date
			Docket Number

**CIVIL SUMMONS  
CONTINUATION OF PARTIES**  
JD-CV-2 Rev. 9-12

STATE OF CONNECTICUT  
**SUPERIOR COURT**

First named Plaintiff (*Last, First, Middle Initial*)

**Direct Energy Services, LLC**

First named Defendant (*Last, First, Middle Initial*)

**Public Utilities Regulatory Authority**

**Additional Plaintiffs**

Name ( <i>Last, First, Middle Initial, if individual</i> )	Address ( <i>Number, Street, Town and Zip Code</i> )	CODE
<b>Direct Energy Business Marketing, LLC</b>	<b>12 Greenway Plaza, Suite 250, Houston, TX 77046</b>	03
<b>CleanChoice Energy, Inc.</b>	<b>1055 Thomas Jefferson St NW, Suite 650, Washington, DC 20007</b>	04
<b>Retail Energy Supply Association</b>	<b>7159 Red Top Road, Hummelstown, PA 17036</b>	05
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**Additional Defendants**

Name ( <i>Last, First, Middle Initial, if individual</i> )	Address ( <i>Number, Street, Town and Zip Code</i> )	CODE
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FOR COURT USE ONLY - File Date

Docket number

RETURN DATE: JANUARY 5, 2021	SUPERIOR COURT
DIRECT ENERGY SERVICES, LLC;	:
DIRECT ENERGY BUSINESS, LLC;	:
DIRECT ENERGY BUSINESS	:
MARKETING, LLC; CLEANCHOICE	:
ENERGY, INC.; AND RETAIL ENERGY	:
SUPPLY ASSOCIATION	: AT NEW BRITAIN
v.	:
PUBLIC UTILITIES REGULATORY	:
AUTHORITY	: DECEMBER 4, 2020

**PETITION FOR ADMINISTRATIVE APPEAL**

To the Superior Court for the Judicial District of New Britain at New Britain this 4th day of December 2020, come Plaintiffs-Appellants, Direct Energy Services, LLC; Direct Energy Business, LLC; Direct Energy Business Marketing, LLC; CleanChoice Energy, Inc.; and Retail Energy Supply Association, appealing pursuant to Section 4-183 of the Connecticut General Statutes from a final decision of the Public Utilities Regulatory Authority dated October 21, 2020, and complain and say:

**INTRODUCTION**

1. This is a petition for administrative appeal by Plaintiffs-Appellants of the Public Utilities Regulatory Authority Decision, dated October 21, 2020, in Docket No. 16-12-29, *PURA Development of Voluntary Renewable Options Program* (the “Decision”; provided as Exhibit A hereto).

## **PARTIES AND JURISDICTION**

2. Appellant Direct Energy Services, LLC (“DES”) is a Delaware limited liability company with a business location at 12 Greenway Plaza, Suite 250, Houston, TX 77046.
3. Appellant Direct Energy Business, LLC (“DEB”) is a Delaware limited liability company with a business location at 12 Greenway Plaza, Suite 250, Houston, TX 77046.
4. Appellant Direct Energy Business Marketing, LLC (“DEBM”) is a Delaware limited liability company with a business location at 12 Greenway Plaza, Suite 250, Houston, TX 77046.
5. Appellant CleanChoice Energy, Inc. (“CleanChoice”) is a Maryland corporation with a business location at 1055 Thomas Jefferson St NW, Suite 650, Washington, DC 20007.
6. Appellant, Retail Energy Supply Association (“RESA”) is a Pennsylvania Non-Profit (nonstock) corporation with a business location at 7159 Red Top Road, Hummelstown, PA 17036.
7. Appellee Public Utilities Regulatory Authority (“PURA”) is an agency of the State of Connecticut created under Chapter 277 of the Connecticut General Statutes with statutory authority set forth in Title 16 of the Connecticut General Statutes and is part of the Connecticut Department of Energy and Environmental Protection (“DEEP”), with an office at Ten Franklin Square, New Britain, CT 06051.
8. In addition to the Appellants, PURA recognized as parties to its proceeding the entities listed on the service list appended to the Decision. *See Exhibit A.* Pursuant to Connecticut General Statutes section 4-183, each of these entities is being served with a copy of this appeal.
9. This Court has subject matter jurisdiction over this action pursuant to Connecticut General Statutes section 4-183.

## **LEGAL AND REGULATORY FRAMEWORK**

10. Connecticut law authorizes electric suppliers licensed by PURA to provide electric generation services to end use customers. Conn. Gen. Stat. § 16-245.

11. Connecticut law requires, through mechanisms known as renewable portfolio standards (“RPS”), that electric suppliers demonstrate that certain percentages of the electricity that they supply be generated by Class I renewable energy sources and Class III sources. *See* Conn. Gen. Stat. §§ 16-243q, 16-245a. Electric suppliers are permitted to substitute Class II renewable energy sources for a specified portion of the otherwise required percentage of electricity generated by Class I renewable energy sources. *See* Conn. Gen. Stat. § 16-245a.

12. Electric suppliers demonstrate that certain percentages of the electricity that they supply are generated by Class I renewable energy sources, Class II renewable energy sources, and Class III sources by filing an annual report with PURA. Conn. Agencies Regs. § 16-245a-1.

13. Such annual reports are based exclusively on renewable energy certificates (also referred to as renewable energy credits) (“RECs”) issued by New England Power Pool Generation Information System (“NEPOOL GIS”). Conn. Agencies Regs. § 16-245a-1(c).

14. RECs are property interests, distinct from electricity, that are generated by renewable power generators and that represent the renewable attributes of power generation. RECs are used to track the generation and consumption of the renewable attributes of power generation.

15. Some electric suppliers sell RECs to customers in amounts beyond those required by Connecticut General Statutes sections 16-243q and 16-245a in products, known as voluntary renewable offers (“VROs”), which bundle electricity supply with RECs.

16. Each electric supplier is required to disclose to PURA in a standardized format (A) the amount of additional RECs, if any, it will purchase other than the RECs required for RPS

compliance; (B) where such additional RECs are being sourced from; and (C) the types of renewable energy sources that will be purchased. Conn. Gen. Stat. § 16-245o(h)(5).

17. Any electric supplier offering any services or products that contain renewable energy attributes other than the minimum RECs used for RPS compliance pursuant to Connecticut General Statutes section 16-245a is required to disclose in each customer contract and in its marketing materials the renewable energy content of the product or service offering and to make available, on its website, information sufficient to substantiate the marketing claims about such content. *See* Conn. Gen. Stat. § 16-245o(h)(6).

### **FACTUAL BACKGROUND**

18. RESA is a non-profit organization and trade association that represents the interests of its members in regulatory proceedings in the Mid-Atlantic, Great Lakes, New York, and New England regions.

19. DES, DEB, DEBM, CleanChoice and several RESA members are electric suppliers licensed by PURA to serve customers in Connecticut.

20. DES, DEB, DEBM, CleanChoice and RESA members are active participants in the retail competitive markets for electricity.

21. On December 20, 2016, PURA opened Docket No. 16-12-29 as a contested case to establish a new program to replace the Connecticut Clean Energy Option Program (“CEOP”). The CEOP allowed customers purchasing electric supply from electric distribution companies (“EDCs”) (instead of electric suppliers) to purchase RECs from electric suppliers selected and at prices derived through a request for proposal process run by the EDCs. *See* Decision, at 2; Docket No. 16-12-29, *PURA Development of Voluntary Renewable Options Program*, Notice of Proceeding (Jan. 4, 2017).

22. Three years after the proceeding was originally opened, on November 21, 2019, PURA revised the purpose of the docket to develop standards for a new Connecticut Clean Energy Option Program that will govern all VROs—including those of electric suppliers—and disclosure statements associated with such offerings (“Disclosure Labels”). *See Decision*, at 2; Docket No. 16-12-29, *PURA Development of Voluntary Renewable Options Program*, Revised Notice of Proceeding (Nov. 26, 2019), at 1; Docket No. 16-12-29, *PURA Development of Voluntary Renewable Options Program*, Request to Establish a New Docket on PURA’s Own Motion (Nov. 21, 2019).

23. In the course of its proceeding, PURA issued notices requesting comments, served interrogatories, conducted an evidentiary hearing (“Hearing”), and admitted material into the evidentiary record.

24. Following briefing by the parties, on September 9, 2020, PURA issued a proposed decision (“Proposed Decision”).

25. On September 30, 2020, the Appellants filed written exceptions to the Proposed Decision identifying several serious errors of law and fact in the Proposed Decision. On that same day, other individual electric suppliers also filed written exceptions to the Proposed Decision in which they identified additional errors of law and fact in the Proposed Decision.

26. On October 21, 2020, PURA issued the Decision, which it based substantially upon the Proposed Decision and which failed to remedy the errors of law and fact identified by the Appellants and other electric suppliers.

27. The Decision prohibits VROs from containing RECs sourced outside particular geographic regions, specifically the New England, New York, and PJM Interconnection, L.L.C. (“PJM”) control areas (the “Geographic Restrictions”), and from being generated by sources

other than those that would meet the definition of Connecticut Class I renewable energy sources (the “Resource Type Restrictions”). Decision, at 3-13.

28. In the Decision, PURA also concluded that a “supplier may not market the product as ‘renewable energy’ unless the offer is supported by an ownership interest in or PPA [power purchase agreement] for a renewable resource used to serve the contract.” Decision, at 32. Thus, the Decision prohibits electric suppliers from marketing REC-only based VROs as containing “renewable energy” (the “Marketing Restriction”).

29. The Appellants now file this timely appeal of PURA’s Decision pursuant to Connecticut General Statutes section 4-183.

### **AGGRIEVEMENT**

30. The Appellants are aggrieved by the Decision because the Marketing Restrictions are a restraint on free speech.

31. DES, DEB, DEBM, CleanChoice, and RESA members hitherto have marketed REC-only based VROs as containing “renewable energy.”

32. The Marketing Restrictions’ restraint on free speech will prevent DES, DEB, DEBM, CleanChoice, and RESA members from making factually and legally accurate claims about their VROs, which are generally recognized as permissible under federal law and the laws of other states.

33. Further, because of the Marketing Restrictions, DES, DEB, DEBM, CleanChoice, and RESA members will be required to change their VRO marketing to comply with the Decision. This change will only apply to Connecticut and will force DES, DEB, DEBM, CleanChoice, and RESA members to incur added costs to create Connecticut-specific marketing materials.

34. DES, DEB, DEBM and CleanChoice are further aggrieved by the Decision because the Geographic Restrictions and Resource Type Restrictions will prohibit them from selling VROs that contain RECs sourced from particular regions and generated by particular technologies.

35. Similarly, RESA is further aggrieved by the Decision because the Geographic Restrictions and Resource Type Restrictions will prohibit RESA members from selling VROs that contain RECs sourced from regions and by technologies that do not meet the new requirements created by the Geographic Restrictions and Resource Type Restrictions.

36. DES, DEB, DEBM, CleanChoice, and RESA members hitherto have marketed, sold, and derived substantial revenues from VROs that do not meet the new requirements created by the Geographic Restrictions and Resource Type Restrictions.

37. DES, DEB, DEBM, CleanChoice, and RESA members will not be able to sell such VROs in Connecticut or derive revenues from their sale in Connecticut and, as a consequence, will forgo or lose substantial revenues.

38. DES, DEB, DEBM, CleanChoice, and RESA members will be required to change their VROs solely to comply with the Decision and to be able to offer them in Connecticut.

39. DES, DEB, DEBM, CleanChoice, and RESA members have contracts to purchase RECs that do not meet the new requirements created by the Geographic Restrictions and/or Resource Type Restrictions. As a result of the Decision, DES, DEB, DEBM, CleanChoice, and RESA members will be unable to use the RECs from those existing contracts to support their Connecticut VROs.

40. Further, in order to sell VROs in Connecticut and comply with the Decision's new requirements, DES, DEB, DEBM, CleanChoice, and RESA members will have to enter into

contracts for RECs that meet the new requirements created by the Geographic Restrictions and Resource Type Restrictions. RECs that meet these new requirements will cost more than those that do not.

41. DES, DEB, and RESA members have existing contracts with Connecticut customers for VROs that do not satisfy the Decision's new requirements and that contain automatic renewal provisions. As a result of the Decision, they will not be able to automatically renew those customers on the same product offerings.

42. Protecting its members' ability to sell and market energy-related products, including VROs, in free and competitive markets is a core purpose of RESA.

43. Neither RESA's claims nor the relief that it requests require the participation of its individual members in this action.

44. For these reasons, DES, DEB, DEBM, CleanChoice, and RESA each has a legal interest that has been injuriously affected by the Decision.

### **LEGAL CLAIMS**

#### **COUNT I: The Marketing Restrictions Violate The Right To Free Speech Under The First Amendment To The United States Constitution And Article First, Section 5 Of The Connecticut Constitution**

45. Appellants incorporate herein by reference Paragraphs 1 through 44 above as if fully set forth herein.

46. The Appellants have rights under the United States and Connecticut Constitutions to engage in free speech.

47. By imposing the Marketing Restrictions, PURA has violated those rights because electric suppliers are prohibited from marketing REC-only based VROs as containing "renewable energy."

**COUNT II: The Marketing Restrictions Violate The Commerce Clause Of The United States Constitution**

48. Appellants incorporate herein by reference Paragraphs 1 through 47 above as if fully set forth herein.
49. There is a nationwide voluntary market for RECs that support VROs.
50. PURA is not a participant in that market, and it did not create that market.
51. Describing REC-supported VROs as containing “renewable energy” is consistent with federal law and the law of other states.
52. The Marketing Restrictions impose a disproportionate burden on interstate commerce because they create marketing requirements that are in substantial conflict with a common regulatory scheme.
53. To comply with the Marketing Restrictions, electric suppliers will be compelled to market their REC-based VROs differently in Connecticut than elsewhere in the United States.
54. Compelling electric suppliers to market their REC-based VROs differently in Connecticut than in other states or change their marketing in other states to conform to the Connecticut requirements burdens interstate commerce disproportionately.
55. The burden imposed on interstate commerce by the Marketing Restrictions is excessive in relation to the putative local benefits.

56. Thus, the Marketing Restrictions violate the Commerce Clause of the United States Constitution and prejudice the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT III: The Imposition Of The Marketing Requirements Of The Decision Violated The Uniform Administrative Procedure Act, Conn. Gen. Stat. § 4-166, et seq.**

57. Appellants incorporate herein by reference Paragraphs 1 through 56 above as if fully set forth herein.

58. As a state agency, PURA is subject to the Uniform Administrative Procedure Act, Conn. Gen. Stat. § 4-166, *et seq.* (“UAPA”). As a consequence, in a contested case, PURA must afford all parties the UAPA’s procedural protections. Similarly, PURA must follow the UAPA’s requirements in reaching its final decision.

59. “In a contested case, each party . . . shall be afforded the opportunity . . . at a hearing, to respond, to cross-examine other parties, intervenors, and witnesses, and to present evidence and argument on all issues involved.” Conn. Gen. Stat. § 4-177c(a).

60. For years, PURA has recognized that materials, including comments, not adopted by a witness either in person at a hearing or by affidavit do not rise to the level of evidence.

61. PURA’s imposition of requirements affecting the marketing of VROs, including the Marketing Restrictions, was based on comments submitted by the Office of Consumer Counsel (“OCC”). Decision, at 25.

62. The OCC did not present a witness to sponsor its comments at the Hearing nor did the OCC submit an affidavit attesting to the accuracy of its comments.

63. At the Hearing, no party was afforded an opportunity to cross examine the OCC about such comments.

64. By relying on comments that were not subject to cross examination to support its findings and conclusions, PURA violated the UAPA.

65. Because PURA relied on the OCC’s comments as evidence to support its findings and conclusions in contravention of its long-established practice, the parties were effectively denied the right to present evidence in response to the OCC’s comments in violation of the UAPA.

66. PURA's violations of the UAPA prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT IV: The Imposition Of The Marketing Restrictions Violated Due Process And Common-Law Rights To Fundamental Fairness In Administrative Hearings**

67. Appellants incorporate herein by reference Paragraphs 1 through 66 above as if fully set forth herein.

68. "Due process of law requires that the parties involved have an opportunity to know the facts on which the commission is asked to act, to cross-examine witnesses and to offer rebuttal evidence." *Pizzola v. Planning and Zoning Comm'n*, 167 Conn. 202, 207 (1974).

69. The Connecticut Supreme Court has also recognized a common-law right to fundamental fairness in administrative hearings and required that conduct of a hearing not violate the "fundamentals of natural justice." *Grimes v. Conservation Comm'n*, 243 Conn. 266, 273-74 (1997).

70. PURA violated Appellants' rights to due process and fundamental fairness in adopting the Marketing Restrictions based on comments and without affording the parties an opportunity to cross-examine.

71. Those violations prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT V: The Imposition Of The Marketing Restrictions Was Based On Unlawful Procedure**

72. Appellants incorporate herein by reference Paragraphs 1 through 71 above as if fully set forth herein.

73. PURA imposed the Marketing Restrictions based on unlawful procedure that prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT VI: The Imposition Of The Marketing Restrictions Was Clearly Erroneous In View Of The Reliable, Probative, And Substantial Evidence On The Whole Record**

74. Appellants incorporate herein by reference Paragraphs 1 through 73 above as if fully set forth herein.

75. If there is no evidence to support an administrative agency's factual findings or conclusions, the agency has failed to satisfy the substantial evidence test.

76. PURA's imposition of the Marketing Restrictions was clearly erroneous in view of the reliable, probative, and substantial evidence on the whole record and prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT VII: The Imposition Of The Marketing Restrictions Was Arbitrary, Capricious, And A Clearly Unwarranted Exercise Of Discretion**

77. Appellants incorporate herein by reference Paragraphs 1 through 76 above as if fully set forth herein.

78. PURA's imposition of the Marketing Restrictions was arbitrary, capricious, and a clearly unwarranted exercise of discretion that prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT VIII: The Geographic Restrictions Violate The Commerce Clause Of The United States Constitution**

79. Appellants incorporate herein by reference Paragraphs 1 through 78 above as if fully set forth herein.

80. The Geographic Restrictions discriminate against interstate commerce in violation of the Commerce Clause of the United States Constitution.

81. The Geographic Restrictions discriminate against interstate commerce facially because they deny generators located outside the permitted control areas access to Connecticut's

voluntary renewable market, while allowing generating facilities located in those areas, access to this market.

82. The Geographic Restrictions also discriminate against interstate commerce in effect by placing restrictions on a previously existing, private market that extends beyond the borders of Connecticut.

83. Prohibiting RECs generated outside of the New England, New York, or PJM control areas from being sold in Connecticut while allowing RECs generated within those areas to be sold in Connecticut, burdens the RECs generated outside those areas by denying them access to a market and benefits the RECs generated in those areas by providing them access to a market.

84. As a consequence of the Geographic Restrictions, the Appellants effectively do not have access to RECs that do not satisfy the new Geographic Restrictions for purposes of supporting VROs sold in Connecticut.

