



Report Regarding the Enrollment or Unenrollment from a Standard-offer Service Provider or Competitive Electricity Provider Within Three Business Days

Submitted to the Joint Standing Committee on
Energy, Utilities and Technology

February 1, 2025

Maine Public Utilities Commission
18 State House Station,
Augusta, ME 04333

I. Introduction

During the Second Regular Session of the 131st Legislature, the Maine Legislature enacted “An Act to Require Consumer Consent for Certain Generation Service Contract Renewals,” [P.L. 2023, ch. 636](#) (the Act). The Act replaced the original bill¹, which included a provision that would require an entity that provides electric billing and metering services to process an electronic transaction of enrollment or unenrollment after receipt of that transaction. Subsequent to the vote of the Joint Standing Committee on Energy, Utilities and Technology (Committee) the Maine Public Utilities Commission (Commission) received a letter (Appendix A) from the Committee requesting that the Commission facilitate a stakeholder process to develop recommendations to enable the enrollment and unenrollment of customers within three business days of a customer’s request. The letter further requested that the Commission submit a report to the Committee by February 1, 2025.

On August 20, 2024, the Commission initiated an Inquiry to obtain information from investor-owned transmission and distribution (T&D) utilities, all licensed competitive electricity providers (CEPs), including standard-offer (SO) providers offering service in the State, and other interested persons. After the inquiry, the Commission held a stakeholder meeting on January 17, 2025.

After reviewing the comments received in the Inquiry, as well as taking into consideration the discussion that occurred at the stakeholder meeting, the Commission is recommending that “drops” (a customer switching from CEP service to SO service) occur within three business days, regardless of whether the drop occurs on-cycle or off-cycle within a billing period, and that any fee to implement an off-cycle drop be eliminated.

II. Inquiry

On August 20, 2024, the Commission initiated an Inquiry to obtain information from investor-owned T&D utilities, all licensed CEPs, including SO providers offering service in the State, and other interested persons.² In this Inquiry, the Commission asked the following questions:

1. Is it feasible to effectuate a customer’s request to enroll or unenroll with a CEP or SO provider within three business days?
 - a. If it is not feasible, please identify the obstacles to achieving this outcome.
 - b. If it is feasible, would there be any new costs associated with complying with a requirement to enroll or unenroll a customer from service provided by a CEP or SO service within three business days?
 - c. If there are specific situations where it is not feasible, please identify the situation(s), explain why it is not feasible, and provide an alternative recommendation to allow a timely enrollment or unenrollment.

¹ [LD 2163](#), An Act to Require Electricity Providers to Inform Customers of Alternative Electric Rates and Gather Consent Prior to Contract Renewal

² Docket No. [2024-00233](#)

2. Should a requirement that a customer be enrolled or unenrolled with a CEP or SO provider within three business days apply to customers in all rate classes? If no, please identify the rate classes that the requirement should not apply to and explain why.
3. Does an enrollment or unenrollment in the middle of a billing cycle, where a customer may receive prorated bills, create an unreasonable administrative burden or any unintended consequences?
4. Should the number of times a customer can enroll or unenroll with a CEP or SO provider be limited?
 - a. If a limitation should be imposed, why, and what should that limitation be?

Comments were received from the following parties³:

- Maine Power LLC (Jeff Jones) – serves the large class of standard-offer customers;
- Central Maine Power;
- New Brunswick Marketing Corporation (NBEM) - NBEM's business activities include wholesale electricity sales in Maine as well as standard offer service provision;
- Versant Power; and
- NRG (NRG Business f/k/a Direct Energy Business, LLC; Direct Energy Business Marketing, LLC; Direct Energy Services, LLC; NRG Home f/k/a Reliant Energy Northeast LLC; and XOOM Energy Connecticut, LLC).

While all commenters that were responsive to Question 2 in the Inquiry agreed that if there was a requirement for the effectuation of a three-day enrollment or unenrollment with a CEP or SO provider it should apply to all rate classes, a vast majority of commenters did not think such a requirement should be established. With the exception of NRG, commenters expressed the following concerns:

- Volatility in the supply market could lead to gaming of the system if switching were allowed more rapidly and a large customer with professional resources that could switch more rapidly than currently allowed would disadvantage smaller customers without the same resources.
- This type of change would likely increase consumer energy supply costs, as increased uncertainty about customer load would tend to increase suppliers' bids to provide both standard offer service and competitive service.
- The costs (potentially higher supply prices, costs to make changes to utility billing systems and costs associated with potentially increased billing true-ups) to implement such a change far outweigh any potential benefits.
- Currently, there is not a need for this change since at least 90% of residential customers take standard offer service and a change in provider is more often occurring in the

³ All comments received by the Commission in this inquiry can be found in Appendix B.

context of a customer changing from CEP service back to standard offer service and not switching between CEPs.

NRG, the only commenter in support of more rapid switching, noted that the ability for a customer to switch providers more rapidly allows that customer to more quickly realize the benefits of the choices they make when exercising their right to shop for electricity service. NRG also contends that allowing more frequent switching between providers would incentivize CEPs to work harder to meet their customers' needs and listen to their demands or risk seeing their customers leave almost immediately. NRG commented that the current switching process contributes significantly to customer frustration and severely diminishes the shopping experience. NRG noted that accelerated switching is available in Delaware, the District of Columbia, Maryland and Pennsylvania.

After the Commission reviewed all the comments received in the Inquiry, a stakeholder meeting was scheduled.

III. Stakeholder Meeting

On January 17, 2025, the Commission held a stakeholder meeting remotely to discuss the comments received in the Inquiry and provide an opportunity for further discussion on the speed and frequency of switching energy providers. In addition to Commission staff, the following parties attended the meeting:

- Brian Marshall and Elizabeth Deprey, Office of the Public Advocate;
- Arrian Myrick-Stockdell and Lori Omlar, Versant Power;
- John Holtz, NRG;
- Robert Munnely, Jr., Davis Malm & Dagostine P.C. (law firm that represents CEPs);
- Crystal Boone;
- Linda Ball, Sue Clary, Mark Morrissette and Elizabeth Trafton, Central Maine Power;
- Deanne Guerette; and
- Emily Turnen

Commission staff began the meeting by providing background information on the legislation and subsequent Committee letter and proceeded to address each question from the Inquiry. However, other questions were addressed organically through discussions related to Question one; therefore, the Commission offered participants the opportunity to address anything discussed previously or not otherwise discussed.

Like the Inquiry, those present and speaking highlighted the complexity associated with the enrollment or unenrollment of a customer from a provider of standard-offer service or competitive electricity service within three business days. Many of the examples and concerns highlighted in the written comments were reiterated at the meeting.

While written comments were not provided in response to the Inquiry, the Office of the Public Advocate (OPA) noted at the meeting that the OPA was approaching this issue from a consumer protection angle and the emphasis of rapid switching should be placed on switching from a CEP to a SO provider for residential customers. The OPA suggested that a customer's request to

switch from a CEP to a SO provider should occur within three business days regardless of where they are at in the billing cycle and this switch should occur without any charges.⁴ None of the meeting participants objected to this suggestion and several participants specified that they were in agreement with this proposed suggestion.

NRG, the only participant advocating for rapid switching said their interest is to have any changes requested by a customer implemented as quickly as possible, regardless of whether that customer is switching from SO service to CEP service, CEP service to CEP service or CEP service to SO service, but was open to limitations on the number of times that this can occur over a billing cycle.

It was clear from the stakeholder meeting that no one was strongly advocating for the changes proposed in LD 2163 and in fact most participants were opposed to establishing rapid switching requirements.

IV. Conclusion

Based on its assessment of the comments provided in the Inquiry and at the stakeholder meeting, the Commission recommends that the only change that should be made to the current enrollment and unenrollment process is to ensure that a customer's request to switch from a CEP to a SO provider occur within three business days regardless of where in the billing cycle that request occurs and that this switch should occur without any charges. This change in the enrollment and unenrollment process would not require any statutory changes and could be accomplished by amending Commission rules, Chapters 322 and 301. It appears that no party strongly advocated for the changes proposed in LD 2163 and that the costs to customers far outweighed any potential benefits to customers wishing to switch providers multiple times during a billing cycle.

⁴ Currently, CMP charges customers \$5 to make an off-cycle change.