

EXPANDED CONSUMER PROTECTION WORKING GROUP AGENDA

Friday, April 5, 2024

Poll Question Series 1:

Which marketplace participant best describes you?	
Approved Vendor	11 of 25
Designee/Nested Designee	2 of 25
Consumer	0 of 25
Government Agency	6 of 25
Non-Profit Advocacy/Community Group	1 of 25
Prospective Approved Vendor/Designee	0 of 25
Other	5 of 25

TOPIC 1	Better understanding AV oversight of marketing Designees
BACKGROUND	<p>Section 2.G of the Program Guidebook explains that Approved Vendors and Designees may hire Marketing and Sales Designees for specific purposes. The Guidebook defines such Designees as entities “that the Approved Vendor or Designee has designated to act as a marketing agent and/or customer acquisition agent on behalf of the Approved Vendor or Designee. This includes, among others, entities that engage in solicitations through any channel (in-person, telephone, etc.) as well as entities that perform online lead generation services.”</p> <p>The Program Administrator understands that some Approved Vendors and Designees use third-party marketing Designees to make initial project sales via, for example, telemarketing, doorstep sales or tabling, as is permitted by the Guidebook. The Program Administrator has recently noticed an increase in complaints related to telemarketing. For those entities who currently use – or have previously used – such Designees for sales purposes, the Program Administrator is interested in learning more about Approved Vendors’ and Designees’ experiences managing such relationships. The Program Administrator is also interested in any information about these marketing channels from customers, community groups, Grassroots Educators, etc., especially with respect to the customer experience.</p>
ISSUES/ QUESTIONS TO DISCUSS	<ul style="list-style-type: none"> • <i>How do Approved Vendors and Designees monitor sales calls conducted by their third-party marketing Designees?</i> • <i>How do Approved Vendors and Designees ensure that such calls comport with Program requirements?</i> • <i>What feedback have Approved Vendors and Designees received about these calls?</i> • <i>What telemarketing best practices have Program participants or consumer advocates observed?</i> • <i>What concerning telemarketing practices have Program participants or consumer advocates observed and how did they respond when they learned of it?</i>

MEETING MINUTES	<i>No participants provided feedback for this topic.</i>
TOPIC 2	Feedback on potential proactive processes to ensure timeliness of REC pass-through payments made to customers
BACKGROUND	<p>As discussed during the March 2024 Expanded Consumer Protection Working Group meeting, a common model for Distributed Generation (DG) contracts is when the Approved Vendor receives the REC payment from the utility and passes through some or all the value of the REC payment to the customer. Section IV.A.2 of the Consumer Protection Handbook, among other things, requires that Approved Vendors “make the payments to the customer in a timely fashion, consistent with any statements made about the timing of the payment.”</p> <p>In recent months, the Program Administrator has received a significant increase in complaints from customers alleging that their Approved Vendors failed to timely pass-through REC payments consistent with the terms of their contracts. The draft 2024 Long-Term Plan contemplates development of an escrow process for utilization when Approved Vendors fail to timely pass-through REC payments to customers, but this process will take some time to fully develop and is not currently in place. The Program Administrator hopes to develop more proactive measures aimed at identifying untimely REC pass-through payments as early as possible to minimize the number of potentially harmed customers. The Program Administrator is interested in feedback that Program participants and interested parties have on how the Program Administrator can best proactively address this issue.</p>
ISSUES/ QUESTIONS TO DISCUSS	<ul style="list-style-type: none"> • <i>To what extent do Approved Vendors promise certain dollar amounts for pass-through REC payments versus a percentage of the final approved REC value?</i> • <i>What tools do Approved Vendors use to generate the estimated incentive payment?</i> • <i>Do Approved Vendors include language in their Approved Vendor-customer contracts that note that REC pass-through amounts may change? If so, what explanation is provided?</i> • <i>Do Approved Vendor-customer contracts require that Approved Vendors inform customers if the final pass-through REC value is less than what was originally contracted?</i> • <i>Do stakeholders believe Program Administrator review of the first few months of REC pass-through payments made by new Approved Vendors would help ensure compliance?</i>
MEETING MINUTES	<p>Stakeholder feedback included:</p> <ul style="list-style-type: none"> • One participant explained that their company does not guarantee a certain dollar amount for pass-through REC payments; rather, their Approved Vendor-customer contract lists a percentage of the final approved REC value.

	<ul style="list-style-type: none">• One stakeholder confirmed the use of a dollar amount in Approved Vendor-customer contracts for pass-through REC payments but stated that it may be better if Disclosure Forms permitted the use of percentages rather than just dollar amounts.• Multiple participants stated that their Approved Vendor-customer contracts note that REC pass-through amounts may change, and when the amount changes, they do inform the customer.• Multiple participants noted that they explain to customers early in the sales process that REC pass-through amounts may change due to changes in the final production levels of a customer’s solar system, changes in system size/configuration, and occasional permitting issues that can impact system design and size.
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