85. The burden imposed on interstate commerce by the Geographic Restrictions is excessive in relation to the putative local benefits.

86. Thus, the Geographic Restrictions violate the Commerce Clause of the United States Constitution and prejudice the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT IX: The Imposition Of The Geographic Restrictions Was In Excess Of PURA's Statutory Authority**

87. Appellants incorporate herein by reference Paragraphs 1 through 86 above as if fully set forth herein.

88. An administrative body must act strictly within its statutory authority and does not have the authority to make law. *See, e.g., Waterbury v. Comm'n on Human Rights &*

*Opportunities*, 160 Conn. 226, 230-31 (1971); *Salmon Brook Convalescent Home v. Commission on Hospitals & Health Care*, 177 Conn. 356, 363 (1979).

89. No express statutory authority permits PURA to impose the Geographic Restrictions.

90. By imposing the Geographic Restrictions, PURA exceeded its statutory authority and prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT X: The Imposition Of The Geographic Restrictions Violated The UAPA**

91. Appellants incorporate herein by reference Paragraphs 1 through 90 above as if fully set forth herein.

92. PURA imposed the Geographic Restrictions based, in part, on comments submitted by the DEEP. Decision, at 6.

93. The DEEP did not present a witness to sponsor its comments at the Hearing nor did the DEEP submit an affidavit attesting to the accuracy of its comments.

94. At the Hearing, no party was afforded an opportunity to cross examine the DEEP about such comments.

95. By relying on comments that were not subject to cross examination to support its findings and conclusions, PURA violated the UAPA.

96. Because PURA relied on the DEEP's comments as evidence to support its findings and conclusions in contravention of its long-established practice, the parties were effectively denied the right to present evidence in response to the DEEP's comments in violation of the UAPA.

97. PURA also based the Geographic Restrictions, in part, on facts about prevailing wind patterns and a University of Connecticut climate overview. Decision, at 8.

98. Those facts, however, were not subject to cross examination or admitted into the evidentiary record.

99. Nevertheless, based on those facts, PURA concluded that resources in Canada or further west or south of New York and PJM are unlikely to provide any measurable benefits toward Connecticut's clean energy goals. Decision, at 9.

100. PURA concluded that Connecticut General Statutes section 4-178 allows it to "recognize 'judicially cognizable facts and of [sic] generally recognized technical or scientific facts within the agency's specialized knowledge.'" Decision, at 8 (quoting Conn. Gen. Stat. § 4-178(6)).

101. Connecticut General Statutes section 4-178 requires that notice, and an opportunity to contest the material noticed, be provided to the parties before an agency takes notice of judicially cognizable facts and of generally recognized technical or scientific facts within the agency's specialized knowledge. Conn. Gen. Stat. § 4-178(6), (7).

102. PURA did not provide the parties the required notice. As a consequence, PURA further violated the UAPA.

103. PURA's violations of the UAPA prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT XI: The Imposition Of The Geographic Restrictions Violated Due Process And Common-Law Rights To Fundamental Fairness In Administrative Hearings**

104. Appellants incorporate herein by reference Paragraphs 1 through 103 above as if fully set forth herein.

105. PURA violated Appellants' rights to due process and fundamental fairness in adopting the Geographic Restrictions and prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT XII: The Imposition Of The Geographic Restrictions Was Based On Unlawful Procedure**

106. Appellants incorporate herein by reference Paragraphs 1 through 105 above as if fully set forth herein.

107. PURA imposed the Geographic Restrictions based on unlawful procedure and prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT XIII: The Imposition Of The Geographic Restrictions Was Arbitrary, Capricious, And A Clearly Unwarranted Exercise Of Discretion**

108. Appellants incorporate herein by reference Paragraphs 1 through 107 above as if fully set forth herein.

109. PURA's imposition of the Geographic Restrictions was arbitrary, capricious, and a clearly unwarranted exercise of discretion that prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT XIV: The Imposition Of The Geographic Restrictions Was Clearly Erroneous In View Of The Reliable, Probative, And Substantial Evidence On The Whole Record**

110. Appellants incorporate herein by reference Paragraphs 1 through 109 above as if fully set forth herein.

111. PURA's imposition of the Geographic Restrictions was clearly erroneous in view of the reliable, probative, and substantial evidence on the whole record and prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT XV: The Imposition Of The Resource Type Restrictions Was In Excess Of PURA's Statutory Authority**

112. Appellants incorporate herein by reference Paragraphs 1 through 111 above as if fully set forth herein.

113. No express statutory authority permits PURA to impose the Resource Type Restrictions.

114. By imposing the Resource Type Restrictions, PURA exceeded its statutory authority and prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT XVI: The Imposition Of The Resource Type Restrictions Violated The UAPA**

115. Appellants incorporate herein by reference Paragraphs 1 through 114 above as if fully set forth herein.

116. PURA imposed the Resource Type Restrictions based, in part, on comments submitted by the DEEP. Decision, at 12.

117. By relying on comments that were not subject to cross examination to support its findings and conclusions, PURA violated the UAPA.

118. Because PURA relied on the DEEP's comments as evidence to support its findings and conclusions in contravention of its long-established practice, the parties were effectively denied the right to present evidence in response to the DEEP's comments in violation of the UAPA.

119. PURA's violations of the UAPA prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT XVII: The Imposition Of The Resource Type Restrictions Was Affected By An Error Of Law**

120. Appellants incorporate herein by reference Paragraphs 1 through 119 above as if fully set forth herein.

121. PURA concluded that “[t]he RPS standards demonstrate the Connecticut General Assembly's increasing support for Class I resources, which the standards heavily preference above Class II and Class III RECs.” Decision, at 11.

122. However, the RPS standards are mandatory requirements with which electric suppliers must comply.

123. PURA also concluded that “[o]lder hydro projects are not included within the statutory definition of a Class I REC, indicating the General Assembly’s desire to incentivize new projects.” Decision, at 5 n.6.

124. However, the statutory definition of Class I RECs only applies to the mandatory RPS program.

125. The General Assembly has not expressed any requirement or preference for the resources that can or should be used to support VROs.

126. Thus, PURA’s findings and conclusions to the contrary were affected by an error of law that prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT XVIII: The Imposition Of The Resource Type Restrictions Was Clearly Erroneous In View Of The Reliable, Probative, And Substantial Evidence On The Whole Record**

127. Appellants incorporate herein by reference Paragraphs 1 through 126 above as if fully set forth herein.

128. PURA also indicated its belief “that restricting RECs to Connecticut-defined Class I and increasing consumer education . . . will encourage Connecticut customers to more purposefully support a product that furthers the state’s energy goals.” Decision, at 12.

129. However, there is no evidence that customers will act as PURA believes, and the evidence in the record contradicts this statement and PURA’s other findings and conclusions purportedly supporting the Resource Type Restrictions.

130. The imposition of the Resource Type Restrictions was clearly erroneous in view of the reliable, probative, and substantial evidence on the whole record and prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT XIX: The Imposition Of The Resource Type Restrictions Violated Due Process And Common-Law Rights To Fundamental Fairness In Administrative Hearings**

131. Appellants incorporate herein by reference Paragraphs 1 through 130 above as if fully set forth herein.

132. PURA violated Appellants' rights to due process and fundamental fairness in adopting the Resource Type Restrictions that prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT XX: The Imposition Of The Resource Type Restrictions Was Based On Unlawful Procedure**

133. Appellants incorporate herein by reference Paragraphs 1 through 132 above as if fully set forth herein.

134. PURA imposed the Resource Type Restrictions based on unlawful procedure that prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT XXI: The Imposition Of The Resource Type Restrictions Was Arbitrary, Capricious, And A Clearly Unwarranted Exercise Of Discretion**

135. Appellants incorporate herein by reference Paragraphs 1 through 134 above as if fully set forth herein.

136. PURA's imposition of the Resource Type Restrictions was arbitrary, capricious, and a clearly unwarranted exercise of discretion that prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT XXII: The Requirement That Granular VRO Renewable Energy Content Information Be Disclosed Upon Customer Enrollment Is Affected by An Error of Law**

137. Appellants incorporate herein by reference Paragraphs 1 through 136 above as if fully set forth herein.

138. PURA concluded that customers purchasing VROs must receive a Disclosure Label identifying the specific type of resources that will generate the RECs supporting their VROs and the regional control area in which the RECs will be generated. Decision, at 27-28.

139. PURA reached this conclusion by interpreting Connecticut General Statutes sections 16-245o(h)(5) and 16-245o(h)(6) to require that electric suppliers provide information about RECs in addition to those required to satisfy the mandatory RPS requirements prior to enrolling a customer in a contract and by concluding that Connecticut General Statutes sections 16-245o(h)(5) and 16-245o(h)(6) cannot be satisfied by “stating a VRO is nationally sourced or including all possible energy sources.” Decision, at 27.

140. While Connecticut General Statutes section 16-245o(h)(5) requires disclosure of “where [the RECs] are being sourced from,” it does not require that this disclosure have a specified degree of particularity. Conn. Gen. Stat. § 16-245o(h)(5).

141. While Connecticut General Statutes section 16-245o(h)(5) requires disclosure of “the types of renewable energy sources that will be purchased,” it also does not require that this disclosure have a specified degree of particularity. Conn. Gen. Stat. § 16-245o(h)(5).

142. Connecticut General Statutes section 16-245o(h)(6) simply requires disclosure of the “renewable energy content” of the VRO, without requiring that any type of granular information be provided. Conn. Gen. Stat. § 16-245o(h)(6).

143. PURA erroneously interpreted Connecticut General Statutes sections 16-245o(h)(5) and 16-245o(h)(6) to reach its conclusion requiring that electric suppliers provide granular information about RECs used to satisfy their VRO obligations.

144. PURA's erroneous interpretation of Connecticut General Statutes sections 16-245o(h)(5) and 16-245o(h)(6) prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT XXIII: The Requirement That Granular VRO Renewable Energy Content Information Be Disclosed Upon Customer Enrollment Was Arbitrary, Capricious, And A Clearly Unwarranted Exercise Of Discretion**

145. Appellants incorporate herein by reference Paragraphs 1 through 144 above as if fully set forth herein.

146. Despite the fact that the requirements of Connecticut General Statutes sections 16-245o(h)(5) and 16-245o(h)(6) have existed for years, PURA's long-standing requirements did not mandate that electric suppliers provide granular information about RECs used to satisfy their VRO obligations.

147. PURA's change of its long-standing requirements was arbitrary, capricious, and a clearly unwarranted exercise of discretion that prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

**COUNT XXIV: The Decision Violates The Contracts Clause Of The United States Constitution**

148. Appellants incorporate herein by reference Paragraphs 1 through 147 above as if fully set forth herein.

149. Article I, Section 10 of the United States Constitution provides, in pertinent part: "No State shall . . . pass any . . . law impairing the obligation of contracts."

150. Electric suppliers have existing agreements with Connecticut customers that do not satisfy the Decision's new requirements.

151. To the extent the Decision impacts the terms of those existing agreements, including the ability of electric suppliers to automatically renew such agreements, it operates as a substantial impairment of contractual relationships between electric suppliers and their customers.

152. The Decision's new requirements do not serve a legitimate public purpose.

153. Further, the means chosen by PURA to accomplish the Decision's purported purpose are unreasonable and unnecessary.

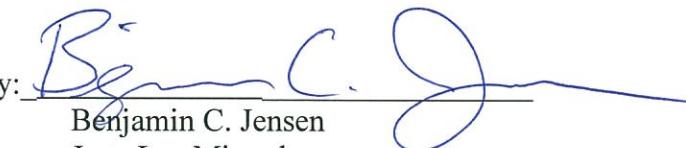
154. By imposing new requirements that impact the terms of existing agreements between electric suppliers and their customers, PURA has violated the Contracts Clause and prejudiced the substantial rights of DES, DEB, DEBM, CleanChoice and RESA members.

## **PRAYER FOR RELIEF**

WHEREFORE, the Appellants pray that this Court:

1. Stay the enforcement of the Decision pending final resolution of this appeal;
2. Sustain this appeal;
3. Reverse PURA's Decision;
4. Award Appellants reasonable fees and expenses under Connecticut General Statutes section 4-184a; and
5. Grant such other relief as the Court may deem appropriate.

PLAINTIFFS-APPELLANTS  
DIRECT ENERGY SERVICES, LLC; DIRECT ENERGY BUSINESS, LLC; DIRECT ENERGY BUSINESS MARKETING, LLC; CLEANCHOICE ENERGY, INC.; RETAIL ENERGY SUPPLY ASSOCIATION

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# **EXHIBIT A**



# STATE OF CONNECTICUT

PUBLIC UTILITIES REGULATORY AUTHORITY  
TEN FRANKLIN SQUARE  
NEW BRITAIN, CT 06051

**DOCKET NO. 16-12-29 PURA DEVELOPMENT OF VOLUNTARY RENEWABLE OPTIONS PROGRAM**

October 21, 2020

By the following Commissioners:

Marissa P. Gillett  
John W. Betkoski, III  
Michael A. Caron

**DECISION**

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## **DECISION**

### **I. INTRODUCTION**

#### **A. SUMMARY**

In this Decision, the Public Utilities Regulatory Authority modifies and approves continuation of the Clean Energy Options Program and establishes rules for all generation supply offers marketed as including renewable energy attributes that exceed the annual minimum requirement for renewable portfolio standards, commonly referred to as voluntary renewable offers. The modified Clean Energy Options Program will continue to provide customers who remain with their utility's Standard Service generation supply an option to support renewable energy through the purchase of renewable energy certificates. The Authority establishes universal standards for the REC-only and VRO offers, including that the certificates that support such offers may originate only from the ISO-NE, New York, or PJM control areas and that the certificates must reflect resources defined as Class I in Conn. Gen. Stat. § 16-1. The Authority further modifies the Disclosure Label required for all supplier offerings to better explain to consumers how certificates support renewable energy and how their generation is supplied. These changes further Connecticut's energy policies by reducing local greenhouse gas emissions and supporting local, sustainable, renewable energy sources, and they offer a more transparent process for customers purchasing offers with renewable energy attributes that exceed statutory requirements.

#### **B. BACKGROUND OF THE PROCEEDING**

Pursuant to Conn. Gen. Stat. § 16-244c, the Public Utilities Regulatory Authority (Authority) established the Clean Energy Options Program (CEOP) in 2005 to allow consumers to support renewable energy above the minimum renewable portfolio standards (RPS). See Decisions dated April 21 and October 20, 2004, and February 17 and April 21, 2005, in Docket No. 03-07-16, Investigation of Alternative Transitional Standard Offer Services for United Illuminating and CL&P Customers. At the time of CEOP's inception, customers had limited options for supporting renewable resources in excess of the RPS. CEOP allowed customers, whether they received supply from Standard Service or a third-party supplier, to participate in a renewable energy certificate (REC)-only program that was applied as an adder to their bill. The Authority modified and extended the program over time. See Decision dated September 27, 2007, in Docket No. 07-01-09, DPUC Consideration of the Connecticut Clean Energy Options Program for 2008; Decision dated March 30, 2011, in Docket No. 10-05-07, PURA Review of the Connecticut Clean Energy Options Program.

Since 2005, nationwide REC markets emerged and matured, and suppliers began marketing offers that exceeded Connecticut's RPS. Contrary to the REC-only CEOP, some supplier offers now include energy plus the RECs claimed by suppliers in excess of the RPS, creating a bundled product, commonly referred to as a voluntary renewable offer (VRO). Over time, the number of suppliers offering VROs has increased.

Due to the presence of VROs in the market, in 2016 the Authority announced it would develop and implement a new program in place of CEOP to advance Connecticut's voluntary renewable market and established this proceeding to do so. Decision dated December 21, 2016, in Docket No. 10-05-07RE01 PURA Review of the Connecticut Clean Energy Options Program. Although the Authority indicated it was ending CEOP at the time, it continued the program pending approval of a successor program. See Motion No. 5, rulings dated July 11, 2018, and October 2, 2019.

### C. CONDUCT OF THE PROCEEDING

By Notice of Proceeding dated January 4, 2017, the Authority established this proceeding to develop options for Connecticut ratepayers to purchase voluntary renewable products and to establish a new program to replace the CEOP. Pursuant to rulings on Motion No. 5 dated July 11, 2018 and October 2, 2019, the Authority continued the CEOP pending the Authority's approval of a program to modify it. By Revised Notice of Proceeding dated November 26, 2019, the Authority clarified this proceeding would establish rules that will govern all voluntary renewable offerings, create new rules for CEOP, and modify a Disclosure Label.

By Notices of Written Comment dated December 17, 2019, January 29, 2020, and June 15, 2020, the Authority sought comment on proposed standards for VROs and CEOP going forward and modifications to the current Disclosure Label. The Authority held a virtual hearing in this matter on June 24, 2020, and briefs and reply briefs were received from the Parties. The Authority issued a draft ruling in this matter and all parties were provided the opportunity to provide written exceptions. Oral arguments were held on October 6, 2020.

### D. PARTIES AND INTERVENORS

The Authority recognized as Parties to the proceeding the entities listed in the appended service list.

## II. AUTHORITY ANALYSIS

In this Decision, the Authority attempts to increase consumer awareness about the REC market, ensure Connecticut consumers receive CEOP and VRO products that further the state's clean energy goals, and ensure that customers fully understand the REC products offered in excess of the RPS mandate for which they may be paying a premium. To achieve this, the Authority establishes certain universal standards for all REC-only and VRO offers: (1) RECs may originate only from ISO-NE, New York ISO, or PJM control areas<sup>1</sup>; and (2) RECs may originate only from sources defined as Class I in Conn. Gen. Stat. § 16-1.<sup>2</sup> The Authority further modifies CEOP and establishes an

<sup>1</sup> The PJM control area is comprised of portions of Delaware, District of Columbia, Illinois, Indiana, Kentucky, Michigan, Maryland, Ohio, New Jersey, North Carolina, Pennsylvania, Tennessee, West Virginia and Virginia

<sup>2</sup> In its Written Exceptions, RESA appears to have interpreted this Decision to apply only to VROs billed through utility consolidated billing. RESA's reading of the Decision is incorrect. As noted in the opening paragraph of the Proposed Final Decision and throughout, the standards indicated herein apply to all VROs.

efficient process for the EDCs to administer CEOP, thereby limiting EDC and ratepayer cost, and modifies the Disclosure Label required for all supplier offerings.

Energy attribute certificates are a category of contractual instruments that represent certain information (attributes) about the energy generated, but do not represent the energy itself. These include instruments that may go by several different names, including certificates, tags, credits, or generator declarations. Sterling Planet Letter in lieu of Briefs, Attachment, GHG Protocol Scope 2 Guidance, p. 80. The Authority herein uses the term certificate to describe these instruments.

