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THE STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION
21 S. Fruit Street, Suite 10
Concord, N.H. 03301-2429

TDD Access: Relay NH
1-800-735-2964

Tel. (603) 271-2431

FAX (603) 271-3878

Website:
www.puc.nh.gov

October 31, 2016

Frank McGovern, CEO
Clearview Energy
1201 Elm Street, Suite 3200
Dallas, TX 75270

Re: DE 16-837, Complaint Against Clearview Electric, Inc. d/b/a Clearview Energy

Dear Mr. McGovern:

On October 26, 2016, the Commission received the attached complaint filed by Unitil Service Corporation requesting that the Commission review the marketing practices of Clearview Electric, Inc. d/b/a Clearview Energy (Clearview).

The Commission is treating this matter as a complaint pursuant to RSA 365:1 and 2, and N.H. Code Admin. Rules Puc 204, and will require that Clearview respond to the complaint on or before November 10, 2016.

Sincerely,

Debra A. Howland
Executive Director

Encl.

cc: Electric Division
Amanda Noonan
Patrick Taylor

DE 16-837

Unitil

October 25, 2016

NHPUC 26OCT'16PM11:20

Debra A. Howland
Executive Director and Secretary
N.H. Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, N.H. 03301

RE: Complaint Regarding Clearview Electric, Inc. d/b/a Clearview Energy

Dear Ms. Howland,

Pursuant to RSA 374-F:7 and New Hampshire Public Utilities Commission (the "Commission") rules Puc 204.07, 2004.04 and 2005.01, Unitil respectfully requests that the Commission review the door-to-door marketing practices of Clearview Electric, Inc. d/b/a Clearview Energy ("Clearview"), a Competitive Electric Power Suppliers ("CEPS") registered to do business in New Hampshire. Clearview began marketing its services to customers in Unitil's service territory less than a month ago, and Unitil is already fielding complaints and customer calls expressing concerns about Clearview's marketing practices. These complaints appear to be consistent with those received by regulators in other jurisdictions in which Clearview operates, and Unitil requests that the Commission review Clearview's marketing practices, order Clearview to cease engaging in any improper marketing practices and, if necessary, sanction Clearview if it is found to have violated any state law or Commission rule.

I. Complaints Received from Unitil Customers Regarding Clearview

As noted above, Clearview began marketing in Unitil's service territory on or about September 30, 2016. Though fewer than three weeks have passed, Unitil has already received numerous complaints from customers regarding Clearview representatives soliciting business on a door-to-door basis. These complaints raise the very serious concern that Clearview and / or its representatives have violated Puc 2004.04 in the course of conducting in-person solicitations. For example:

- A customer reported that she was solicited by a Clearview representative who wore a shirt that said "Unitil" and indicated that he was from Unitil. Upon further

Patrick Taylor
Senior Counsel
taylorp@unitil.com

6 Liberty Lane West
Hampton, NH 03842

T 603.773.6544 F 603.773.6744 www.unitil.com

Unitil

questioning, the Clearview representative allegedly indicated that his Unitil truck was parked down the street.

- On October 8, another customer complained that a Clearview representative came to his home wearing a Unitil badge and carrying a clipboard with a Unitil electric bill on it. The representative reportedly introduced himself as being from Unitil and stated that Unitil did not want to lose him as a customer and would continue to serve him, but that he could save money by enrolling with Clearview.

- Also on October 8, a customer reported being approached by a man wearing a lanyard and identifying himself as a Unitil representative who asked to see her electric bill.

- A customer reported that a Clearview representative came to her residence on Unitil's behalf and told her that Unitil had authorized Clearview as a supplier. This customer believed that Clearview was forcing people in her apartment building to sign up, and expressed concern regarding elderly occupants.

- A Unitil customer reported being informed by a Clearview representative that the Town of Atkinson had voted Clearview in as the Town's electric company.

- A customer reported being approached by an agent claiming to work for Unitil and asking to see the customer's account number to ensure that the account was in compliance with a new law stating that Unitil cannot change its rates in the winter. The customer was concerned that he would be enrolled by Clearview without consent.

- A customer called to complain that her husband, who is hard of hearing, was approached by a "very scheme-y" Clearview agent. She expressed concern that her husband was "roped into something."

- A customer notified Unitil that someone showed up at his door saying that he was connected with Unitil and that Clearview could save the customer money. The representative asked to see the customer's Unitil bill so he could tell the customer how much he could save.

- Finally, an elderly customer contacted Unitil to express concern that he had been

Patrick Taylor
Senior Counsel
taylorp@unitil.com

6 Liberty Lane West
Hampton, NH 03842

T 603.773.6544 F 603.773.6744 www.unitil.com

> enrolled without his consent after being approached by an agent. The customer reported that the agent claimed that he worked for Unitil. Clearview also notified Unitil of this complaint and maintains that no misrepresentation occurred.

