

Questions (Note that ESCO Bill Credits include APP and EPG Credits):

- 1) Regarding 750 dekatherms requirements under the Resetting Order, does it entail all meters in the customer's name; is this at the account level or customer level?

Staff clarified that it was up to the ESCO to aggregate account information to the customer level and make the determination whether or not the customer exceeded the 750 threshold.

- 2) Do the Utility always need to send 24 months of data on the 503 response or can it look at the history of that ESCO's 503 request and only send them most updated data?

Utilities can provide data under either approach but should note in their Utility Maintained EDI Guides which approach they've chosen.

- 3) Can a conceptual outline of the methodology for crediting back the POR Discount back to the ESCO for the period of the credit being issue to the customer be prepared?

Previously the EDI Working Group determined that the POR Discount to be used would be the one in effect at the time the credit is processed. While less than perfect for utilities that periodically adjust their retainage amounts, the cost of perfection may be high both in terms of cost and time to develop. Since POR discount rates tend to fluctuate within a range, close enough may be good enough. This approach can be revisited following implementation if the results warrant adding begin and end date functionality to the 814C and 810 EDI transactions for APP credits.

- 4) Does the Utility need to reflect all the bill credit(s) for ESCO Bill Credit with in the 503 transaction that an ESCO previously sent over?

The 503 is not designed to reflect the credit. Utility determination of which months the credit applied (over a 12 month period, for example) could be complex and misleading. Further, since the ESCO performs the APP credit calculation, it knows the credit period and could provide it to DPS or the customer if requested. This approach can be revisited following implementation if the results warrant.

- 5) With regard to the segments that are currently being added to the 814C and 810 to reflect the ESCO Bill Credit, should we new segments be added to enable ESCOs to provide the usage period for which the crediting applies so that it can be shown on the customer bill/invoice?

The EDI Working Group does not plan to add these segments at this time to the 814C and 810. As a result, the message cannot show an applicable period. Never the less, the utility will know whether the ESCO providing the credit is the same as the ESCO currently serving the customer

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and therefore can provide a meaningful bill message (as well as determine where to place the credit and/or message).

- 6) Under UBR, how does the Utility safe guard against an ESCO bundling their regular debit/credit charges with the ESCO Bill Credit with in the UBR 810 transactions (although the segments are different)? If the ESCO bundles their regular supply charges with the ESCO Bill Credit there is no way the utility will be able to unbundle these debits or credits.

ESCOs should not be bundling credits or other charges with the commodity rate but it is difficult to prevent this from occurring (policing of improper bundling is most likely not a utility responsibility). Adding new segments/codes, etc. to distinguish non-commodity charges could be a potential resolution to this issue.

- 7) How should the bill credit presented on the utility bill to the Customer, e.g. ESCO Bill Credit from ACME for usage period 2/1/2016 to 6/1/2016?

As discussion in the response to question 5, since the 814C and 810 will not be modified the message cannot show an applicable period. Never the less, the utility will know whether the ESCO providing the credit is the same as the ESCO currently serving the customer and therefore can provide a meaningful bill message (as well as determine where to place the credit and/or message).

- 8) If an ESCO is no longer active on a Utility's system, how long or at what point in time should the Utility stop accepting ESCO Bill Credits after the ESCO becomes inactive?

The answer to this question should be aligned with the utility's cancel/rebill policy, therefore an ESCO should have six months to respond to a cancel/rebill and the utility should have discretion to extend the period if circumstances justifying the extension present themselves, e.g. resolution of a bankruptcy case.

- 9) How long should the utility accept ESCO Bill Credit for an account that is final in its system; e.g., what should happen if the account becomes final in the utility system before the ESCO is able to send the credit amount?

The ESCO would have to issue the credit to the customer. To the extent the utility has a forwarding address (in the case of a move), it should provide the new address to the ESCO. If not, postal service forwarding might help if the customer arranged such. When there is no billing relationship with the customer or the customer's physical location is unknown, it may not be possible for either the utility or the ESCO to provide a credit.

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- 10)** How does the PSC propose the utilities issue ESCO Bill Credits on our bill on behalf of a Dual Billing ESCO when there are no financials (future POR payments) links to net back the credit issued to the customer? How does the utility put the credit on the transportation and delivery billing to reference a supply credit for a Dual billing ESCO? Will utilities be able to require ESCOs to sign BSA-like agreement to cover Dual Billing situations? With security deposits separate from the current required security deposit?

Staff now clarifies that the party issuing the commodity bill (under Dual or ECB) will be responsible for issuing the bill credit. Issues such as bill placement, BSA-like agreements and related security deposits are now moot. Staff has previously indicated the 2/25/2014 Order in 12-M-0476 should be read to require utilities to provide the ESCO Credit on a utility bill, including the dual bill. At present, the only exception is if the utility is not issuing a bill, e.g. the customer has moved out of the territory and the account has been finalized. While no explicit authority to enter into BSA-like agreements and require security has been authorized, it is reasonable to believe it would be authorized at some point. With respect to a utility putting the credit on the transportation/delivery bill to reference a supply credit for a Dual Billing ESCO adds systems development complexity to the process and does not require a POR discount adjustment.

- 11)** Is it possible to require that all ESCO mass market customers billed through Utility Consolidated Billing (UCB) only?

Staff now clarifies that the party issuing the commodity bill (under Dual or ECB) will be responsible for issuing the bill credit. This question is now moot. Significant regulatory action would be necessary to require a specific billing methodology but an alternative could be to provide an option, i.e. require that mass market customers be billed under UCB unless DPS Staff qualified the ESCO to issue bills under the UBPs (presumably Staff would want enhanced reporting and auditing requirements). An ESCO that qualifies to bill mass market customers would issue credits directly to their customers; the utility billing system would not be involved.

- 12)** Will all rate-ready UCB utility be required to switch to Utility Bill Ready?

This should be a business decision for each rate ready utility but it is not unreasonable to expect that rate ready as it exists today would need to be enhanced.

- 13)** For mass market customers being billed under Dual Billing, has any thought been given consequences of the ESCO having to provide a bill credit to customer (to be shown on the utility delivery-only bill) that may owe a huge debit balance with the ESCOs? Can the ESCO a bill credit on its commodity bill to reduce the arrearage?

*Staff now clarifies that the party issuing the commodity bill (under Dual or ECB) will be responsible for issuing the bill credit. This is an unresolved issue that disappears if a*An ESCO

that bills its commodity ~~would be expected is qualified~~ to issue ~~credits to customers.~~
~~Presumably, a credit to reduce a debit balance would be reported to the Staff under whatever~~
~~guidelines they set up to qualify ESCOs to bill mass market customers.~~ This question is now
moot.