The CEOP and VROs reflect the purchase of certificates, not the purchase of electricity produced by renewable energy sources.<sup>3</sup> It is important for consumers to understand this distinction when purchasing these products. Consumers should not believe they are entering into a contract to purchase renewable energy when, instead, they are entering into a contract to purchase certificates reflecting the attributes for that energy. Customers should understand they are providing additional revenue to support certain power sources rather than purchasing and using power generated from those sources. As discussed below, this distinction will guide the Authority's analysis, including the development of the revised Disclosure Label and the educational material that will be provided to consumers to ensure they fully understand the CEOP and VROs they are buying.

## A. REQUIREMENTS APPLICABLE TO REC-ONLY AND VROS

### 1. Eligible REC Regions for CEOP and VROs

The initial CEOP Decision in Docket No. 03-07-16, Investigation of Alternative Transitional Standard Offer Services for United Illuminating and CL&P Customers, limited CEOP to 50% of the renewable resources from NEPOOL GIS and 50% from sources outside the NEPOOL GIS region. Decision pp. 9-10. Over time, as REC markets and tracking systems developed, PURA extended the geographic eligibility of qualified CEOP resources to include RECs generated from the contiguous United States and the Eastern Canadian Provinces of New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, Ontario, Quebec and Labrador. See Docket No. 07-09-01, DPUC Consideration of the Connecticut Clean Energy Options Program for 2008, Interim Decision dated September 27, 2007, p. 6; see also, Tr. 6/24/20, p. 23.

Suppliers began offering VROs shortly after the CEOP was initiated. Unlike the CEOP in which PURA established rules and standards governing the program, VROs evolved over time without regulatory guidance. As a result, these products have not been subject to any geographic limitations or REC verification standards.<sup>4</sup>

<sup>3</sup> The direct sale of electricity produced by a renewable energy resource requires an ownership interest in the generator or a purchase power agreement (PPA).

<sup>4</sup> Information about VRO RECs is submitted in PURA's annual RPS compliance docket as Exhibit D. Exhibit D asks two questions: Did the company offer or sell any services or products that contained renewable energy sources in percentages beyond the mandatory requirements of C.G.S. §16-245a? If yes, explain; and specify the number of Class I, II, and III RECs the Company assigns to fulfill its voluntary green products obligations. Suppliers, therefore, have not been required to prove they have retired the correct amounts of VRO RECs.

In the first request for written comments, the Authority explained:

"A bundled VRO includes the cost of the generation supply that meets the RPS plus the cost of the RECs that support VRO component. Many are marketed as being 100% renewable. While a bundled VRO is convenient for consumers because the price is all-inclusive, it lacks transparency in that suppliers do not disclose, and consumers therefore cannot identify, the cost of the VRO component. Additionally, it is difficult for consumers to readily identify the source of the RECs that are used to support the VRO component. As illustrated through the Authority's recent annual RPS compliance Decisions, the majority of the RECs used to support bundled VROs have not been locally sourced. For example, during 2016, only three of the twenty-one bundled VROs self-reported by suppliers were supported through locally-sourced RECs. See 2016 RPS Compliance Decision, dated January 23, 2019, Docket No. 17-06-23 p. 36-40. Two of those were supported with Class II trash-to-energy RECs. A similar result was demonstrated for 2015. See 2015 RPS Compliance Decision, dated November 8, 2017, Docket No. 16-07-20, p. 31-35. The Authority believes the proposals herein would increase locally-sourced renewable energy, improve the information being provided to consumers regarding the source and price of VRO RECs, and, as a result, create a competitive market."

Notice of Written Comments dated November 26, 2019, pp. 1-2.

Therefore, the Authority requested a series of written comments on creating universal geographical requirements for CEOP and VROs, and on limiting the regions from which VRO RECs could be sourced, to ensure these products support the state's clean energy goals. The Authority also sought specific comments on again limiting the RECs to those from NEPOOL GIS, or NEPOOL GIS and adjacent control regions. In each set of written comments, the Authority set forth straw proposals that built on and referred to the previous sets, and asked all parties to comment on everything the Authority proposed.

DEEP supported narrowing CEOP and VRO offers to include certificates created in an adjacent control area rather than allowing the current practice of using nationally sourced RECs to continue. DEEP indicated that GIS rule 2.7(c) allows generation from neighboring control areas (i.e. New York, New Brunswick, and Quebec), consistent with state policy. DEEP Comments, December 20, 2019, pp. 4-5.

3Degrees Group, Inc., Sterling Planet, and Community Energy Inc., (CEOP Suppliers)<sup>5</sup> argued that relying exclusively on NEPOOL GIS RECs would elevate the costs of RECs in excess of RPS requirements, possibly resulting in a price for CEOP in excess of what consumers would be willing to support. To achieve a reasonably priced CEOP product, the CEOP Suppliers recommended allowing RECs sourced from the New England states as well as portions of Delaware, District of Columbia, Kentucky, Illinois, Indiana, Michigan, Maryland, North Carolina, New Jersey, New York, Ohio, Pennsylvania, Tennessee, West Virginia, or Virginia (the PJM and New York control regions). CEOP

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<sup>5</sup> The three CEOP Suppliers submitted joint comments.

Suppliers Written Comments, December 18, 2019, pp. 4-6 and February 12, 2020, p. 3. The CEOP Suppliers argued that if the Authority limits REC-only offers to certificates from NEPOOL, New York and the Eastern Canadian Provinces, suppliers will be required to price their product at \$0.04 to \$0.05/kWh, a price they believe consumers would not support. Tr. 6/24/20, pp. 46-51. Furthermore, the CEOP Suppliers indicated that consumers are not interested in supporting the RECs associated with the large-scale hydroelectric resources that comprise much of the Eastern Canadian sources.<sup>6</sup> Instead, consumers want to support newer resources such as solar and wind. As a result, customers would not only be required to pay more for CEOP, but they would not receive the desired environmental results from CEOP if it were limited to NEPOOL, New York and the Eastern Canadian Provinces. Tr. 6/24/20, pp. 46-51.

The CEOP Suppliers also commented that NEPOOL GIS does not have the functionality to recognize or settle RECs from geographically adjacent regions unless the REC is part of a PPA. For example, the CEOP suppliers explained that NEPOOL GIS will recognize RECs from New York based generation only if there is a contract for use within NEPOOL of the New York generated electricity. As a result, the Authority must explicitly allow RECs from geographically adjacent regions and not solely rely on GIS Rule 2.7(c).

RESA recommended that the Authority allow VROs to include RECs from any region of the United States that has a reliable tracking mechanism. RESA argued there is a finite number of Class I NEPOOL GIS Certificates and that available resources are needed to meet the state's increasing annual mandatory Class I RPS compliance obligation. Written Comments dated February 20, 2019, p. 5. As a result, any available Connecticut Class I NEPOOL GIS Certificates will likely be significantly more expensive as RPS requirements continue to increase. RESA also noted there are reliable tracking mechanisms in place to allow Connecticut VROs to include the significant wind resources available in the mid-west and Texas. RESA Comments, February 20, 2020, pp. 4-6.

Starion, Direct Energy, and Vistra Corp. concurred with RESA's position and reinforced RESA's concern that limiting the eligible regions for EDC-billed VROs could have potential negative impacts on available products and price. The suppliers advocated that the Authority should allow VROs to include RECs from any geographic location provided there is adequate disclosure. Starion Comments, February 12, 2020, p. 2; Tr. 6/24/20, pp. 72-74; Direct Comments, December 20, 2019, p. 3; Vistra Comments, December 20, 2019, p. 6.<sup>7</sup>

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<sup>6</sup> Older hydro projects are not included within the statutory definition of a Class I REC, indicating the General Assembly's desire to incentivize new projects.

<sup>7</sup> RESA argues that written comments are not evidence. RESA Written Exceptions, p. 7. As the Authority stated in its Decision in Docket No. 14-07-20RE01, if written comments could not factor into the Authority's decision there would be no purpose in presenting straw proposals and seeking written comments. It is disingenuous for RESA now to claim it could not have known the Authority would rely on the written comments when issuing its decision when the Authority issued three notices of written comments, each building on and even referring to the comments received in response to the previous notice. The hearing held in the current docket gave all parties an opportunity to explore what was stated in the written comments, which the Authority did throughout the almost three-hour hearing. With knowledge of the content of the written comments, RESA, and all parties, were provided with the opportunity to use the hearing to offer evidence to refute others' written comments or support their own.

The Authority acknowledges concerns about narrowing the eligible regions for VRO and REC-only products; however, ensuring environmental benefits support Connecticut's energy policies continues to be a guiding principal for the Authority's actions. In its first notice of written comments, the Authority stated that the purpose of this docket was to "bring Connecticut's VROs in line with Connecticut's goals of reducing local greenhouse gas emissions and supporting sustainable local renewable energy sources. As illustrated in the Authority's RPS compliance dockets, few current VROs meet these goals." Notice of Written Comments dated November 26, 2019. Parties have known throughout this docket that the Authority's Decision would be made with the goal of requiring VRO and CEOP offerings to further Connecticut's energy goals.

Many more customers are participating in CEOP and VROs now than were fifteen years ago. These customers not only need to fully understand the products for which they are may be paying a premium, but the Authority must also ensure that these products are furthering Connecticut's clean energy goals. The Authority notes that current VROs contribute minimally, at best, to Connecticut's environmental betterment. See DEEP Written Comments dated December 20, 2019 ("Moreover, the majority of VRO RECs offered in Connecticut are sourced from outside New England, and their purchase by Connecticut customers does not effectively further Connecticut's public policy goals and may not align with customers' intent when choosing electric supply options beyond the RPS.") As demonstrated in Table 1 below, in 2016 few VRO products included New England regional RECs. Instead, the majority of these offers relied on nationally sourced certificates with no demonstrable benefit to Connecticut or New England; further, claims related to certain nationally-sourced RECs may conflict with the goals that consumers likely intend to achieve through their premium. The 2013, 2014 and 2015 RPS Compliance Decisions demonstrate a similar trend.<sup>8</sup> See also responses to Interrogatory SEU-1.

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Furthermore RESA did not object to any written comment when it was filed, nor did RESA object during the hearing.

<sup>8</sup> See Decision dated November 8, 2017, Docket No. 16-07-20, pp. 31-35; Decision dated September 28, 2016, Docket No. 15-09-08, pp. 31-35; and Decision dated December 23, 2015, Docket No. 14-05-35, pp. 31-35.

Table 1

<b>Supplier</b>	<b>2016 RPS Compliance REC Source or Type</b>
Ambit Northeast, LLC	Green-E Certified
Clearview Electric	Nationally Sourced - PJM GIS
Connecticut Gas & Electric	Green-E Certified
Con Ed Solutions, Inc.	National Wind
Constellation Energy Services, Inc.	National Wind
Direct Energy Business, LLC	Green-E Certified
Direct Energy Business Marketing, LLC	Green-E Certified
Direct Energy Services, LLC	Maine hydroelectric
Discount Power, Inc.	National Wind
Liberty Power Holdings, LLC	Class II Trash-to-Energy and Texas wind
NextEra Energy Services Connecticut, LLC	Texas Wind
No. American Power & Gas, LLC	Various national sources - Not CT Class I, II or III
Starion Energy, Inc.	National Wind
Town Square Energy	Green-E Certified
Verde Energy USA, Inc.	Not CT Class I, II or III - Maine Class II
Viridian Energy, LLC	Not CT Class I, II or III - National wind RECs
XOOM	Texas Wind
Source of data: Decision dated January 23, 2019, Docket No. 17-06-23, pp. 36-40; Responses to Interrogatory SEU-1.	

Although there is no indication that CEOP Suppliers are supporting their offers with trash-to-energy or Texas wind RECs in the same way VROs are, CEOP customers should be equally assured that the renewable resources they support are contributing to Connecticut's environmental goals. As the CEOP Suppliers indicated, their customers in particular are interested in desired local environmental results and the sources they are supporting. Tr. 6/24/20, pp. 46-51.

As DEEP noted in its written comments, "Conn. Gen. Stat. § 22a-200a requires Connecticut to reduce statewide greenhouse gas emissions to 80 percent below 2001 levels by 2050. Additionally, in Executive Order No. 3, Governor Lamont has directed DEEP, in consultation with PURA to analyze and recommend strategies for achieving a 100% zero carbon target for the electric sector by 2040." DEEP Written Comments dated December 20, 2019, p. 1. These are ambitious goals and meeting them requires the Authority to revisit its policies surrounding CEOP and VROs to ensure these offerings contribute to the goals.

The CEOP Suppliers cited the environmental benefits associated with supporting renewable energy resources located immediately west of Connecticut that displace fossil fuel generation, because Connecticut air quality is affected primarily by fossil fuel production to its west. This echoes what the Authority found in its original Decision: "Connecticut air quality is significantly and adversely affected by fossil fuel production to the southwest of the New England air shed. Demand for renewable resources that displaces demand for fossil fuel plants to the south and west of New England will provide environmental benefits to Connecticut." Docket No. 03-07-16, Decision, p. 10.

The Authority returns to what it held in its earlier Decision:

Although locally generated resources are attractive ..., the Department recognizes the linkage between limiting geographic eligibility and upward pressure on resource prices. For a REC-based program, the Department has determined that geographical eligibility will extend to GIS eligible resources ... New York and PJM. Extending geographic eligibility to PJM, New York and ISO-NE control areas will enable CCEO providers to obtain reasonably priced RECs and will enable REC suppliers to utilize existing verification systems in the New England, New York and PJM control areas...

Docket No. 07-09-01, Decision, p. 6. Furthermore, “[T]his geographic range would provide environmental benefits to New England, given prevailing wind patterns, and is large enough to obtain RECs from affordable clean resources.” Id.

RESA argues in its Written Exceptions that there is no evidence in this docket on which the Authority can determine limiting the geographic area for eligible VRO and CEOP RECs would environmentally benefit Connecticut. This argument is inapposite. First, as noted above the suppliers have filed years’ worth of data publicly in the annual RPS dockets indicating that VRO RECs are not locally-sourced and the Authority referred to this data in its notices of written comment. Second, Conn. Gen. Stat. § 4-178 allows the Authority to recognize “judicially cognizable facts and of generally recognized technical or scientific facts within the agency’s specialized knowledge,” and states that, “the agency’s experience, technical competence, and specialized knowledge may be used in the evaluation of the evidence.” Whether citing to written comments received by suppliers, citing to facts already established years ago in other dockets, or relying on common scientific knowledge, the Authority can rightfully rely on evidence that the prevailing wind patterns for Connecticut emanate from the west and that emissions from states in the northeast have a more direct impact on Connecticut’s air quality than emissions from states in the western United States. See generally, University of Connecticut Overview of Climate in Connecticut.<sup>9</sup> Were RESA able to find evidence to the contrary, it could have included it in its written comments or presented it during the hearing to argue against other parties’ comments or the Authority’s basis for its past decisions. No party presented any evidence to the contrary.

RESA’s argument appears to be that the Authority must ignore its scientific knowledge and treat REC sources from across the entire nation the same as ones in close proximity to Connecticut. Although the Authority supports cleaner air nationally, it cannot pretend that emission sources in Alaska and Hawaii have the same impact on Connecticut as emissions in New York and Pennsylvania. Furthermore, RECs from

<sup>9</sup><http://www.canr.uconn.edu/nrme/cscc/CTweatherstationintroduction/CONNCTINTRODUCTION.HTM#:~:text=During%20the%20colder%20months%20the,southwest%20or%20south%20winds%20predominante.> For almost a decade Connecticut has recognized that adjoining states’ pollution contributes significantly to Connecticut’s air quality. For example, in 2013 Connecticut issued a petition to the Environmental Protection Agency (EPA) to add nine states (Illinois, Indiana, Kentucky, Ohio, Michigan, North Carolina, Tennessee, West Virginia and Virginia) to the Ozone Transportation Region. These are the states in the PJM control area. In a 2014 letter to the EPA Connecticut cited to eastern states’ continued pollution as a reason it could not meet Clean Air Act standards.

western sources such as Texas windmills do not ensure additionality that continues to provide benefits to Connecticut and furthers Connecticut's clean energy goals.<sup>10</sup>

The Authority finds that all CEOP offers and all VROs must use RECs sourced from NEPOOL GIS or the adjacent control areas of New York and PJM. As indicated, the New York and PJM control areas are located in a favorable geographic direction to reap the most benefits for Connecticut; whereas resources in Canada or further west or south of New York and PJM are unlikely to provide any measurable benefits toward Connecticut's clean energy goals. Under the current lack of regulation, customers are paying premiums for products that do not benefit Connecticut or New England. Moreover, due to the current configuration of Disclosure Labels, discussed later, customers may not realize they are paying a premium for a product that does not benefit Connecticut or New England. By limiting the geographic region from which CEOP and VROs can be sourced, and requiring clear disclosure as to location upon enrollment, the Authority ensures customers receive offers that further Connecticut's clean energy goals. This limitation could incentivize construction of clean energy facilities in New England and adjacent regions to meet the growing demand for cleaner energy for Connecticut customers.

The Authority is cognizant that geographical requirements for CEOP and VROs could potentially run afoul of the Commerce Clause of the United States Constitution, Const. Art. I, § 8, cl. 3. See Written Exceptions of CleanChoice Energy, Inc. (CleanChoice), pp. 4-9. A state can violate the dormant Commerce Clause when it imposes "differential treatment of in-state and out-of-state economic interests that benefits the former and burdens the latter." Freedom Holdings, Inc. v. Spitzer, 357 F.3d 205, 217–18 (2d Cir. 2004)(citing Or. Waste Sys., Inc. v. Dep't of Envtl. Quality, 511 U.S. 93, 99 (1994)). In addition, even if a state acts in a non-discriminatory manner, a violation can be found if the burdens on interstate commerce are "clearly excessive in relation to the putative local benefits," Id. (citing Pike v. Bruce Church, Inc., 397 U.S. 137, 142 (1970)); Town of Southold v. Town of East Hampton, 477 F.3d 38, 50 (2d Cir. 2007).

Here, however, the dormant Commerce Clause is not implicated because (1) the geographical requirements for RECs are unrelated to economic protectionism of in-state interests and (2) are narrowly tailored to further the state's legitimate clean energy goals. First, by allowing RECs to be sourced from anywhere within the NEPOOL GIS and the adjacent control areas of New York and PJM, the Authority is not favoring Connecticut-based economic interests, rather it is merely building upon the geographic distinctions created by the Federal Energy Regulatory Commission (FERC). As the Second Circuit has noted, "Connecticut's RPS program makes geographic distinctions between RECs only insofar as it piggybacks on top of geographic lines drawn by ISO-NE and the NEPOOL-GIS, both of which are supervised by FERC—not the state of Connecticut. It is FERC that has created the geographic distinctions on which Connecticut's program is predicated by organizing owners of transmission lines . . . to

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<sup>10</sup> Additionality means the purchase of the REC encourages development of renewable generation that would not occur otherwise. In the case of RECs acquired from Texas wind sources, for example, the sources likely would have been constructed regardless of the REC market because of the financial viability of a readily-available source of energy. The Authority attempts through this Decision to use the REC market as it was originally intended – to encourage greater development of renewable sources of energy generation.

help manage the grid, ensure system reliability, and guard against discrimination and the exercise of market power in the provision of transmission services.” Allco Finance Ltd. V. Klee, 861 F.3d 82, 107 (2d Cir. 2017)(citing Entergy Nuclear Vt. Yankee, LLC v. Shumlin, 733 F.3d 393, 413 (2d Cir. 2013)). More importantly, the Second Circuit found that “it is FERC itself that has instituted a sort of regionalization of the national electricity market. And neither FERC nor Congress has given any indication that this structure is unduly harmful to interstate commerce.” Id. Consequently, the imposition of geographic requirements for RECs is not the type of discriminatory economic protectionism barred by the Commerce Clause.