See Affidavit of Stephen Merrett, attached hereto, at pp 1-2. In addition to these troubling occurrences, Unitil's customer service representatives have received calls from Clearview agents seeking customer account numbers. Id. at 3. When the Unitil representative asks to speak with the customer to obtain authorization for the release and to provide information regarding third party enrollment, Clearview agents have reportedly hung up or accused Unitil's representative of lying to the customer. Id. Unitil continues to receive complaints from customers relative to Clearview's door-to-door marketing efforts.

Furthermore, Unitil has discovered that as of this filing, Clearview's website (www.clearviewenergy.com) incorrectly states that Unitil's "Current Standard Electric Offer" is 9.41 cents per kWh. This was Unitil's default service rate for residential customers for the winter 2015-2016 period beginning December 1, 2015 and ending May 31, 2016. The Company's current residential rate, effective through November 30, 2016, is 5.978 cents per kWh, and the Company's winter 2016-2017 rate, which will be effective November 30, 2016 – May 31, 2017, is 7.69 cents per kWh. These rates are, of course, public and available for all, including Clearview, to examine. If Clearview's representatives are representing to potential customers in their door-to-door solicitations that Unitil's current residential rate is 9.41 cents per kWh, they are engaging in a willful misrepresentation of Unitil's rates.

II. Complaints Received in New Hampshire are Consistent with Complaints Filed in Other Jurisdictions Regarding Clearview

Complaints received from Unitil customers are consistent with complaints filed in other jurisdictions in connection with Clearview's in-person marketing activities. On Clearview's New Hampshire Competitive Electric Supplier application, filed December 14, 2015, Clearview indicated that in the most recent calendar year 198 complaints had been filed against Clearview in the various jurisdictions in which it operates, including complaints alleging misrepresentation and unprofessional agent behavior and disputes regarding

Patrick Taylor
Senior Counsel
taylorp@unitil.com

6 Liberty Lane West
Hampton, NH 03842

T 603.773.6544 F 603.773.6744 www.unitil.com

enrollment practices.[1] Docket DM 15-514, Clearview Initial Registration of Competitive Electric Power Supplier, p. 3 (Dec. 15, 2015); DM 15-514, Clearview Response to Deficiency Letter #2, Exhibits A and B (April 5, 2016).

Clearview elaborated on the substance of the various complaints, which appear to be drawn from the 2015 calendar year, in a log provided in response to the Commission Staff's deficiency letter. *See* DM 15-514, Clearview Response to Deficiency Letter #2, Exhibit B (April 5, 2016). Although the synopses of the complaints are too voluminous to summarize in this this letter, they demonstrate that the complaints that Unitil is now receiving in New Hampshire are not unique occurrences but, rather, part of a consistent pattern of conduct. For example, the complaints include numerous instances of Clearview agents allegedly misrepresenting themselves as being affiliated with or representatives of an electric utility, wearing clothes or badges indicating association with an electric utility, asking to see utility bills or account numbers, acting in misleading or deceptive ways, and otherwise causing customer confusion or concern. Id. Regarding one complaint alleging misrepresentation by a Clearview representative in October 2015, the Massachusetts Department of Public Utilities indicated that "this is a problem that seems to be getting worse." Id. In August 2015, the Maine Public Utilities Commission ("MPUC") Staff notified Clearview that it had received four phone calls in one morning to complain about misrepresentation in sales tactics used by Clearview, and noted that "word of mouth reputation they [Clearview sales representatives] are leaving in their path is very concerning." Id.

The MPUC recently conducted an inquiry into Clearview's door-to-door marketing practices in response to customer concerns as related to the MPUC by Central Maine Power ("CMP"). MPUC Docket 2012-00376, Request for Information (July 8, 2015). The MPUC prefaced its inquiry with the following statement:

> [R]ecent door-to-door marketing and enrollment efforts by Clearview agents raise concerns relating to allegations of: (1) Clearview employees or agents misrepresenting themselves as representatives of a transmission and distribution (T&D) utility; (2) misrepresentations about how Clearview's prices compare to standard offer service prices and other misinformation regarding prospective T&D and / or supply price changes

[1] As of December 2015, Clearview operated in Connecticut, Delaware, Illinois, Maine, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Rhode Island, Texas, and Washington, D.C.

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6 Liberty Lane West
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T 603.773.6544 F 603.773.6744 www.unitil.com

> or expiration of service; and (3) instances where the agents act aggressively towards individuals.