Second, the geographic requirements for RECs provide clear and direct benefits to the State of Connecticut that outweigh any ostensible burden on interstate commerce. As noted above, the Authority is restricting CEOP and VRO RECs to adjacent geographic control areas that evidence consistently has shown over many years to provide the greatest benefit to Connecticut’s clean energy goals. There is no evidence in the record that supports a conclusion that the geographic requirement will impose a burden on interstate commerce that is “clearly excessive in relation to” the documented environmental and clean energy benefits.

## **2. Sources of Certificates Allowed for REC-only Offers and VROs**

Between when the RPS became effective in 2006<sup>11</sup> and 2017, the total of Class I requirements has increased annually, reaching 15.5% in 2017 and resulting in a total 2017 RPS of 21.5%.<sup>12</sup> The Class I percentage will increase annually for the next ten years, reaching 40% in 2030. The requirement for additional Class I or Class II and Class III renewable energy sources increased from three to four percent in 2018, but has not increased since that time and will remain fixed through 2030. The table below demonstrates the RPS requirements for 2018 - 2030.

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<sup>11</sup> Conn. Gen. Stat. § 16-245a(a)(1) through (25) defines Connecticut’s RPS standards for years 2006 through 2030.

<sup>12</sup> Conn. Gen. Stat. § 16-245a(f) added a Class III RECs requirement in 2008 equal to the Class II requirement. The Class III requirement increased at the same percentage as Class II.

<b>Required Annual Renewable Energy Percentages:</b>				
<b>Year</b>	<b>Class I</b>	<b>Class II or Class I (add'l)</b>	<b>Class III</b>	<b>Total</b>
2018	17.0%	4.0%	4.0%	25.0%
2019	19.5%	4.0%	4.0%	27.5%
2020	21.0%	4.0%	4.0%	29.0%
2021	22.5%	4.0%	4.0%	30.5%
2022	24%	4.0%	4.0%	32%
2023	26%	4.0%	4.0%	34%
2024	28%	4.0%	4.0%	36%
2025	30%	4.0%	4.0%	38%
2026	32%	4.0%	4.0%	40%
2027	34%	4.0%	4.0%	42%
2028	36%	4.0%	4.0%	44%
2029	38%	4.0%	4.0%	46%
2030	40%	4.0%	4.0%	48%

The RPS standards demonstrate the Connecticut General Assembly's increasing support for Class I resources, which the standards heavily preference above Class II and Class III RECs. The 2018 Comprehensive Energy Strategy (CES) also identified the need to support additional Class I resources, specifically those that reduce greenhouse gasses (GHG), stating, "One of the objectives of the RPS is to support development of resources that will reduce regional GHG and other air emissions." 2018 CES, p. 29.

Both the RPS designed by the General Assembly as well as the CES signal the need to encourage construction of additional, clean, and sustainable renewable sources of energy, and demonstrate a preference for those sources of energy identified as Class I. In twelve years the requirement for Class I RECs will have more than doubled, while the requirement for Class II and III RECs remains unchanged. Further, as previously noted the Governor's Executive Order No. 3 requires the state's energy sector to reach a one hundred percent zero carbon goal within twenty years. Continued recognition of VRO RECs from Class II and III sources is unlikely to achieve the state's goals in the timeframe prescribed. As a result, the Authority will limit VRO and REC-only eligible certificates to those that meet the Connecticut Class I standards as defined by Conn. Gen. Stat. § 16-1. Limiting the eligible certificates to Class I resources located in the NEPOOL-GIS and the allowed control areas reinforces the state's support for construction of additional solar, wind and other similar clean, sustainable renewable generation that will benefit Connecticut and New England. The limitation also ensures that customers will support VRO and REC-only products that facilitate the state's goals and align with the customers' intent when paying a premium for these products.

RESA argues this restriction will "negatively affect Connecticut's goals of supporting sustainable local renewable energy sources" by increasing the price of VROs

and discouraging customer participation. Written Exceptions of RESA, p. 12-13. First, RESA's argument is entirely speculative and offers nothing other than conjecture to support its assertion. Second, RESA's argument overlooks the purpose of the REC class restriction – to ensure VRO and CEOP offers further the state's goals. As discussed, the Authority has reason to believe Connecticut customers currently purchasing VROs do not understand that they are not locally beneficial. The Authority believes that restricting RECs to Connecticut-defined Class I and increasing consumer education as discussed herein will encourage Connecticut customers to more purposefully support a product that furthers the state's energy goals.

DEEP and the CEOP Suppliers argued in favor of limiting eligible certificates to a more narrow definition than that of Class I. See CEOP Supplier's Written Comments dated December 18, 2019 ("To ensure product quality that consumers and stakeholders nationwide have adopted, we strongly encourage the Authority to require RECs for the program be limited to the technology types eligible for Connecticut Class I, excluding fuel cells and limiting to low emitting biomass. This product would therefore be sourced from wind, solar, low-impact hydroelectric and low-emitting biomass."); DEEP Written Comments dated December 20, 2019 ("Connecticut's RPS does not necessarily fully align with [the] goal [of reducing local greenhouse gas emissions and supporting sustainable local renewable energy sources], as decarbonization was not the original goal of the RPS. Currently, some carbon emitting resources are eligible for the RPS while zero carbon emitting resources such as nuclear and large-scale hydro resources are not.").

To the extent Parties believe the definition of Class I does not adequately represent the resources necessary to ensure Connecticut meets its clean energy goals, the Authority suggests that such a request should be made to the Connecticut General Assembly to redefine Class I to exclude sources that are carbon emitting and to include sources that were originally omitted but facilitate cleaner energy consumption. The Authority will limit VRO and REC-only products to certificates created from generation that meet the standards for Connecticut Class I resources as defined in Conn. Gen. Stat. 16-1.<sup>13</sup>

To simplify program rules, the Authority will require that certificates used to fulfill REC-only and VRO obligations, but settled through other tracking systems, must follow the NEPOOL GIS settlement requirements. Certificates retired within NEPOOL GIS must comply with then-current GIS rules for the calendar year in which the load was served.<sup>14</sup> This aligns the certificate settlement rules for REC-only and VRO offers with NEPOOL GIS.<sup>15</sup>

Parties further explained that tracking systems provide a reserve account that allows suppliers to settle certificates while retaining attributes of the certificates. Tracking

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<sup>13</sup> If the General Assembly amends Conn. Gen. Stat. § 16-1 to add or delete resources from the definition of Class I, the definition of eligible resources as noted herein will evolve with the statute.

<sup>14</sup> Under RPS compliance, the year in which load is served is commonly referred to as the compliance year.

<sup>15</sup> Under current GIS rules a supplier has until September 15<sup>th</sup> of the year following the compliance year, aka Q4 trading period, to settle certificates for the compliance year.

systems also provide a residual mix account that serves as a repository for unsettled certificates, including certificates from fossil-fueled generation. Unlike the reserve account, the attributes of a certificate settled to the residual mix account cannot be determined. Although some of the certificates settled to the residual mix account may be from renewable resources, once settled the attributes are lost. Tr. 6/24/20, pp. 65-70. Based on the foregoing, residual mix certificates may not be used to meet REC-only or VRO certificate obligations.

## B. REC-ONLY OFFER REQUIREMENTS

### 1. General

The electric distribution companies (EDC) are not required to offer a Standard Service VRO or REC-only option and as a result do not do so. Absent a CEOP-like REC-only program, Standard Service customers cannot participate in the REC market unless they switch to a supplier-provided VRO certificate plan. Although the number of supplier-provided VROs has increased over time, the number of residential and small business customers taking service from licensed suppliers has steadily declined, dropping from 38% (about 500,000 customers) at year-end 2010 to 26.4% (about 345,000 customers)<sup>16</sup> in April 2020.<sup>17</sup>

The Authority finds that it is appropriate to continue to offer a REC-only option to provide increased market choice and more fully support Connecticut's energy policies. Retaining a CEOP-like offer will allow customers who opt to remain with the EDC's Standard Service supply or otherwise elect not to take service from a supplier to support the REC market, thereby providing all customers with additional choice. For example, continuation of this program allows consumers to add a REC-only offer to their Standard Service or non-VRO supplier offer. Consumers can also choose to support more renewable energy certificates by adding a REC-only option to a VRO.

Any new REC-only contract entered into with a customer as of January 1, 2021, must meet the standards revised herein. Because current CEOP Suppliers have contracts for the purchase of RECs based on their current participation in the program, current customer contracts will be allowed to continue until January 2022. At that time, the program will change as noted herein and any existing customer contracts will need to be altered accordingly.

### 2. Percentage Options

The EDCs stated they have been able to administer the CEOP through manual processes because the program has been limited to three suppliers, few offers, and a limited number of price options.<sup>18</sup> The EDCs noted they could cost-effectively manage

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<sup>16</sup> Combined, the EDCs serve approximately 1.4 million customers.

<sup>17</sup> Percentages reflect total Eversource and UI residential and small business customers and exclude Last Resort Service customers. See Docket No. 06-10-22, PURA Monitoring the State of Competition in the Electric Industry, Eversource compliance filings dated January 17, 2011 and May 20, 2020 and UI compliance filings dated January 6, 2011 and May 19, 2020.

<sup>18</sup> CEOP offers currently include only 100%, 50% and 25% options.

limited additional customer participation using the current process. However, the EDCs indicated they would incur significant cost if the Authority expanded a REC-only program beyond five suppliers or if the number of offers and related prices was not limited. To accommodate the current options, the EDCs store and assess rates for each CEOP supplier.<sup>19</sup> Therefore, a CEOP offer with three options (100%, 50% and 25%) requires the EDC to store three rates and manually apply a rate based on the option selected. For example:

- The 100% option with a rate of \$0.01/kWh will bill at \$0.01/kWh times the customer's total consumption;
- If the customer selects a 50% option the EDC will bill at \$0.005/kWh times the customer's total consumption; and,
- If the customer selects a 25% option the EDC will bill at \$0.0025/kWh times the customer's total consumption

The EDCs stressed they would need to automate their systems and incur significant cost if the Authority allowed REC-only suppliers to expand pricing options. Eversource Comments, February 13, 2020, p. 3; UI Comments, February 12, 2020, p. 3; Tr. 6/24/20, pp. 25-28, 50-56. The EDCs have submitted monthly CEOP participation data since 2007.<sup>20</sup> The Authority's review of this historical data shows that throughout the program a majority of customers have selected the 50% and 100% options, with an extremely small number choosing an option below 50%.

The EDCs prefer limiting the REC-only program to a single, 100% option to simplify their administrative work, but stated they could continue to cost-effectively administer a program with both a 50% and 100% option. The current CEOP providers indicated they prefer allowing for a 50% and 100% option to provide consumers with additional choice, noting the 50% option may attract customers who find it too expensive to participate at 100%. Tr. 6/24/20, pp. 28-38; UI Brief, p. 7.

The EDCs have managed a 50% and 100% option under the CEOP for some time. Therefore, the EDCs will not incur additional cost to administer the REC-only program with these two options. Based on the foregoing, the Authority will limit REC-only suppliers who participate in utility consolidated billing to one offer that must include a 50% and 100% option.

### **3. Number of REC-only Suppliers**

The EDCs indicated they can accommodate up to five REC-only suppliers without incurring additional costs. Eversource questioned the need to increase the number of suppliers, citing limited growth and an apparent lack of interest among consumers as evidenced by the low CEOP participation rates. The EDCs stated that the Authority

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<sup>19</sup> This is identical to the data storage used by the EDCs to bill for generation supply on behalf of licensed suppliers. In the case of generation supply, the EDCs store hundreds of rates for each supplier. The EDCs access this data through automated processes to bill each customer and to adjust prices as suppliers submit changes to their billing rates. Tr. 6/24/20, p. 27.

<sup>20</sup> See monthly compliance filings, Docket No. 06-10-22, PURA Monitoring the State of Competition in the Electric Industry.

should evaluate future participation prior to increasing the number of REC-only suppliers. Response to Interrogatory SEU-4; Tr. 6/24/20, pp. 27-31.

OCC also stated that potential consumer interest should be a guiding principle in the development of a revised REC-only program. OCC noted that Connecticut electric ratepayers currently pay for, and will continue to pay for, multiple new renewable and carbon-free energy generation sources and technologies in the coming years due to the state's emissions reduction goals, associated procurements, and state-mandated power purchase agreements. As a result, consumer demand for the purchase of a premium REC-only product may decline among the general class of consumers in the coming years as the public increasingly perceives that their standard electricity supply meets Connecticut's energy goals. OCC speculated that while there may exist a subset of customers that would willingly pay a premium to support additional certificates, that number will likely be limited. Therefore, the Authority should not require the EDCs to incur significant cost to administer an untested program. OCC urged the Authority to consider this issue when developing the revised REC-only option. OCC Brief, p. 3.

Conn. Gen. Stat. § 16-244c requires a bidding process for the RFP; however, the Authority is currently unable to determine the appropriate number of necessary CEOP participants. Because the current CEOP has been extended by motion on an annual basis for the past several years, it is difficult to know if participation in the program has waned due to lack of customer interest or because the CEOP Suppliers did not actively seek new customers due to the uncertainty of the program's future. Therefore, it is difficult to determine from current data if increasing the number of CEOP Suppliers is warranted. To facilitate that determination, and limit the cost of providing a REC-only option, the Authority will cap the number of participating REC-only suppliers at three until 2025. To assist the Authority's ability to assess future needs, the Authority will allow the current CEOP Suppliers to participate in the revised program until 2025, subject to the conditions discussed herein. Unlike suppliers that have yet to participate in CEOP, the current CEOP Suppliers have established a customer base and an ability to market these products. As a result, current CEOP Suppliers should be able to transition smoothly to the new program and allow the Authority a quicker measurement of customer interest than if a new supplier were allowed to enter the program.

The Authority will monitor the program and customer participation through compliance filings submitted by the EDCs under Docket No. 06-10-22 and by CEOP Suppliers under their licensing dockets until 2025. Suppliers must provide the following:

Year	Customer Information			Sales Information (MWh)			Certificate Information*		
	Total Year-End Customers	No. Customers 100% Option	No. Customers 50% Option	Total Annual Sales	Sales 100% Option	Sales 50% Options	Total Retired Certificates	Certificates 100% Option	Certificates 50% Option
2020									
2021									
2022									
2023									
2024									
2025									

\* Each annual filing shall include the reimbursement requests, including all third party verifications and Disclosure Label(s).

In 2025, the Authority will reopen the instant proceeding to evaluate program participation to determine if the number of participating suppliers should be increased to five or if it should make any other changes to the program.

#### **4. EDC Marketing**

The Authority seeks to offer a REC-only program while limiting EDC cost and administrative work; therefore, the Authority will not require the EDCs to assist with marketing this effort. However, the Authority intends to provide REC-only information through the EnergizeCT.com website, which will provide cost-effective program support. The Authority will take steps to display REC-only information through EnergizeCT.com to explain REC-only offers and avoid the potential for customers to confuse REC-only offers with generation supply plans.

#### **5. Withdrawing from Participation**

Participating suppliers can withdraw from the program subject to Authority review and approval of the information that must be provided to customers. A REC-only supplier seeking to withdraw must inform the Authority at least 120 days in advance of its plan to do so and submit the following information:

1. Notice that will be provided to customers;
2. How the outstanding REC obligations will be met; and,
3. Request to relinquish its supplier license.

#### **6. Contracts, Renewals, & Annual Notification**

##### **a. Supplier Contracts**

Suppliers must provide each customer with a contract, contract summary, and Disclosure Label. As discussed herein, suppliers will be allowed to serve customers existing as of the date of this Decision (Legacy Customer) under the previous contract until January 2022, at which time any remaining Legacy Customers must be converted to the REC-only program. This requires that suppliers notify all Legacy Customers during the fourth quarter of 2021 to explain the changes to the REC-only program, provide a revised contract, contract summary, and Disclosure Label, and explain how the customer can withdraw from the program.

The CEOP Suppliers advocated for not providing customer contracts; however, the Authority finds that mandating contracts for REC-only customers provides similar protections for consumers as is required of other electric suppliers. REC-only customers must fully understand the offer in which they have enrolled, length of the contract, and cost thereof. Therefore, REC-only suppliers must provide contracts to all customers. REC-only suppliers shall submit their contract and summary under their licensing docket for Authority approval prior to use.

**b. Contract Summary**

In addition, REC-only suppliers must provide a Contract Summary that shall be similar to that approved for use by suppliers offering generation supply. See Docket No. 14-07-17, PURA Development of Standard Summary Form of Material Contract Terms. Decision dated February 11, 2015, Attachment B for fixed rate contracts, subject to the following for REC-only offers. The following must be included in the Contract Summary:

**i. Rate**

The first row must provide the rate that the customer will pay shown as 00.0000¢/kWh. The rate must be explained as being in addition to the customer's supply rate to clarify that the REC-only rate does not represent the sole supply rate a customer will pay.

**ii. Rate Plan**

The second row must identify the rate plan as Fixed.

**iii. Service Location**

The third row must provide the service location/address for each account covered in the contract with the same Rate, Rate Plan and Other Fees. A separate Contract Summary is required for each account.

**iv. Contract Term and Expiration**

The fourth row must provide the contract length and expiration date of the contract. The length of the contract can be shown in months or billing cycles, while the expiration date must refer to the month in which the customer's meter will be read.

The Authority finds that REC-only contracts must be of a defined length. Customers enrolled in such contracts may forget that they are participating. While the Authority supports the purchase of additional RECs to support clean energy, the Authority believes customers should knowingly make this additional purchase and should knowingly renew this additional purchase. Therefore, the Authority requires REC-only suppliers to abide by Conn. Gen. Stat. §§ 16-245o(e) and (g)(1).

The Authority finds that the price and resource mix are material terms of the contract. Therefore, if the REC-only supplier seeks to change the price or resource mix of the offer then they must execute a new contract.

**v. Contract Renewal**

The fifth row must inform consumers whether the contract will automatically renew on the expiration date or whether the customer will be provided with options for a new

contract when the current contract ends. The following language will guide Suppliers in providing this information:

Automatic renewal – Your contract will automatically renew for [XX months or billing cycles] when this contract ends. [ABC Electric] will notify you 30 to 60 days prior to the expiration date of your contract.

No automatic renewal – [ABC Electric] will notify you between 30 and 60 days prior to the expiration of your contract and provide you options for a new contract.

#### **vi. Other Fees**

The sixth row must list any cost or fee that is not included in the contracted cents/kWh charge and the amount of that cost or fee, or state that there are no additional fees. Some examples of costs or fees include Early Termination Fee (ETF) or Deposits. Any non-generation related cost/fee that is included in (i.e., recovered through) the generation rate must be separately identified.

#### **vii. Right to Cancel**

The seventh row will explain the customer's right to cancel the contract. This is not the three-day rescission period provided by Conn. Gen. Stat. 16-245o(f)(2). The customer must be notified that he can cancel by contacting the EDC or the CEOP Supplier, and the CEOP Supplier must process the cancellation immediately. If an ETF is associated with the contract, it must be reiterated when informing the customer of his right to cancel.

#### **viii. Renewable Energy Certificate Information**

The eighth row must provide information about the location and source of RECs being supported by this plan. Suppliers will be required to provide their actual Disclosure Label as page two of the contract. The Disclosure Label is the only information that can appear on page 2 of the contract.<sup>21</sup>

#### **ix. Supplier Contact Information**

The ninth row must provide the Supplier's name, including d/b/a/ name, if any; the Supplier's licensing docket number; website; and customer service toll-free number.

#### **x. PURA Contact Information**

The tenth row must provide the current toll-free telephone number for the Authority's Consumer Services Unit as well as its website and indicate that the customer can contact the Authority with questions or complaints.

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<sup>21</sup> See Decision in Docket No. 14-07-17 for additional information regarding placement of the Disclosure Label in the Welcome Package.

## 7. REC-only Load and REC Verification

The EDCs began administering the CEOP in 2007 and over time developed protocols for billing customers, providing sales data to suppliers to determine and verify REC obligation, and for remitting payment. The EDCs bill for the CEOP through a line item energy charge using each customer's total consumption. CEOP-related sales are therefore tracked and verified by the EDCs and provide accurate data reported to, and used by, participating suppliers to calculate their REC obligation. CEOP suppliers then document their REC compliance using settled certificate records from various REC tracking systems and submit this data to the EDCs. Regional RECs are settled to a CEOP Supplier NEPOOL GIS subaccount while RECs from non-NEPOOL tracking systems are settled to the supplier's subaccount within those systems. The EDCs then verify each supplier's REC compliance and release payment upon verification. Tr. 6/24/20, pp. 21-25.

CEOP Suppliers do not support any additional verification standards. Tr. 6/24/20, pp. 38-47. The CEOP suppliers stated that the current verification process assures that RECs are not double-counted. In addition, the existing verification process is readily understood and accepted by mass-market consumers, the residential and small business customers that participate in this program.

Although CEOP Suppliers are Green-e certified, they noted that layering Green-e certification onto the existing, long-standing, EDC-CEOP verification process would be an additional, costly and unnecessary duplication if it were required for mass-market REC-only verification. Community Energy stated that Green-e certification would be redundant in that it essentially verifies the same data being presented to the EDCs. Id.

EDC sales data serves to verify REC-only sales and forms the basis for calculating REC obligation, effectively providing third party verification of this information. The Authority therefore will not require third party verification of REC-only sales. However, the settlement of RECs is currently verified through supplier self-reporting. For the same reasons the Authority will discuss below as applying to VROs, the Authority believes this should be verified by a third party and implements third party REC settlement verification to relieve the EDCs of the costs associated with verification. Suppliers may use Green-e for this verification or engage a third party auditor who can attest to the accuracy of REC settlement information. The REC-only supplier must include an attestation by the third party auditor with its request for payment.

Eversource is unclear whether it should finish verification through December 2020 for RECs that can be delivered until June 15, 2021. Eversource therefore requested clarification as to when its REC-only verification obligation would end. Eversource Written Exceptions, p. 1. The Authority clarifies its intention to allow existing program rules to remain effective for all obligations incurred through December 2020. The new program commences January 2021.

## 8. EDC Payment

The EDCs support retaining the CEOP payment structure but recommend the following changes:

1. REC-only suppliers should be required to create a quarterly invoice, and also be required to provide evidence of quarterly settlement of RECs to the EDCs where such evidence is simply constituted by the submission of proper documentation that the RECs have been retired in a Supplier's Reserve account in a tracking system requiring that no verification action needs to be taken by the EDC;
2. The quarterly invoice should be sent to the third-party REC auditor; and,
3. Once the auditor provides review and approval of the invoice and RECs, and provides such approval and copy of the invoice to the EDC, the EDC will make payment to the Suppliers. The payment procedure itself would be similar to the current billing/payment process, which is manually processed.<sup>22</sup> EDC Response to Interrogatory SEU-4.

The EDC will remit payment based on receipt of the third party REC verification noted above. Neither PURA nor the EDC will be required to verify REC settlement to release payment. Unlike suppliers providing generation service, which are paid regularly under consolidated billing and purchase of receivables (POR), REC-only suppliers are not paid until they verify REC settlement. REC-only suppliers therefore may request payment quarterly, but are not obligated to do so. REC-only suppliers will be required to submit an annual summary of their REC settlement verification as a compliance filing in the present docket and under their licensing docket; the required information must summarize the preceding calendar year data.

Eversource noted that because suppliers are paid in arrears, funds have always been available to meet the payment obligation. However, it is unclear how payment would be managed should a CEOP supplier exit the program and funds were unavailable to meet any final payment obligation. Tr. 6/24/20, pp. 24-26.

UI stated that CEOP payments are based on the month that it bills for the service and that it does not check to see if the customer has paid their bill. As a result, CEOP payments are treated the same as POR is treated for providing generation supply. Id.

The Authority recognizes that CEOP payment lags revenue recovery, and as a result, adequate funding has been available to meet the payment invoices submitted by suppliers. However, POR does not apply to REC-only sales. Therefore, should a supplier withdraw from the program the EDCs will only be required to reimburse that supplier the revenues it has recovered from participating customers.

## 9. Line Losses

The Authority previously ruled that CEOP sales would not be adjusted for line losses. See Decision dated October 20, 2004, Docket No. 03-07-16, pp. 7. The

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<sup>22</sup> The EDCs support their recommendations only if the program continues in a limited manner with no more than three suppliers

REC-only program is similar to CEOP in that it does not deal with the sale of electricity and will continue as a line item on customer bills. The Authority therefore reaffirms its previous ruling regarding line losses and will not apply these losses to REC-only sales. Sales will determine the final load and REC obligation.

## **10. Rates**

The EDCs stated they could administer additional customer participation within a REC-only program without incurring significant cost if the Authority limits to no more than five the number of participating suppliers and caps the number and frequency of price options. Regarding pricing, the EDCs cited the administrative work associated with manually managing innumerable rate combinations. UI stressed the importance of requiring that price changes be submitted to allow timely integration with other year-end rate-related work. UI Comments, February 12, 2020, p. 5; Tr. 6/24/20, pp. 25-28.

Eversource requested the Authority confirm that all customers will be at the same rate whether they are existing customers transitioned to the new program or new customers enrolled in the new program. Eversource Written Exceptions, p. 2.

The Authority will require that REC-only rates remain fixed on a calendar year basis. Suppliers will be allowed to adjust their rates but must submit revised rates to the EDC no later than November 1<sup>st</sup> to implement a change for the upcoming calendar year. If the change is not timely submitted, the then current rate will be locked for the upcoming calendar year. When making such changes, each supplier must provide the Authority with updated information, such as rates, REC information and Disclosure Label to allow it to update EnergizeCT.com. The Authority confirms that the new program rules commence in January 2021 and that all customers will be billed under those rules at that time.

Additionally, the EDCs will not be required to pro-rate rate changes but may choose to do so. The EDCs can accommodate rate changes by pro-rating bills at the beginning of the calendar year or adjusting the billing rate on the customer's meter reading date, i.e., on cycle, as the cycle occurs within the calendar year. The Authority provides the following example to clarify its intent regarding the on-cycle rate change option. A REC-only supplier timely submits a rate change by November 1, 2021, increasing the rate from \$0.01/kWh to \$0.015/kWh for calendar year 2022. The EDC would apply the increased rate to each customer based on the customer's first meter read date in 2022, effectively allowing all 2021 billing cycles to complete at the 2021 rate prior to applying the increase. The Authority allows this billing option to provide each EDC to select the lowest cost option regarding program administration.

## **11. Transition to REC-only Program**

The CEOP Suppliers recommended that they be allowed at least 90 days to transition to new program requirements. The CEOP Suppliers stated that customers currently enrolled should receive a notice at least 45 days before the product changes to advise them of the change in resource mix and rate and provide them with the opportunity to opt out of the new offering. The CEOP Suppliers argued that since current customers have agreed to voluntarily support renewable energy through the existing program, all

currently active customers should automatically be enrolled in the new program with their existing supplier unless they opt out after receiving the notice. CEOP Supplier Written Comments, February 12, 2020, p. 2.

The Authority will implement the REC-only program for new contracts by January 1, 2021, which allows the CEOP Suppliers ample time if necessary to establish new purchase contracts for RECs that meet the REC requirements noted herein. However, the Authority will allow contracts existing as of the date of this decision to remain in place until January 1, 2022, which will allow CEOP Suppliers time either to allow their current contracts for the purchase of RECs to expire or to transition their current contracts for the purchase of RECs to the new requirements. As a result, the Authority finds the transition times proposed by the CEOP Suppliers to be reasonable, subject to the modifications discussed below.

CEOP Suppliers must notify existing customers regarding the revised REC-only program *at least* 45 days prior to year-end 2021. The CEOP Suppliers must execute new contracts, reflecting the requirements noted herein, with all existing customers prior to year-end 2021 for participation in the new REC-only beginning on January 1, 2022. If there is no rate change as part of the new contract, no EDI transaction with the EDC will be necessary. If there is a rate change, any price change must meet the standards discussed herein. Note, for a price change to be effective January 1, 2022, it must be submitted to the EDC no later than November 1, 2021. As discussed herein, all plan enrollments, drops and rate changes occur on cycle.

## **12. EDC Contract with REC-Only Suppliers**

CEOP Suppliers stated that the CEOP program is operating under expired EDC contracts that continue to be renewed until a new program is in effect. These suppliers indicated that a new contract will need to be signed with the EDCs once the new program rules are in place. The CEOP Suppliers expect the general structure of the existing contract as it pertains to delivery and REC eligibility to be applicable, but specific details will need to be finalized once the transition and overall program requirements such as REC eligibility, price, and customer disclosures have been issued by PURA. The CEOP Suppliers noted that the existing contracts include extensive details on marketing initiatives, and proposed removing these details from the contract. The CEOP Suppliers suggested the contract contain a provision requiring the supplier maintain adequate commitment to the program, for example, maintaining a program website and ensuring the number of enrolled customers does not fall below a prescribed threshold. CEOP Suppliers Written Comments, February 12, 2020, p. 4.

Eversource sought clarification as to when the new quarterly payment process for REC-only verification and invoicing is to become effective. Eversource Written Exceptions, p. 1.

The Authority will direct the CEOP Suppliers to work with the EDCs to finalize the matter of contracts between them, including when the quarterly payment process should become effective. Upon agreement on a new contract, the EDCs will be required to submit a proposed contract to PURA for approval or modification as a compliance filing in the instant docket.

## C. VRO OFFER REQUIREMENTS

### 1. Load and REC Verification

The majority of supplier load is billed through the EDCs under consolidated billing.<sup>23</sup> The EDCs do not separately track supplier VRO load and there is no mechanism to do so. As a result, VRO load is comingled among each supplier's total load obligation. Suppliers are then regularly reimbursed by the EDCs under POR standards.

Unlike CEOP load, which is determined through EDC billing data, each supplier determines its VRO load through internal tracking protocols and then self-reports this load, which serves to determine its VRO REC obligation, in the annual RPS compliance proceeding. PURA has relied on this process to establish VRO REC obligation and compliance for some time. See Decision dated January 23, 2020 in Docket No. 17-06-23, Annual Review of Connecticut Electric Suppliers' and Electric Distribution Companies' Compliance with Connecticut's Renewable Portfolio Standards in the Year 2016, pp. 37-40; Decision dated October 31, 2012 in Docket No. 10-09-06, Annual Review of Connecticut Electric Suppliers' and Electric Distribution Companies' Compliance with Connecticut's Renewable Portfolio Standards in the Year 2009, p. 12; Responses to Interrogatory SEU-1.

UI noted the administrative effort required to monitor supplier adherence to any approved disclosure requirements and supplier product offerings. UI cautioned that unless the certificate information is monitored and validated the label may merely provide a description of what the supplier is promising to provide, rather than what has actually been provided. UI Written Comments, June 23, 2020, p. 2.

The Authority finds that to facilitate transparency, and to improve administrative efficiency and review, all VRO and REC-only certificates sales and settlement must be verified by an independent third party. As previously noted, the EDCs effectively provide third party verification of REC-only sales. Therefore, REC-only transactions will not be subject to further third party sales verification beyond that of the EDCs, but will be subject to a third party verification of settlement of certificates.

For VROs, there currently is no sales verification process comparable to the EDC verification of REC-only sales; nor is there any verification of VRO certificate settlement. As a result, the Authority will require that suppliers support all VRO claims through audited VRO sales and certificate settlement verification data.

RESA argues in its Written Exceptions that the Authority should not require VRO claims to be "audited" because, "the use of the terms "audit" and "auditors" implies that the verification must be conducted by public accountants to specified standards." Written Exceptions of the Retail Energy Supply Association, p. 23. RESA further argues that the established REC verification and tracking systems ensure RECs cannot be double counted, and therefore already offer sufficient verification. Id. at 24. RESA

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<sup>23</sup> Consolidated billing allows customers to receive one utility bill which practice has been used to support retail choice since year 2000. Suppliers can choose to directly bill customers for generation supply.

misunderstands the purpose of the Authority's requirement. Although the existing REC verification and tracking systems can verify that RECs were settled, they do not verify how many VRO RECs suppliers should have settled and that suppliers settled the correct number of RECs to support the products being marketed. RESA argues that there is no evidence in the record that suppliers have provided inaccurate VRO settlement information. *Id.* at 23. There could be no such evidence because VRO RECs have gone unmonitored since their inception, which is what the Authority attempts to correct in this Decision. As noted, the only documentation suppliers currently file regarding VRO RECs is Exhibit D in the annual RPS docket. Exhibit D asks only two questions and does not require suppliers to prove they settled the correct number of VRO RECs. To facilitate review of VROs, the Authority is requiring that suppliers support all VRO claims with documentation that the sales and certificate settlement verification has been reviewed by an independent third party. The Authority does not require that the verification be conducted by accountants, but clarifies that REC tracking systems do not offer the marketing/sales reconciliation and verification being required herein. An independent third party must document the number of RECs that should have been retired in addition to verifying that the number of RECs that were retired align with the VRO products being marketed to consumers, and that verification must now be submitted to the Authority so it can better monitor VROs.<sup>24</sup>

VRO compliance will continue to be submitted with the annual RPS compliance in Exhibit D. Beginning with 2020 RPS compliance, any supplier marketing a VRO will be required to include the following as separate information to support its VRO load and REC settlement compliance:

1. Third party verification/attestation of its VRO load;
2. Third party verification/attestation that the appropriate RECs were settled;<sup>25</sup>
3. Copies of the VRO Disclosure Label(s).

Suppliers may use Green-e for their VRO sales and REC verification or engage a similar third party auditor who can attest to the accuracy of information it files with PURA regarding VROs. Unlike REC-only suppliers who are paid upon verification of REC settlement, under POR, generation suppliers are not required to demonstrate VRO compliance to be reimbursed. Therefore, noncompliance with VRO REC obligation is subject to penalty under Conn. Gen. Stat. § 16-41.

All RECs used for VRO must meet the standards discussed in Section II. A. above.

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<sup>24</sup> See United States Environmental Protection Agency, Green Power Partnership, Making Environmental Claims, <https://www.epa.gov/greenpower/making-environmental-claims> ("Your organization should consider buying green power products that are independently certified and verified by a third party. Certification can provide credibility and confirmation of the product's environmental value. Verification is based on an audit—*independent* of the provider—that confirms that you get what was promised, both in quality and in quantity. Audits ensure that no one else is making a claim on the same environmental benefits.").

<sup>25</sup> Verification must include the load, number and type of REC, certificate numbers and tracking system in which RECs were settled. Settled RECs must align with the products offered by the supplier as marketed through the respective Disclosure Label(s).

## 2. Transition to Revised VRO

Suppliers offering VROs have REC obligations under existing contracts. Suppliers will be allowed to honor these agreements until their initial contract expires, but suppliers will not be allowed to automatically renew these contracts without ensuring the VRO component complies with the standards required herein. Effective January 1, 2021, all new and renewing VRO offers must comply with the rules and standards established herein for all customer enrollments.

### D. MARKETING VROs AND THE DISCLOSURE LABEL

Pursuant to the Decision dated February 27, 2008, in Docket No. 07-05-33, DPUC Administration of Disclosure Label Requirements and Examination of Direct Billing by Electric Suppliers, the Authority established a template Disclosure Label and process for suppliers to submit the label and other information to fulfill statutory requirements. Decision, pp. 5-8.

OCC stated it supports the general concept of combining and streamlining the existing Disclosure Label and RPS Disclosure Label into one document. OCC stated that its past interaction with consumers reveals that many have expressed confusion about the VRO program. Simplifying presentation of this information will lead to greater transparency and consumer understanding of the VRO program and product offerings. Accordingly, OCC stands in general support of revamping the disclosure template and looks forward to weighing in further on this issue. OCC Letter in Lieu of Written Comments, June 23, 2020.

DEEP supported use of a combined Disclosure Label, modified to streamline presentation and transparency of the information and details it provides. DEEP stated that this approach would protect ratepayers as well as provide sufficient explanation of the products. For customers who participate in these offers, a combined Disclosure Label would explain how RECs relate to the energy being delivered to the customer. DEEP Written Comments, June 23, 2020.

Starion supported a single Disclosure Label that combines generation and renewable certificate information. Starion stated that doing so provides customers ready access to information about the source of their generation supply as well as the information necessary to fulfill the requirements of Conn. Gen. Stat. § 16-245p(b). Starion Written Comments, June 23, 2020, p. 2.

Eversource stated that establishing a standardized template remains a complicated matter, with many variables that must be thoughtfully considered before making wholesale changes to the current label. Eversource Written Comments, June 23, 2020, p. 2. Eversource further suggested the Authority establish a working group to navigate these issues and propose a meaningful Disclosure Label for PURA's approval. Tr. 6/24/20, p. 120-123.

The Disclosure Label has had few modifications since it was approved over 12 years ago and there was consensus among the Parties that a modified label would enhance transparency and generally improve the market. The Authority must assure that

consumers receive information to make an informed decision regarding their generation supply and the Disclosure Label is critical to providing this information. Therefore, the label must display accurate, timely, and meaningful information in a consistent format. The Authority intends to eliminate duplicative information and create a Disclosure Label that:

- 1) Educates consumers about the certificates being used to support renewable energy (Certificate Information); and,
- 2) Explains the type of generation that is providing the electricity being purchased by the customer and delivered to the grid (Supply Information).<sup>26</sup>

The Authority will establish a working group (Disclosure Label Working Group) in the instant proceeding to finalize a revised label by December 1, 2020. The Disclosure Label Working Group must provide recommendations for the separate RPS, RPS/VRO and REC-only Certificate Information labels and the Supply Information label. The Authority has attached hereto revised draft labels intended to provide a concise, at-a-glance, and easily understood two-side format that distinguishes Certificate and Supply Information to avoid customer confusion. It notes that the attached labels are drafts, simply meant to be a starting point from which the Disclosure Label Working Group may continue to develop. The Authority provides the following information to guide the Working Group process. The Authority would appreciate the guidance of OCC and DEEP in leading the Disclosure Working Group.

### **1. VRO Resource and Location – Shown on the Disclosure Label**

When examining the contents of what a supplier must disclose regarding its VRO's, the Authority looks to Conn. Gen. Stat. § 16-245o(h):

(5) Each electric supplier shall disclose to the Public Utilities Regulatory Authority in a standardized format (A) the amount of additional renewable energy credits, if any, such supplier will purchase other than required credits, (B) where such additional credits are being sourced from, and (C) the types of renewable energy sources that will be purchased. Each electric supplier shall only advertise renewable energy credits purchased beyond those required pursuant to sections 16-245a and 16-243q and shall report to the authority the renewable energy sources of such credits and any changes to the types of renewable energy sources offered.

(6) Any electric supplier offering any services or products that contain renewable energy attributes other than the minimum renewable energy credits used for compliance with the renewable portfolio standards pursuant to section 16-245a shall disclose in each customer contract and marketing materials for each such service or product the renewable energy content of the product or service offering and shall make available, on the electric

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<sup>26</sup> The sample Disclosure Label provided with the November 26, 2019 Notice of Request for Written Comments reflects Certificate Information. The sample does not address information about generation source, the Supply Information.

supplier's Internet web site, information sufficient to substantiate the marketing claims about such content. (Emphasis added.)

The statute requires that suppliers provide information about RECs above the RPS *prior to* enrolling a customer in a contract. As noted, the supplier must disclose such information in the customer's contract and marketing materials; therefore, the statute does not contemplate an after-the-fact disclosure. Furthermore, the statute requires suppliers to disclose "the types of renewable energy sources that *will be purchased*" (emphasis added), not the types of RECs that *were purchased*. The Authority reads the statute as requiring a forward-looking Disclosure Label.

This reading was shared by some Parties. UI stated that a customer's ability to improve their support of the state's clean energy goals above the RPS depends on their ability to understand the renewable components of supplier products. Therefore, any Disclosure Label approved by the Authority should provide a greater level of transparency regarding this information. In addition, since customers are paying a premium to support renewable certificates they should be fully aware of the characteristics of those products. To avoid customer confusion UI stated that a revised label must provide clear, concise and user-friendly labelling. UI Written Comments, June 23, 2020, p. 2. DEEP echoed this sentiment by stating, "A ratepayer should have the ability to know what they are purchasing and understand the different components of their bundled VRO energy and REC purchase." DEEP Brief, pp. 7-8.

The CEOP Suppliers stated that through the Disclosure Label "the customer must be provided a copy of the price, terms and conditions and prospective product content label (i.e. 100% solar) *at the time of enrollment.*" Sterling Planet Brief, p. 2 (emphasis added). Furthermore, Starion acknowledged that Conn. Gen. Stat. § 16-245o(h) requires the supplier to disclose the location where VRO certificates are sourced in the customer's contract. Tr. 6/24/20, p. 97. However, Starion argued for a supplier to be able to meet that statutory requirement by declaring that its VRO certificates are nationally sourced. *Id.* Both RESA and Vistra advocated for the same, and RESA cautioned the Authority not to adopt content requirements for the revised label that would require more specificity than suppliers can reasonably provide, such as more specific generator locations or energy sources. RESA Written Comments dated February 12, 2020, pp. 12-13. Vistra stated that suppliers may not know the energy source when providing the initial Disclosure Label and suggested the Authority allow suppliers to include all possible energy sources in the Disclosure Label at the time of enrollment with a note that the actual energy sources used to meet offer would be provided through an updated label sent to customers not later than thirty (30) days after the supplier makes its annual RPS filing. Vistra Comments, December 20, 2019, p. 2. Constellation suggested that suppliers be allowed to modify the RPS portion of the Disclosure Label. Constellation Written Comments, June 22, 2020.

The Authority finds that stating a VRO is nationally sourced or including all possible energy sources ignores the plain language of Conn. Gen. Stat. § 16-245o(h) and does not offer the specificity required by the statute. Stating that a VRO is nationally sourced does not indicate "where such additional credits are being sourced from;" likewise, listing all possible energy sources does not indicate "the types of renewable energy sources that will be purchased." Conn. Gen. Stat. § 16-245o(h) (emphasis added). Conn. Gen. Stat. § 16-245o is a consumer protection statute, and therefore it must be interpreted in a

manner that offers proper protections to the consumers purchasing VROs. Consumers must understand *at the time of their purchase* what they are buying; this includes both the resource and location supporting the VRO. Therefore, all Disclosure Labels must include the resource supporting the VRO and the location of that resource and must be provided to the customer at the time of enrollment in the contract.

The Authority will allow suppliers to identify the type of resource and regional control area to satisfy this requirement. For example, the Disclosure Label may state that VRO RECs will be sourced from New England solar certificates, New York wind certificates, or PJM<sup>27</sup> hydroelectric certificates if the supplier knows only that degree of specificity at the time the customer signs the contract. However, to improve market education, the Authority encourages a supplier to provide more specific detail with regard to the location of the facility if known. For example, there should be adequate space on the Disclosure Label for the supplier to include the name of the facility and its exact location in the region or state in which it intends to procure the RECs if known. The Authority notes that the Disclosure Label Working Group may consider use of a map on the label to reinforce certificate location. The Disclosure Label Working Group should collaborate to recommend the manner in which the location of VRO RECS should be provided on the Disclosure Label in a manner that meets the Authority's statutory interpretation described herein.

## **2. VRO May Only Include RECs Purchased Above the RPS Amount**

Unlike the REC-only program, the EDCs are not required to separately track or bill the renewable component of any VRO. Through consolidated billing, the voluntary renewable component is bundled and billed through the supplier's rate. As a result, there is no additional EDC cost or administrative burden associated with VROs and suppliers are free to market any percentage of renewable certificates above the RPS.

Pursuant to the Decision dated November 14, 2014, in Docket No. 13-07-18, PURA Establishment of Rules for Electric Suppliers and EDCs Concerning Operations and Marketing in the Electric Retail Market, the Authority established rules surrounding requirements with the above noted statutes and reinforces its ruling here<sup>28</sup>:

The express language of Conn. Gen. Stat. § 16-245o(h)(5), provides that a Supplier shall only advertise renewable energy credits purchased beyond the mandatory requirements. As a result, all Suppliers' websites and materials must be consistent with these mandates. No service plans, contracts or marketing materials to any customers may include the words "renewable" or "green" or "RPS" if the plan does not offer renewable credits beyond the mandatory requirements. In addition, all marketing materials, plan descriptions or contracts may advertise only the percentage of renewable credits beyond the mandatory requirements. For example if the minimum RPS is 18%, and the supplier procures RECs that exceed the

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<sup>27</sup> If PJM certificates are cited the Disclosure Label must include a footnote to identify the states comprising that control area.

<sup>28</sup> A review of the Rate Board database finds the majority of VROs posted to the Rate Board since the ruling in Docket No. 13-07-18 have been marketed as 75% or 100% renewable content.

minimum by 2% the supplier may advertise the offer as “2% renewable beyond mandatory requirement” but not “20% renewable,” or if the supplier procures RECs that exceed the minimum by 82% the supplier may advertise the offer as “82% renewable beyond mandatory requirement” but not “100% renewable.” Further, each supplier is required to disclose the source of its current “renewable” or “green” products or offerings. Decision, p. 10.<sup>29</sup>

To be clear, the VRO percentage cannot include any portion of the RPS. The Authority finds that many customers are unaware of the current RPS or that it will continue to increase annually and reach 48% by 2030. The VRO must be separate on the Disclosure Label from the RPS data. The Authority finds that marketing VROs must be transparent and part of that transparency includes disclosing the current RPS as well as the amount of the VRO that exceeds the current RPS through the Disclosure Label. This strategy will further educate consumers about the RPS.

### **3. Supply Information – Generation Source**

Conn. Gen. Stat. § 16-245p(b)(3) requires the Authority to provide consumers with the following information:

(3) the percentage of the total electric output derived from each of the categories of energy sources, the total emission rates of nitrogen oxides, sulfur oxides, carbon dioxide, carbon monoxide, particles, heavy metals and other wastes the disposal of which is regulated under state or federal law at the facilities operated by or under long-term contract to the electric supplier or providing electric generation services to an electric distribution company providing standard service or back-up electric generation service pursuant to 16-244c, and the analysis of the environmental characteristics of each such category of energy source and to the extent such information is unknown, the estimated percentage of the total electric output for which information is unknown, along with the word “unknown” for that percentage.

The current Disclosure Label includes a chart intended to display the source of the generation used to support each offer. As shown in the examples below, suppliers have provided this information in a variety of ways.<sup>30</sup> For example, Direct Energy’s 2016 VRO Disclosure Label indicates the power source to be 121% renewable; 100% hydroelectric energy plus 21% Connecticut qualified renewable sources. In another example, XOOM Energy lists 18 sources apparently representing the NEPOOL system mix as the source of its offer. See images below.

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<sup>29</sup> Refer to the Decision for additional information on this matter.

<sup>30</sup> Interrogatory SEU-5 requested suppliers submit the Disclosure Label provided to consumers to support the VROs offered during 2016. The images reflect Disclosure Labels submitted by some suppliers in response to Interrogatory SEU-5. The Authority notes that while the explanatory footnote in these charts reflects PURA’s Disclosure Label template, it appears that each supplier modifies the footnote based on the NEPOOL GIS reporting period it cites.

Label date: 12/23/2016		Your Electric Generation Disclosure From Ambit Energy	
Power Sources		New England Power Pool System Mix	
Coal		0%	
Natural Gas		0%	
Oil (includes diesel and jet)		0%	
Nuclear		0%	
Combined Qualified Renewable Resources		100%	
Other, Misc.		0%	
<b>Total</b>		<b>100%</b>	

System Mix source: NEPOOL GIS Report (Q3 2015 - Q2 2016). Power Sources reflect the system mix with the Connecticut Class I and Class II renewable sources itemized separately in the chart.



### Your Electric Generation Disclosure from Viridian Energy

Power Sources	New England Power Pool System Mix
Coal	4.17%
Natural Gas	37.58%
Oil (Diesel, Jet, Oil)	10.94%
Nuclear	30.22%
Connecticut Qualified Renewable Sources	16.45%
Other, Misc.	0.63%
<b>Total</b>	<b>100.00%</b>

System Mix source: NEPOOL GIS Reports (Q4-2014 through Q3-2015). Power Sources reflect the system mix, with the CT Class I & Class II renewable sources itemized separately in the chart.



Label Date: December 06,

Power Sources	New England Power Pool System Mix
Biomass	2.07%
Coal	4.05%
Diesel	1.47%
Digester Gas	0.03%
Efficient Resource	0.41%
Fuel Cell	0.18%
Hydroelectric	6.20%
Hydrokinetic	0.03%
Jet	0.01%
Landfill Gas	0.57%
Solid Municipal waste	1.08%
Nuclear	28.55%
Natural Gas	38.43%
Oil	10.11%
Solar	1.10%
Trash-to-energy	2.04%
Wind	2.05%
Wood	1.61%
<b>Total</b>	<b>100%</b>

System Mix source: NEPOOL GIS Reports (Q1-Q4 2015). Power Sources reflect the system mix, with the CT Class I & Class II renewable sources itemized separately in the chart.



Label date: 03/01/2016

### Your Electric Generation Disclosure from Clearview Energy

Power Sources	New England Power Pool System Mix
Coal	4.86%
Natural Gas	36.48%
Oil (Diesel, Jet, Oil)	8.30%
Nuclear	32.86%
Connecticut Qualified Renewable Sources	15.65%
Other, Misc.	1.84%
<b>Total</b>	<b>100.00%</b>

System Mix source: NEPOOL GIS Reports (Q1-2014 through Q4-2014). Power Sources reflect the system mix, with the CT Class I & Class II renewable sources itemized separately in the chart.

Label date: 6/1/2016		Your Electric Generation from Direct Energy			
		Label date: 01/13/2016			
<b>Power Sources</b>		<b>New England Power Pool System Mix</b>			
Coal		0.00%			
Natural Gas		0.00%			
Oil (Diesel, Jet, Oil)		0.00%			
Nuclear		0.00%			
Connecticut Qualified Renewable Sources		21.00%			
Other, Misc. – ME Hydro		100.00%			
<b>Total</b>		<b>121.00%</b>			
System Mix source: NEPOOL GIS Reports (Q1-2016 through Q4-2016). Power Sources reflect the system mix, with the CT Class I & Class II renewable sources itemized separately in the chart.					
You sys sys thro cus Sys each resp add elec ren call Sup ren I, C sola					
<b>Power Source</b>		<b>New England Power Pool System Mix</b>			
Coal		4.18%			
Natural Gas		36.81%			
Oil (Diesel, Jet, Oil)		8.93%			
Nuclear		31.56%			
Connecticut Qualified Renewable Sources		5.55%			
Other, Misc.		12.98%			
<b>Total</b>		<b>100.00%</b>			
System Mix source: NEPOOL GIS Reports (Q3-2014 through Q2-2015). Power Sources reflect the system mix, with the CT Class I & Class II renewable sources itemized separately in the chart. Note: Lack of data may have caused some CT Qualified Renewable Resources to have been classified as Other, Misc.					

Parties noted the distinction between the purchase of renewable energy and purchase of RECs. Eversource urged the Authority to distinguish energy from environmental attributes, noting that energy flows indiscriminately and suppliers cannot deliver power earmarked from any specific resource. It is the environmental attribute, represented by a certificate, and how those certificates are combined and reported on a label that provide useful information to a customer as to the sources of renewable energy that the customer seeks to support. Eversource Written Comments, June 23, 2020, p. 2. Furthermore, Eversource stated that it has always been sensitive to the information it provides its customers about the percentage of renewable energy they are supporting. Eversource reinforced that it never tells customers that certificate percentages reflect the power source for the energy they buying. Tr. 6/24/20, p. 120-123.

The Authority agrees with Eversource's distinction. Suppliers may not market certificate-based VROs to mislead consumers to believe they are purchasing renewable energy rather than RECs. As noted herein, there is a clear distinction between certificates and the ownership interest in, or a PPA to provide energy from, a renewable source. It is reasonable to display information as representing a renewable source for an offer if the supplier owns, or has a PPA with, these resources and is using them to supply the electricity for the offer. It is unreasonable to display this information if the supplier is merely buying the certificates associated with the renewable attributes.

Testimony established that the purchase of a REC does not support the purchase of the energy associated with that REC. For example, Eversource stated that RECs have "nothing to do with how energy is used to serve load." Tr. 6/24/20, p. 16. Starion stated "we go out of our way to try and educate consumers on the difference between having a renewable energy source that's actually tied to your generation [offer] versus buying a renewable energy certificate product. If you're buying a 100 percent product, your supplier is committing to retire renewable energy certificates in the sources that it commits to do so equal to 100 percent of your consumption over a specified period." Tr. 6/24/20, pp. 87 and 88. Parties claim to support increased education and transparency. The

Authority's ruling on this issue achieves just that by avoiding the potential that customers may believe they are buying renewable energy when purchasing a VRO.

Parties stated that electrons cannot be traced from source to end user unless the renewable source is located behind the customer's meter. In all other instances energy produced at a renewable source, and all other sources, flows to the grid and its use is untraceable. RESA Written Exceptions, p. 21; Starion, Tr. 6/24/20, p. 88; CEOP Suppliers, Tr. pp. 89-91. The CEOP Supplier's testimony is instructive on this matter. Sterling Planet stated that many customers have installed solar energy but are not truly renewable because they have relinquished their RECs to be sold into the market for RPS compliance. Sterling Planet stated:

When this program [REC-only] can become stable that we plan on going back to is all of those individuals in Connecticut, or not all, but say 99 percent of them that have installed solar on their roof actually haven't gone solar because, as we know, the renewable energy certificates have been sold off to the utilities to meet RPS compliance. So we think there's an opportunity to go back to them and saying, yeah, thank you for putting that solar panel there, but, you know, you really can't claim your (sic) renewable because you've given that right, it's gone off to the utility. Tr. 6/24/20, p. 115.

Parties stated that the energy produced by customers with behind-the-meter solar can be traced to the end user – the owner of the system. However, the RECs for that energy are then sold to meet RPS requirements or to support a VRO. These separate transactions clearly differentiate the energy and the attribute associated with the electricity being produced. Following RESA and Starion's logic, the electricity produced at these sites would be claimed for use twice: once by the owner of the solar array and again by the customer who is supporting the VRO. This illustrates how complex the REC market is and the susceptibility for customers not to understand it. Again, the Authority's ruling seeks to improve understanding by avoiding the potential that customers believe they are buying renewable energy when their purchases are supporting the attribute to subsidize the energy's generation.

Because certificates do not represent renewable energy offers, but instead are renewable certificate offers, suppliers must clearly provide that language through marketing materials, contracts, and the Certificate Information portion of the Disclosure Label. The supplier may not market the product as "renewable energy" unless the offer is supported by an ownership interest in or PPA for a renewable resource used to serve the contract. To do so would mislead consumers to believe they are buying renewable energy, not renewable certificates. Certificate and Supply Information must be clearly explained and separately displayed on the Disclosure Label as sides one and two.

The Authority acknowledges that this is a change from the current structure. For example, the Rate Board has a column labeled Renewable Energy. That column heading and other information provided on EnergizeCT.com will change to reflect this ruling.

As it relates to power sources, the Supply Information portion of the label can only provide the generation mix of the resources used to support the offer. For example, if a

supplier relies on the regional system mix to supply an offer, the power source data should so reflect. If a supplier owns generation resources or has a PPA with one or more generation resources and uses that energy to supply an offer, the power source should display that information.<sup>31</sup> However, suppliers cannot include certificate information to support power source data. Doing so implies that the customer is buying renewable energy when in fact the customer is supporting the certificates for power sources that are not providing the customer's generation supply. Certificate information therefore cannot be included in the power source data and power source information cannot exceed 100%.<sup>32</sup>

The suppliers argue that the distinction between purchasing RECs and purchasing energy through a PPA is even more confusing to a customer than the current REC explanation, and point out that even if a supplier purchases energy through a PPA, that energy does not necessarily (and even is quite unlikely to) reach the customer purchasing the VRO. The Authority has not, and specifically does not, instruct suppliers that they should tell customers the customers are "using" renewable energy. As all Parties conceded, once electrons flow to the grid there is no way of knowing where the energy any given customer is using was produced. The Authority is drawing the distinction between *purchasing* RECs and *purchasing* renewable energy. A customer whose VRO is part of a PPA *purchases* renewable energy, not RECs. The customer may never directly use the renewable energy they purchase, but they nonetheless purchase it.

It can be said of VROs that are supported by RECs or those supported by an ownership interest or a PPA that either supports the renewable market —RECs by providing additional revenue through purchase of attribute certificates and direct ownership or a PPA by directly purchasing the renewable production. If suppliers are concerned about customer confusion, they may accurately make this claim in their marketing.

The suppliers argued that this marketing requirement violates the Commerce Clause because it differs from other state and federal requirements. To begin, the federal government has issued guidelines, not requirements. To support their claims suppliers cite to a letter from the Federal Trade Commission that explicitly states it "represents the views of the staff only and has not been approved by the Commission or by any individual Commissioner. The views provided in this letter are not binding upon the Commission," and to industry guides that state they, "do not have the force and effect of law and are not independently enforceable." February 5, 2015 Letter from the Bureau of Consumer Protection, Division of Enforcement, Federal Trade Commission to Green Mountain Power Corporation<sup>33</sup>; Guides for the Use of Environmental Marketing Claims, 77 Fed. Reg. 62,122 (October 11, 2012).

Contrary to the case law cited by the suppliers, the Authority is not regulating the way in which any supplier may market in other states. While the Authority believes the marketing restrictions it is imposing benefit the market by better educating customers

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<sup>31</sup> All such information must be verifiable and is subject to PURA review.

<sup>32</sup> The Direct Energy 2016 VRO Disclosure Label totaled 121% because the supplier included the RPS in this total. Going forward, the power source cannot exceed 100%.

<sup>33</sup> [https://www.ftc.gov/system/files/documents/public\\_statements/624571/150205gmpletter.pdf](https://www.ftc.gov/system/files/documents/public_statements/624571/150205gmpletter.pdf)

regarding these transactions, suppliers may continue to market their products as they wish in other states. Few electric customers cross state boundaries, and those that do are more likely to be businesses that easily can understand the difference between regulations in one state versus another; therefore, the Authority believes the confusion extolled by suppliers is exaggerated. Further, the supplier market is already heavily regulated in a variety of ways by each state. Suppliers must now be well-versed in navigating differing state laws regarding marketing, such as what may be stated in marketing calls and on marketing materials. The restrictions regarding advertising VROs do not differ substantially from the various restrictions to which suppliers must become accustomed to do business in multiple states.

The argument that a state cannot deviate from other state's practices because the deviation would confuse customers holds all states eternally hostage to the first means of implementing any new procedure. It does not allow marketing to evolve as the market evolves and as customers need greater understanding to ensure their decisions are furthering the clean energy goals they wish to support. Initially the REC market may have been so novel that suppliers needed to explain it to customers as if the customers were purchasing renewable energy; times have changed. The market is no longer nascent and the push to reach state energy goals has become far more urgent, hastening the need for all energy programs to further the state's goals and for customers to understand how they can use their purchases and energy usage to support a cleaner environment.

Connecticut is attempting to ensure the suppliers participating in its VRO market aid the Authority in providing this necessary customer education. The Authority is well aware from its years of customer education and interactions that customers do not understand the concept of a REC. When customers are told they are purchasing renewable energy, they think they are purchasing renewable energy. They are not. They are purchasing a certificate, which purchase provides additional revenue to facilities providing renewable generation, both incentivizing more construction of renewable sources and providing financial assistance to those sources. This is a complex transaction that is being oversimplified by stating that the customer is purchasing renewable energy. Furthermore, as all parties agreed, it is not possible to know if any customer is using renewable energy, as it is not possible to trace the flow of electrons from either renewable or traditional energy sources to any customer. It is inconceivable to the Authority that the Parties are arguing that they should continue perpetuating the inaccuracy.

The suppliers' arguments equate to saying if the Authority explains the process to customers then customers will not understand it. The Authority does not believe this is true. Customers not only can understand what they are purchasing, but they must. If Connecticut is going to meet its clean energy goals, then customers have the right to understand that their purchase of local RECs now subsidize those renewable generation sources and support Connecticut's clean energy goals.

Some suppliers currently use the ISO-NE system mix to serve VRO load. Others rely on an ownership interest in a generator or a PPA. These circumstances result in a varying mix of generation sources. Eversource noted that the ISO-NE system mix comprises up to 30 generation sources, making it difficult to effectively summarize this information on a Disclosure Label. Tr. 6/24/20, p. 120.

The power source for generation resources owned by or under long-term contract with a supplier and serving customer load would be known and can therefore be more accurately provided through the Disclosure Label. However, the ISO-NE system mix changes hourly.<sup>34</sup> It is impractical to constantly update this information to reflect these changes; however, it is reasonable to require that the data be updated periodically. The Disclosure Label should also educate consumers regarding the ISO-NE website and the information provided there.

Based on the foregoing, the Disclosure Label Working Group will be directed to propose a way to display the power source, emissions and environmental characteristics associated with each offer. The Disclosure Label Working Group shall also propose the frequency with which information such as NEPOOL system mix should be updated, e.g., monthly, quarterly, annually.

The Authority has provided revised sample Disclosure Labels to align with this Decision and for use by the Disclosure Label Working Group in making final recommendations. See Attachments 1-4. As previously noted, the attached labels are not meant to be final drafts, but are meant to be a starting point from which the Disclosure Label Working Group may continue to develop. Attachment 1 is the Certificate Information Disclosure Label for offers that meet the RPS. Dates and RPS percentages, identified as bracketed, must be timely adjusted to reflect then current annual information. The Authority will require that this information be changed on Disclosure Labels provided to customers for enrollments that occur on or after November 1<sup>st</sup> annually.

Attachment 2 is the Certificate Information Disclosure Label for VRO offers. For VROs, this Disclosure Label must include the RPS information, upper portion, and provide separate VRO data in the lower portion.

Attachment 3 is the Certificate Information Disclosure Label for REC-only offers. This Disclosure Label should not include RPS information to avoid customer confusion, but should include only the REC information for the offer. A REC-only Disclosure Label should be one-sided and should not include Attachment 4, Generation Source Information, on the opposite side.

Attachment 4 is the Generation Source Information Disclosure Label for RPS and VRO offers. This information is not required for REC-only products. Generation Source information will be displayed as the back page or opposite side of the Disclosure Label for RPS or VRO offers for the Certificate Information and must use a separate visual to distinguish Certificate and Source information.<sup>35</sup>

The Authority requires the Disclosure Label be printed in color. The Disclosure Label Working Group should recommend the information necessary to allow suppliers to reproduce the Disclosure Label, such as font (size and color) and the allowed colors and

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<sup>34</sup> The data is available in real-time through the ISO-NE website and mobile app.

<sup>35</sup> The Authority's sample used the ISO-NE fuel mix pie chart captured on or about the date of this Decision. Use of a separate graph for the Supply Information is meant to differentiate Certificate and Supply Information.

sizes for the graphs. Recommendations should also include how emissions information will be determined and displayed, specific language that will be used and any flexibility that may be appropriate; essentially a set of Disclosure Label standards.<sup>36</sup> The Authority will require the Disclosure Label Working Group to submit a proposed Disclosure Label by December 1, 2020, for Authority approval.<sup>37</sup>

Electric suppliers and EDCs are required to disclose to customers, periodically and not less than annually, information the Authority considers relevant in a manner prescribed by it. The Decision in Docket No. 07-05-33 allowed annual distribution of the label to satisfy the periodic requirement. Decision, p. 4. The Authority sees no reason to change this requirement. The Authority therefore finds that an annual disclosure satisfies the ongoing, periodic disclosure requirement of Conn. Gen. Stat. § 16-245p(c).

The Authority will require the EDCs to use the RPS Disclosure Label and Generation Source Label approved through this decision for disclosure to Standard Service customers for certificate and source information. The EDCs must provide an annual Disclosure Label and can do so via a bill insert. The EDCs should also provide the Disclosure Label on their respective web sites. In addition, customers can request a Disclosure Label which the EDCs must provide via the customer's request. For suppliers, a Disclosure Label is provided upon enrollment with the Welcome Package. This Disclosure Label fulfills an annual periodic distribution of this information. If a customer remains with the supplier beyond twelve months the supplier must provide a Disclosure Label annually thereafter. The supplier must allow the customer to select the manner in which he will receive this information.

#### **4. Supplier Website Substantiation**

The statute requires that a supplier marketing a VRO provide information to substantiate such claims on its website. The Authority will require that any offer posted to the Rate Board include a link to the Disclosure Label for each product. This includes RPS, VRO, and REC-only offers. In addition, the supplier must provide its customers with the information necessary to substantiate their prospective claims as well as past VRO claims on their website. The supplier's website must also provide the Disclosure Label for any offer that is not listed on the Rate Board, such as offers that are sold through telemarketing, direct mail, or that otherwise may not be generally available.

#### **5. Removing Items from Current Disclosure Label**

Starion stated that some of the information required on the current Disclosure Label is provided elsewhere and should not be required going forward. For example, the price and contract term are provided to customers through the Rate Board, contract and contract summary. Starion therefore believes it is unnecessary to repeat this information on the Disclosure Label. Id., p. 5.

Starion continued, stating that the current Disclosure Label refers customers to the Electric Supplier Info Database (ESID) for additional information about electric

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<sup>36</sup> Website URLs and email addresses must provide a live link on electronically provided Disclosure Labels.

<sup>37</sup> Suppliers may use the current Disclosure Label until the revised label is approved by the Authority.

generation. Starion noted that the ESID has not functioned for some time and suppliers are no longer required to update it. Therefore, Starion recommended removing any reference to the ESID. Starion also noted that the Disclosure Label includes general educational material, such as FAQs, that is provided elsewhere and argued that this information should also be removed. Starion Written Comments dated June 23, 2020, pp. 6-8.

As noted by Starion, over time some information required on the current Disclosure Label has transitioned to being provided to customers in other ways. The Authority agrees and will eliminate the following from the revised label:

1. Contract price and term;
2. Reference(s) to the ESID; and,
3. General information such as FAQs, questions to ask suppliers, etc.

However, the Disclosure Label must continue to provide PURA contact information.

## **6. Conclusion**

The Disclosure Label Working Group will be directed to establish a set of Disclosure Label standards as follows:

- 1) Recommend changes to the three Certificate Information formats provided by the Authority: one for RPS, one for VROs and one for REC-only offers;
- 2) Each format must include a graph or image to explain the certificates being supported;
- 3) Consider including a map to identify certificate location for each format;
- 4) The REC-only and VRO formats should be similar;
- 5) The REC-only format should not include RPS information;
- 6) The VRO format must include information about the RPS but cannot comingle RPS and VRO data;<sup>38</sup>
- 7) The VRO format must depict the percentage of sales supported through the VRO certificates. The VRO portion cannot include any RPS certificates;
- 8) Recommend changes to the Authority's proposed display of power source, emissions and environmental characteristics associate with each offer;
- 9) Propose the frequency with which Supply Information, such as ISO-NE system mix, should be updated and how that information will be displayed on the Disclosure Label.

## **III. FINDINGS OF FACT**

1. The CEOP and VROs reflect the purchase of certificates, not the purchase of electricity produced by renewable energy sources.

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<sup>38</sup> The sample Disclosure Labels developed through the Supplier Working Group combined RPS and VRO information in a single graph or image. The Authority believes displaying the information in this way could confuse customers.

2. In the most recent RPS dockets, few VRO products included New England regional RECs. Instead, the majority of VROs relied on nationally sourced certificates with no demonstrable benefit to Connecticut or New England.
3. Connecticut air quality is significantly and adversely affected by fossil fuel production to the southwest of the New England air shed. Demand for renewable resources that displaces demand for fossil fuel plants to the south and west of New England will provide environmental benefits to Connecticut.
4. Between when the RPS became effective in 2006 and 2017, the total of Class I requirements has increased annually, reaching 15.5% in 2017 and resulting in a total 2017 RPS of 21.5%. The Class I percentage will increase annually for the next ten years, reaching 40% in 2030.
5. Both the RPS designed by the Legislature and the CES signal the need to encourage construction of additional, clean, and sustainable renewable sources of energy, and demonstrate a preference for those sources of energy identified as Class I.
6. Absent a CEOP-like REC-only program, Standard Service customers cannot participate in the REC market unless they switch to a supplier-provided VRO certificate plan.
7. EDC sales data serves to verify REC-only sales and forms the basis for calculating REC obligation, effectively providing third party verification of this information.
8. CEOP settlement of RECs is currently verified through supplier self-reporting.
9. Each supplier determines its VRO load through internal tracking protocols and then self-reports this load, which serves to determine VRO REC obligation, in the annual RPS compliance proceeding.
10. For VROs, there currently is no sales verification process comparable to the verification of REC-only sales; nor is there any verification of VRO settlement.

#### **IV. CONCLUSION AND ORDERS**

##### **A. CONCLUSION**

The Authority believes consumers should be more aware of the REC market to more fully understand the renewable products in excess of RPS for which they may be paying a premium, and that these products should facilitate the state's energy goals. To achieve this, the Authority establishes universal standards for all REC-only and VRO offers, including that the certificates supporting such offers may originate only from ISO-NE, New York, or PJM control areas, and that the certificates may be from only resources defined as Class I in Conn. Gen. Stat. § 16-1. REC-only certificate settlement data must be verified by a third party and submitted to the EDCs with a request for payment. VRO sales and certificate settlement data must be verified by a third party. The Authority modifies the CEOP and establishes an efficient process for the EDC to

administer CEOP, thereby limiting EDC and ratepayer cost. The Authority further modifies the Disclosure Label required for all supplier offerings to align with statutory requirements for the labels to be forward looking, and establishes a Disclosure Label Working Group to recommend the standards and final form of the Disclosure Label.

## B. ORDERS

For the following Orders, the Company shall submit file an electronic version through the Authority's website at [www.ct.gov/pura](http://www.ct.gov/pura). Submissions filed in compliance with the Authority's Orders must be identified by all three of the following: Docket Number, Title and Order Number. Compliance with orders shall commence and continue as indicated in each specific Order or until the Company requests and the Authority approves that the Company's compliance is no longer required after a certain date.

1. On or before October 15, annually, or at the same time as RPS compliance is due, REC-only suppliers must submit a summary of their annual program participation as discussed in Section II.B., herein.
2. On or before November 20, 2020, suppliers must submit a copy of their REC-only contract and Contract Summary to the Authority under this proceeding and their licensing docket for approval prior to use as discussed in Section II.B.6., herein.
3. As discussed in Section II.B.7., REC-only certificate settlement data must be verified by an independent third party and submitted with any reimbursement request submitted to the EDCs.
4. REC-only suppliers may submit quarterly invoices to the EDC for reimbursement. The invoice must be accompanied by the third party REC settlement verification and attestation discussed in Section II.B.7.
5. As discussed in Section II.B.10, REC-only suppliers must submit rate and/or certificate mix changes to the Authority under their licensing dockets to allow the Authority to update the information provided on EnergizeCT.com.
6. On or before January 1, 2022, as discussed in Section II.B.11, CEOP Suppliers must transition their current customers to the REC-only program.
7. As discussed in Section II.B.11, CEOP Suppliers may not enroll customers in the current CEOP after December 31, 2020.
8. On or before December 1, 2020, the EDCs shall report how they addressed the REC-only contract issues discussed in Section II.B.12, and submit the proposed contract for PURA approval.
9. Beginning with the 2020 RPS compliance, any supplier marketing a VRO will be required to include the following as separate information to support its VRO load and REC settlement compliance as discussed in Section II.C: third party verification/attestation of its VRO load; third party verification/attestation that the appropriate RECs were settled; copies of the VRO Disclosure Label(s).

10. On or before December 1, 2020, the Disclosure Label Working Group shall submit its final recommendations to the Authority for approval.

**(Attachment 1 – RPS Disclosure Label)**

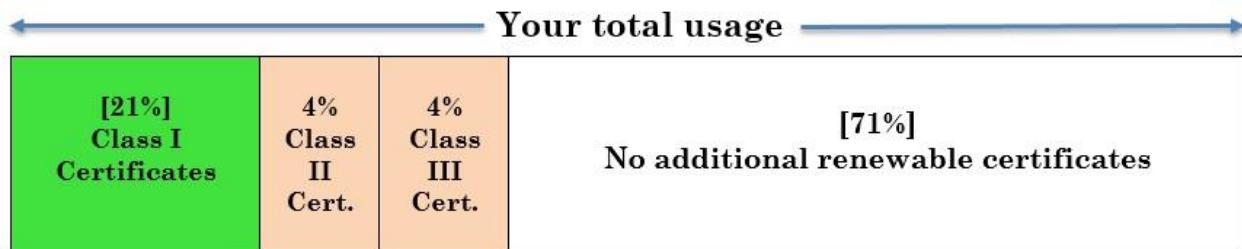
(Supplier logo - optional)

# **Renewable Certificate Information**

**This offer meets CT's [2020] minimum of [29%]**

## **CT's Mandatory Certificate Requirement**

**All supplies must purchase a minimum amount of  
renewable certificates\* from New England sources based  
on the amount of electricity the supplier sells in Connecticut**



Suppliers must purchase certificates from these sources:

Class I – solar, hydroelectric, wind and combined heat & power.

Class II - trash-to-energy sources.

Class III - energy efficiency projects.

**\* All certificates represent the attributes of renewable generation sources as defined in Connecticut statute. The supplier's purchase of these certificates DOES NOT mean that the specific electricity that you are buying through this offer comes from the renewable sources indicated on this label.**

Learn more about CT's certificate requirements at [energizect.com/compare-energy-suppliers/cts-renewable-energy-standards](http://energizect.com/compare-energy-suppliers/cts-renewable-energy-standards). You can also contact CT's Public Utility Regulatory Authority at 800-382-4586 or [pura.information@ct.gov](mailto:pura.information@ct.gov).

**For information about the certificates that are supported through this offer visit [supplier's specific website page for this information.]**

**(Attachment 2 – VRO Disclosure Label)**

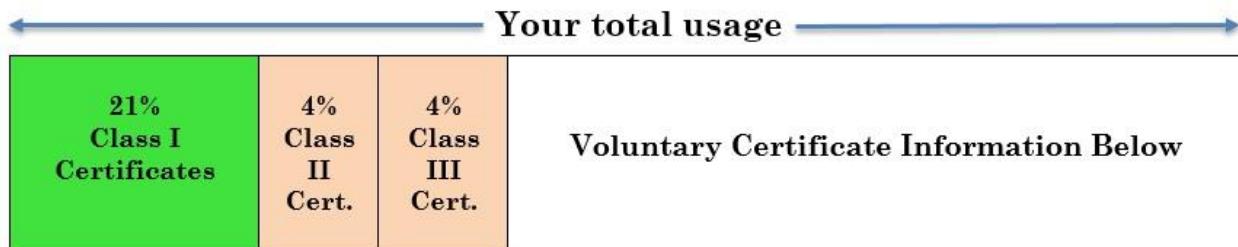
(Supplier logo - optional)

## **Renewable Certificate Information**

**This offer meets CT's [2020] minimum of [29%]**

### **CT's Mandatory Certificate Requirement**

All supplies must purchase a minimum amount of renewable certificates\* from New England sources based on the amount of electricity the supplier sells in Connecticut



Suppliers must purchase certificates from these sources:

Class I – solar, hydroelectric, wind and combined heat & power.