Id. The MPUC propounded numerous requests for information and received comments from Clearview and CMP, and Clearview entered into a letter agreement with MPUC Staff on February 12, 2016 implementing certain action items intended to minimize customer confusion and allow the Commission to monitor activities giving rise to customer complaints. MPUC Docket 2012-00376, Letter Agreement (February 12, 2016).[2]

In 2015 alone, at least 198 complaints were filed against Clearview in twelve jurisdictions, many of which are similar in substance to those now being reported by Unitil customers. At least one regulatory authority (the MPUC) has conducted an inquiry into Clearview's marketing practices in the past year based on allegations that are likewise similar in substance to those now being received by Unitil. Earlier this year, Clearview entered into an agreement with the MPUC to implement action items to avoid customer confusion. Yet, less than a month after beginning to market services in Unitil's service territory, the Company's customers are already complaining about being subject to the very same tactics that have been reported in other jurisdictions.

III. The Commission May Review Clearview's Practices and Impose Sanctions if Clearview has Violated Commission Rules or State Law

Though a CEPS is not a public utility pursuant to RSA 362:2, the New Hampshire Legislature has authorized the Commission to establish certain requirements for such suppliers, including registration, disclosure, standards of conduct, and consumer protection requirements. RSA 374-F:7, I. The Commission "may assess fines against, revoke the registration of, order the rescission of contracts with residential customers of, and prohibit from doing business in the state" any CEPS which is found to have: (a) engaged in any unfair or deceptive acts or practices in the marketing, sale, or solicitation of electricity supply or related services; (b) violated the requirements of RSA 374-F:7or any other provision of this title RSA Title XXXIV applicable to competitive electricity suppliers; or (c) violated any rule adopted by the Commission pursuant to RSA 374-F:7. RSA 374-F:7,

[2] As a result of the Letter Agreement, the MPUC declined to issue a "Notice of Investigation" into Clearview's marketing practices. MPUC Docket 2015-00297, Order (May 17, 2016). Unitil notes that the underlying inquiry into those practices in MPUC Docket 2012-00376 was pending at the time that Clearview filed its New Hampshire Competitive Electric Supplier application in December 2015.

Patrick Taylor
Senior Counsel
taylorp@unitil.com

6 Liberty Lane West
Hampton, NH 03842

T 603.773.6544 F 603.773.6744 www.unitil.com

Unitil

III.

Consistent with RSA 374-F:7, the Commission's rules establish strict guidelines for the in-person solicitation of customers by a CEPS or its representatives. Specifically, if a CEPS or its representative contacts a person outside of the CEPS's place of business for the purpose of selling a product or service offered by the CEPS, the CEPS or its representative must, "as soon as possible and prior to describing any products or services offered for sale":

(1) Produce identification, to be visible at all times thereafter, which prominently displays in reasonable size type the full name of the CEPS and representative as well as the CEPS's telephone number for inquiries, verification and complaints;
(2) Identify the CEPS and the relationship of the representative to the CEPS, and state that if the potential customer purchases electricity from the CEPS, the customer's utility will continue to deliver their energy and will respond to any outages or emergencies;
(3) The CEPS or its representative shall leave the premises of a potential customer when requested to do so by the potential customer or the owner or occupant of the premises; and
(4) Where the CEPS or its representative observes or learns that a potential customer's English language skills are insufficient to allow the potential customer to understand and respond to the information conveyed, the CEPS or its representative must find a replacement that is fluent in the customer's language or a translator to continue the marketing activity, or shall terminate the in-person contact with the potential customer.

Puc 2004.04. Penalties that the Commission may impose upon CEPS that violate any provision of Puc 2004 include $1,000 per violation per day; suspension of a CEPS's registration; and the revocation of a CEPS's registration. Puc 2005.01(b).

Based on complaints received by Unitil customers, it appears that Clearview's agents may, at a minimum, be acting in violation of the prohibition against unfair or deceptive acts or practices in RSA 374-F:7, I, as well as the Puc 2004.04 requirements pertaining to identification. As explained above, it is clear that Unitil's customers are not the first to report such practices. Unitil therefore requests that the Commission exercise the power granted to it by the Legislature to enforce rules and state laws regarding competitive energy

Patrick Taylor
Senior Counsel
taylorp@unitil.com

6 Liberty Lane West
Hampton, NH 03842

T 603.773.6544 F 603.773.6744 www.unitil.com

Unitil

suppliers in New Hampshire to (a) review the marketing practices of Clearview, (b) order Clearview to cease engaging in any improper marketing practices, and (c) impose any appropriate sanction, including but not limited to a monetary fine and suspension or revocation of Clearview's registration in New Hampshire.