Class II - trash-to-energy sources.

Class III - energy efficiency projects.

\* All certificates represent the attributes of renewable generation sources as defined in Connecticut statute. The supplier's purchase of these certificates DOES NOT mean that the specific electricity that you are buying through this offer comes from the renewable sources indicated on this Label.

Learn more about CT's certificate requirements at [energizect.com/compare-energy-suppliers/cts-renewable-energy-standards](http://energizect.com/compare-energy-suppliers/cts-renewable-energy-standards). You can also contact CT's Public Utility Regulatory Authority at 800-382-4586 or [pura.information@ct.gov](mailto:pura.information@ct.gov).

For information about the certificates that are supported through this offer visit [supplier's specific website page for this information.]

## **Voluntary Renewable Certificates**

**This offer supports additional certificates\*  
equal to [66%] of your total usage**



\* The additional certificates you are supporting through this offers are from [wind resources located in the PJM control area, which includes portions of Delaware, District of Columbia, Ohio, Illinois, Indiana, Michigan, Maryland, North Carolina, New Jersey, Pennsylvania, West Virginia or Virginia]. For information about these certificates visit [supplier's specific website page.]

**(Attachment 3 – REC-only Disclosure Label)**

(Supplier logo - optional)

## **Voluntary Renewable Certificates** **For Certificate-only Offers**

**This offer supports additional certificates\*  
equal to [100%] of your total usage**



The certificates you are supporting through this offers are from [wind resources located in the PJM control area which includes portions of Delaware, District of Columbia, Ohio, Illinois, Indiana, Michigan, Maryland, North Carolina, New Jersey, Pennsylvania, West Virginia or Virginia]. For information about these certificates visit [supplier's specific website page.]

Learn more about CT's certificate requirements at [energizect.com/compare-energy-suppliers/cts-renewable-energy-standards](http://energizect.com/compare-energy-suppliers/cts-renewable-energy-standards). You can also contact CT's Public Utility Regulatory Authority at 800-382-4586 or [pura.information@ct.gov](mailto:pura.information@ct.gov).

\* **All certificates** represent the attributes of renewable generation sources as defined in Connecticut statute but **DO NOT represent the electricity that you are using.**

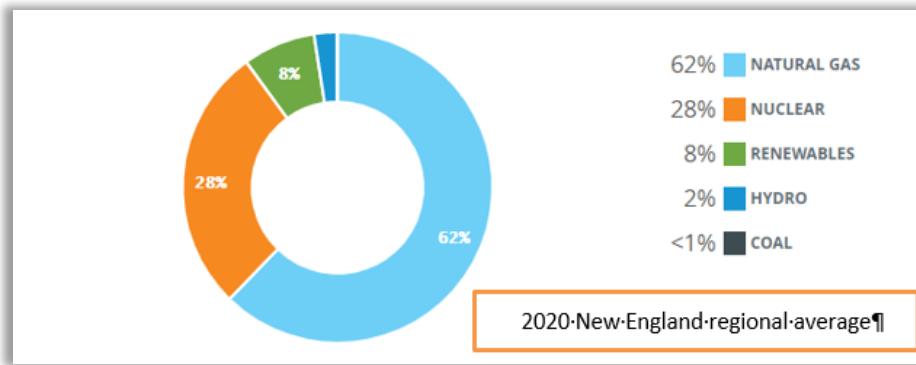
**(Attachment 4 – Generation Source Disclosure Label)**  
(Supplier logo - optional)

# Generation Source Information

## Fuel To Generate Your Electricity & Related Emissions

The electricity for this offer comes from the following generation sources

### NEW ENGLAND REGIONAL GENERATION MIX



### EMISSIONS

Natural gas	
Nuclear	
Renewables	
Hydroelectric	
Other	

Learn more about the electricity generated throughout New England at [iso-ne.com](http://iso-ne.com).

## Service List

3Degrees Group, Inc.	Atty. Steven Mickelsen Counsel 3Degrees Group, Inc 235 Montgomery Street, Suite 320 San Francisco, CA 94104	<b>Party</b>
Aequitas Energy, Inc.	Raima Jamal Aequitas Energy, Inc. 555 Pleasantville Road, S107 Briarcliff, NY 10510	<b>Party</b>
Agera Energy	Raima Jamal Agera Energy, LLC 555 Pleasantville Road, S107 Briarcliff Manor, NY 10510	<b>Party</b>
Ambit Northeast, LLC	David Ricketts Ambit Northeast, LLC 1005 Congress Avenue, Suite 750 Austin, TX 78701	<b>Party</b>
Atlantic Energy MA, LLC	Brett Cohn Atlantic Energy MA, LLC d/b/a Atlantic Energy 1166 West Newport Drive, Suite 112 Deerfield Beach, FL 33442	<b>Party</b>
BlueRock Energy, Inc.	Tammy Maule BlueRock Energy, Inc. 125 East Jefferson Street, Suite 800 Syracuse, NY 13202	<b>Party</b>
Calpine Energy Solutions, LLC f/k/a Noble Americas Energy Solutions LLC	Greg Bass Calpine Energy Solutions, LLC f/k/a Noble Americas Energy Solutions LLC 401 West A Street Suite 500 San Diego, CA 92101	<b>Party</b>
Champion Energy Services, LLC	Kevin Goldberg North American Power and Gas, LLC 1500 Rankin Road, Suite 200 Houston, TX 77073	<b>Party</b>
Choice Energy, LLC d/b/a 4 Choice Energy, LLC	Moses Cheung Choice Energy, LLC d/b/a 4 Choice Energy, LLC 4257 US Highway 9 Suite 6C Freehold, NJ 07728	<b>Party</b>
CleanChoice Energy, Inc.	Jennifer Spinosi CleanChoice Energy, Inc. d/b/a CleanChoice Energy d/b/a Ethical Electric 1055 Thomas Jefferson Street NW, Suite 650 Washington, DC 20007	<b>Party</b>
Clearview Electric, Inc.	Jeremy Reed Clearview Energy 901 Main Street, Suite 4700 Dallas, TX 75202	<b>Party</b>
CL&P	Christopher R. Bernard Eversource Energy Service Company P. O. Box 270 Hartford, CT 06141-0270	<b>Party</b>
Community Energy, Inc.	Katie Fuller Community Energy, Inc Three Radnor Corporate Center, Suite 300 Radnor, PA 19087	<b>Party</b>
Con Ed Solutions	Richard Hudson Regional Regulatory Manager Consolidated Edison Solutions, Inc. 100 Summit Lake Drive, Suite 410 Valhalla, NY 10595	<b>Party</b>
Con Ed Solutions, Inc.	Doniyell L. Curtis Consolidated Edison Solutions Inc	<b>Party</b>

## Service List

	100 Summit Lake Drive Suite 410 Valhalla, NY 10595	
Connecticut Gas & Electric, Inc.	David Ricketts Connecticut Gas & Electric, Inc. 1005 Congress Avenue, Suite 750 Austin, TX 78701	Party
Constellation Energy Power Choice, Inc.	Amy Klaviter Constellation Energy Service, Inc. 20 N. Wacker Drive, Suite 2100 Chicago, IL 60606	Party
Constellation Energy Services, Inc.	Amy Klaviter Regulatory Compliance Analyst Constellation Energy Services, Inc. 20 N. Wacker Drive, Suite 2100 Chicago, IL 2100	Party
Constellation NewEnergy	Amy Klaviter Constellation Energy Service, Inc. 20 N. Wacker Drive, Suite 2100 Chicago, IL 60606	Party
DEEP	Katie Dykes Commissioner Department of Energy and Environmental Protection 79 Elm Street Hartford, CT 06106-5127	Party
DEEP/BETP	Ferdinand C. Pascua Department of Energy & Environmental Protection Ten Franklin Square New Britain, CT 06051	Party
Direct Energy Business Marketing, LLC	Marc Hanks Direct Energy Business Marketing, LLC 24 Gary Drive Westfield, MA 01085	Party
Direct Energy Business, LLC	Marc Hanks Direct Energy Business, LLC 24 Gary Drive Westfield, MA 01085	Party
Direct Energy Services, LLC	Marc Hanks Sr. Mgr., Gov't & Reg. Affairs Direct Energy Services, LLC 24 Gary Drive Westfield, MA 01085	Party
Discount Power, Inc.	Joel Glassman Chief Operating Officer Discount Power, Inc. 6 Armstrong Road Shelton, CT 06484	Party
Discount Power, Inc.	Kenneth Flood Discount Power, Inc. 6 Armstrong Road Shelton, CT 06484	Party
EDF Energy Services, LLC	Emily Black Huynh EDF Energy Services, LLC 601 Travis Street, Suite 1700 Houston, TX 77002	Party
Eligo Energy CT, LLC	Alexander Rozenblat, Esq. Eligo Energy CT, LLC 201 W. Lake Street, Suite 151 Chicago, IL 60606	Party
Energy Plus Holdings, LLC	Angela Schorr Energy Plus Holdings, LLC 3711 Market Street, Suite 1000 Philadelphia, PA 19104	Party
ENGIE Resources, LLC	Marsha Griffin Senior Paralegal ENGIE Resources, LLC	Party

## Service List

	1360 Post Oak Blvd., Suite 400 Houston, TX 77056	
ENGIE Retail, LLC	Marsha Griffin ENGIE Retail, LLC d/b/a Think Energy 1360 Post Oak Blvd., Suite 400 Houston, TX 77056	<b>Party</b>
Entrust Energy East, Inc. f/k/a North Eastern States	Juan Minero Entrust Energy East, Inc. f/k/a North Eastern States Inc 1301 McKinney Street, Suite 2950 Houston, TX 77010	<b>Party</b>
Eversource	Christopher R. Bernard Eversource Energy Service Company 107 Selden Street Berlin, CT 06037	<b>Party</b>
Everyday Energy, LLC	David Ricketts Everyday Energy, LLC 1005 Congress Avenue, Suite 750 Austin, TX 78701	<b>Party</b>
First Point Power, LLC	Bonnie Colombo Controller First Point Power, LLC 300 Jefferson Blvd., Suite 104 Warwick, RI 02888	<b>Party</b>
Green Mountain Energy	Angela Schorr Green Mountain Energy Company 3711 Market Street, Suite 1000 Philadelphia, PA 19104	<b>Party</b>
Grid Power Direct, LLC	Ezra Dueck Grid Power Direct, LLC 1 Metrotech Center North, Third Floor Brooklyn, NY 11201	<b>Party</b>
HIKO Energy, LLC	Martha Lopez HIKO Energy, LLC 12140 Wickchester Lane Suite 100 Houston, TX 77079	<b>Party</b>
Independence Energy Group, LLC	Angela Schorr Independence Energy Group, LLC 3711 Market Street, Suite 1000 Philadelphia, PA 19104	<b>Party</b>
Liberty Power Delaware, LLC	Michelle Castillo Liberty Power Delaware, LLC 2100 W Cypress Creek Road, Suite 130 Fort Lauderdale, FL 33309	<b>Party</b>
Liberty Power Holdings, LLC	Michelle Castillo Liberty Power Holdings, LLC 2100 W Cypress Creek Road, Suite 130 Fort Lauderdale, FL 33309	<b>Party</b>
Major Energy Electric	Martha Lopez Major Energy Electric Services, LLC 12140 Wickchester Lane, Suite 100 Houston, TX 77079	<b>Party</b>
Mega Energy of New England, LLC	Mary E. Morgan Mega Energy of New England LLC 2150 Town Square Place, Suite 711 Sugar Land, TX 77479	<b>Party</b>
MP2 Energy NE, LLC	Drew Baird Vice President of Regulatory Affairs MP2 Energy NE, LLC 21 Waterway Avenue, Suite 450 The Woodlands, TX 77380	<b>Party</b>
MP2 Energy NE, LLC	Michelle Joublanc Regulatory Department MP2 Energy NE, LLC 21 Waterway Avenue, Suite 450 The Woodlands, TX 77380	<b>Party</b>

## Service List

Mpower Energy, LLC	Paul Hoffman Mpower Energy, LLC 24 Hillel Place Brooklyn, NY 11210	<b>Party</b>
National Gas & Electric, LLC	Vernetta Showers National Gas & Electric, LLC 10375 Richmond Avenue Houston, TX 77042	<b>Party</b>
NextEra Energy Services Connecticut,	John H. Ritch NextEra Energy Services Connecticut LLC 20455 State Highway 249, Suite 200 Houston, TX 77070	<b>Party</b>
North American Power & Gas, LLC	Alexander W. Judd, Esq. Day Pitney LLP 242 Trumbull Street Hartford, CT 06103	<b>Party</b>
North American Power & Gas, LLC	Florence Davis Day Pitney LLP 242 Trumbull Street Hartford, CT 06103	<b>Party</b>
North American Power & Gas, LLC	Kevin Goldberg North American Power and Gas, LLC 1500 Rankin Road, Suite 200 Houston, TX 77073	<b>Party</b>
NRG Energy, Inc. f/k/a Reliant Energy Northeast LLC	John Holtz NRG Retail Northeast 3711 Market Street, Suite 1000 Philadelphia, PA 19104	<b>Party</b>
OCC	Andrew Minikowski Office of Consumer Counsel 10 Franklin Square New Britain, CT 06051	<b>Party</b>
OCC	Burt Cohen Office of Consumer Counsel 10 Franklin Square New Britain, CT 06051	<b>Party</b>
OCC	John R. Viglione Office of Consumer Counsel Ten Franklin Square New Britain, CT 06051	<b>Party</b>
OCC	Julie Datres Office of Consumer Counsel Ten Franklin Square New Britain, CT 06051	<b>Party</b>
Perigee Energy, LLC	Martha Lopez Major Energy Electric Services, LLC 12140 Wickchester Lane, Suite 100 Houston, TX 77079	<b>Party</b>
Provider Power CT, LLC	Muriel LeClerc Business Support Specialist Provider Power CT, LLC 306 Rodman Road Auburn, ME 04210	<b>Party</b>
Public Power, LLC	David Ricketts Public Power, LLC 1005 Congress Avenue, Suite 750 Austin, TX 78701	<b>Party</b>
Residents Energy, LLC	Avi Kielson Residents Energy, LLC 520 Broad Street Newark, NJ 07102	<b>Participant</b>
Retail Energy Supply Assoc.	Jonathan H Schaefer Robinson & Cole LLP 280 Trumbull Street Hartford, CT 06103	<b>Party</b>

## Service List

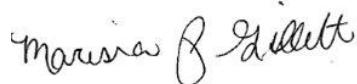
SmartEnergy Holdings, LLC	Lloyd Spencer SmartEnergy Holdings, LLC 400 Madison Avenue, Suite 9A New York, NY 10017	<b>Party</b>
South Jersey Energy Company	David Rysak South Jersey Energy Company One North White Horse Pike, 3rd. Floor Hammonton, NJ 08037	<b>Party</b>
Spark Energy, LLC	Graham T. Coates, Esq. Holland & Knight LLP 31 West 52nd. Street New York, NY 10019	<b>Party</b>
Spark Energy, LLC	Stephen J. Humes Holland & Knight LLP 31 West 52nd Street New York, NY 10019	<b>Party</b>
Spark Energy, L.P.	Martha Lopez Major Energy Electric Services, LLC 12140 Wickchester Lane, Suite 100 Houston, TX 77079	<b>Party</b>
Starion Energy, Inc.	Robert Bassett Starion Energy Inc P.O. Box 845 Middlebury, CT 06762	<b>Party</b>
Sterling Planet	Robert Maddox Director of Utility Programs Sterling Planet 6200 Avalon Boulevard Alpharetta, GA 30009	<b>Party</b>
Sterling Planet, Inc.	Robert A. Maddox, Jr. Northeast Regional Manager Sterling Planet, Inc. P.O. Box 186 Litchfield, CT 06759	<b>Party</b>
Summer Energy Northeast, LLC	Janie Escalante Summer Energy Northeast, LLC f/k/a REP Energy, LLC 5847 San Felipe, Suite 3700 Houston, TX 77057	<b>Party</b>
Sunwave Gas & Power	Kathleen M. Dandeneau Robinson & Cole LLP	<b>Party</b>
Texas Retail Energy, LLC	Holly Rachel Smith Texas Retail Energy LLC 2608 S.E. J Street Bentonville, AR 72716	<b>Party</b>
Town Square Energy	Avi Kielson Town Square Energy, LLC 520 Broad Street Newark, NJ 07102	<b>Party</b>
TransCanada	Matthew Davies TransCanada Power Marketing Ltd 450 1st Street Calgary, Alberta T2P 5H1	<b>Party</b>
UI	Eileen Sheehan UIL Holdings Corporation 180 Marsh Hill Road, MS AD-2A Orange, CT 06477	<b>Party</b>
Verde Energy USA, Inc.	Martha Lopez Major Energy Electric Services, LLC 12140 Wickchester Lane, Suite 100 Houston, TX 77079	<b>Party</b>
Viridian Energy, LLC	David Ricketts Viridian Energy, LLC 1005 Congress Avenue, Suite 750 Austin, TX 78701	<b>Party</b>
Wattifi, Inc. f/k/a OPTIK Energy, LLC	Renny Leiler Wattifi, Inc. f/k/a OPTIK Energy, LLC	<b>Party</b>

## **Service List**

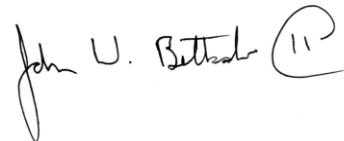
	30 Sebethe Drive Cromwell, CT 06416	
XOOM Energy, LLC	Angela Schorr XOOM Energy Connecticut, LLC 3711 Market Street, Suite 1000 Philadelphia, PA 19104	<b>Party</b>

**DOCKET NO. 16-12-29 PURA DEVELOPMENT OF VOLUNTARY RENEWABLE OPTIONS PROGRAM**

This Decision is adopted by the following Commissioners:



Marissa P. Gillett



John W. Betkoski, III



Michael A. Caron

**CERTIFICATE OF SERVICE**

The foregoing is a true and correct copy of the Decision issued by the Public Utilities Regulatory Authority, State of Connecticut, and was forwarded by Certified Mail to all parties of record in this proceeding on the date indicated.



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Jeffrey R. Gaudiosi, Esq.  
Executive Secretary  
Public Utilities Regulatory Authority

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October 20, 2020  
Date