In closing, Unitil notes that it supports a competitive electricity market in New Hampshire and has worked collaboratively with the Commission and competitive suppliers for many years to promote customer choice. The Company does not compete with Clearview and is not impacted by a customer's decision to contract with a CEPS for electric supply. However, it is very much in Unitil's interest to have customers who do not feel confused or intimidated when making that choice, or believe that Unitil endorses or is somehow affiliated with Clearview or any other third-party supplier. As such, Unitil is submitting this complaint to ensure that any improper activity is stopped as soon as possible.

Thank you for your consideration of this request.

Regards,

Patrick H. Taylor

Patrick Taylor
Senior Counsel
taylorp@unitil.com

6 Liberty Lane West
Hampton, NH 03842

T 603.773.6544 F 603.773.6744 www.unitil.com

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

Request for Investigation	)
Unitil Electric Services, Inc.	)

AFFIDAVIT

Stephen Merrett, having been duly sworn, states under oath as follows:

1. I am over eighteen years of age; I am competent to provide this affidavit; and I have personal knowledge of the facts set forth below.
2. I am employed by Unitil Service Corp. ("USC") as Supervisor, Customer Relations.
3. USC is a corporation providing services to the subsidiaries of Unitil Corporation, a New Hampshire corporation.
4. Unitil Electric Services, Inc. ("Unitil") is a wholly owned subsidiary of Unitil Corporation.
5. The facts as stated herein are true and correct to the best of my knowledge and understanding.
6. As Supervisor, Customer Relations, I coach and train customer service representatives ("CSRs") to provide quality service to Unitil customers and to manage and respond to issues that arise from customer phone calls, e-mail, letters, or other communications.
7. Clearview Electric, Inc. d/b/a Clearview Energy ("Clearview") began marketing in Unitil's service territory on or about September 30, 2016. Shortly thereafter, Unitil began receiving complaints from customers regarding Clearview representatives soliciting business on a door-to-door basis.
8. These complaints are received by CSRs under my supervision who take calls or other communications from customers.
9. Complaints that Unitil has received to date regarding Clearview include the following:
    a. A customer reported that she was solicited by a Clearview representative who wore a shirt that said "Unitil" and indicated that he was from Unitil. Upon further questioning, the Clearview representative allegedly indicated that his Unitil truck was parked down the street.

b. On October 8, another customer complained that a Clearview representative came to his home wearing a Unitil badge and carrying a clipboard with a Unitil electric bill on it. The representative reportedly introduced himself as being from Unitil and stated that Unitil did not want to lose him as a customer and would continue to serve him, but that he could save money by enrolling with Clearview.

c. Also on October 8, a customer reported being approached by a man wearing a lanyard and identifying himself as a Unitil representative who asked to see her electric bill.

d. A customer reported that a Clearview representative came to her residence on Unitil's behalf and told her that Unitil had authorized Clearview as a supplier. This customer believed that Clearview was forcing people in her apartment building to sign up, and expressed concern regarding elderly occupants.

e. A Unitil customer reported being informed by a Clearview representative that the Town of Atkinson had voted Clearview in as the Town's electric company.

f. A customer reported being approached by an agent claiming to work for Unitil and asking to see the customer's account number to ensure that the account was in compliance with a new law stating that Unitil cannot change its rates in the winter. The customer was concerned that he would be enrolled by Clearview without consent.

g. A customer called to complain that her husband, who is hard of hearing, was approached by a "very scheme-y" Clearview agent. She expressed concern that her husband was "roped into something."

h. A customer notified Unitil that someone showed up at his door saying that he was connected with Unitil and that Clearview could save the customer money. The representative asked to see the customer's Unitil bill so he could tell the customer how much he could save.

i. An elderly customer contacted Unitil to express concern that he had been enrolled without his consent after being approached by an agent. The customer reported that the agent claimed that he worked for Unitil. Clearview also notified Unitil of this complaint and maintains that no misrepresentation occurred.

10. Unitil's customer service representatives have also received calls from Clearview agents seeking customer account numbers. When the Unitil representative asks to speak with the customer to obtain authorization for the release and to provide information regarding third party enrollment, Clearview agents have hung up or accused Unitil's representative of lying to the customer.

DATED this 20th Day of October, 2016.

Stephen Merrett

STATE OF NEW HAMPSHIRE)
) :ss
COUNTY OF MERRIMACK)

On this 20th day of October, 2016, then personally appeared before me Stephen Merrett, the signer of the above instrument, who duly acknowledged to me that he executed the same.

Notary Public
Residing in ~~Rockingham~~ Hillsboro County

TRICIA A. STRATTON, Notary Public
My Commission Expires 9/18/18

My Commission Expires: