

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on June 21, 2002

COMMISSIONER PRESENT:

Maureen O. Helmer, Chairman

CASE 98-M-0667 - In the Matter of Electronic Data Interchange.

ORDER APPROVING ELECTRONIC DATA INTERCHANGE TRANSACTIONS FOR
UTILITY BILL READY AND RATE READY BILLING

(Issued and Effective June 21, 2002)

BACKGROUND AND SUMMARY

The implementation of Electronic Data Interchange (EDI) in New York requires the development, approval, programming and testing of a variety of EDI data standards. By this order, an 810 Utility Bill Ready Transaction Standard¹ and an 810 Utility Rate Ready Transaction Standard² are approved. In addition, a slight revision to the existing 867 Monthly Usage

¹ The 810 Utility Bill Ready Transaction Standard is comprised of three documents: Consolidated Billing Business Processes - Utility Bill Ready; TS810 Invoice Implementation Guide - Utility Bill Ready; and EDI 810 Data Dictionary for Invoice from ESCO/Marketer to Utility.

² The 810 Utility Rate Ready Transaction Standard is comprised of three documents: Consolidated Billing Business Processes - Utility Rate Ready; TS810 Invoice Implementation Guide - Utility Rate Ready; and EDI 810 Data Dictionary for Invoice from Utility to ESCO/Marketer.

Transaction Standard³ is approved to accommodate the need to trigger the issuance of interim bills in the Bill Ready model, in months when no usage data is available.

In compliance with a Commission Order issued on April 4, 2002⁴, the EDI Collaborative filed the implementation guides and business process documents for the Utility Bill Ready billing model on May 1, 2002 and the Utility Rate Ready billing model on April 15, 2002. In assessing the standards and the comments, it should be noted that both the similarities and differences between the models require varying degrees of consistency in the transaction standards depending on the characteristics of each. The Utility Bill Ready transaction model allows an energy service company/marketer ("ESCO/Marketer") to submit an electronic invoice of its customer charges to a utility for inclusion on a utility-provided consolidated bill to the customer. Most of the issues discussed below regarding the Utility Bill Ready model focus on how information is handled for bill presentation or for customer account records. In contrast, in the Utility Rate Ready transaction model, the utility provides a consolidated bill to a customer based on previously obtained ESCO/Marketer rate schedules, and sends an electronic invoice after the fact to inform the ESCO/Marketer of the calculations it made and included on the customer bill on behalf of the ESCO/Marketer. Accordingly, most of the issues discussed below

³ The 867 Monthly Usage Transaction Standard is comprised of three documents: Usage Business Processes - Monthly, Version 1.1; TS867 Monthly Usage - Implementation Guide, Version 1.1; and EDI 867MU Data Dictionary, Version 1.1.

⁴ Case 98-M-0667, In the Matter of Electronic Data Interchange, Order Adjusting Workplan and Deadlines for the Proceeding (issued April 4, 2002).

regarding the Utility Rate Ready model do not focus on bill presentation.

Comments were solicited on these filings by a notice published in the State Register on April 10, 2002. Comments were received from Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc. (collectively, "Con Edison"), New York State Electric & Gas Corporation (NYSEG) and Niagara Mohawk Power Corporation (Niagara Mohawk).

SUMMARY AND DISPOSITION OF COMMENTS

Utility Bill Ready

Non-billing party's balance

Niagara Mohawk asks that the Bill Ready Business Process document be clarified to state that the billing party should not be required to "maintain balances for the purposes of display in the detail of the non-billing party's charges on the bill." Rather, Niagara Mohawk argues, the billing party should only be required to display the bottom-line-amount in the summary section of the bill, reflecting all adjustments not reflected in the detail section due to timing problems. Niagara Mohawk argues that the accounts receivable balance shown in the detail section "should not be maintained or expressed by anyone other than the non-billing party."

Con Edison argues that the summary and detail charges on the bill should only reflect the "information transmitted [by the non-billing party] with the current charges and payments or credits applied to the account." Con Edison argues that if the billing party takes into account adjustments made after the non-billing party transmits its billing information, that inconsistencies will occur between the balance on the consolidated bill and the non-billing parties records. Con Edison cites as justification the need for the non-billing party

and billing party to have consistent records to increase customer acceptance of consolidated billing.

NYSEG identifies technical barriers to approving what Niagara Mohawk and Con Edison have requested. To resolve the problem, NYSEG suggests that parties be authorized to "agree upon the date through which account activity is presented on consolidated bills."

The Uniform Business Practices (Practices) require that the billing party maintain records on the balance of a customer's account with the non-billing party since the billing party, in any bill option, is required to properly allocate customers' payments between the billing and non-billing party based upon the payment allocation rules established in the Practices. Further, the Practices require that the consolidated bill presented to customers contain three distinct sections - a Utility section, an ESCO/Marketer section and a Summary section. The calculation of the customers' total balance due for a specific consolidated bill would be presented in the Summary section of the bill. Under the Bill Ready option, there is a two-day lag between the date that usage data for a customer is validated and the date that the billing party receives an EDI Invoice containing the non-billing party's charges for presentation on the consolidated bill. At issue is the process for handling recent payment/adjustment activity that affects the customer's balance with the non-billing party (in this model, the ESCO/Marketer) that has not yet been reflected in the non-billing party's records.

Discussion

The alternatives proposed by Niagara Mohawk and Con Edison would require major restructuring of the proposed EDI standard to accommodate the additional data segments that would have to be sent by the ESCO/Marketer to enable the Utility, as

the billing party, to present the data. Further, the process requested by Con Edison and Niagara Mohawk is at variance with the EDI LDC Bill Ready process used in adjacent states and is unworkable from a technical perspective.

As originally proposed, only information sent in the EDI Invoice pertaining to current charges/adjustments, refunds issued, or payments received directly by the non-billing party for its charges would be presented in the ESCO/Marketer detail portion of the consolidated bill. The remaining information presented in the ESCO/Marketer detail, such as beginning balance, payments/adjustments applied since the last bill, and total balance due would be presented as calculated by the billing party. Under this process, which is consistent with the LDC Bill Ready procedures adopted in the Mid-Atlantic EDI standards, the sum of total balance due line items presented in the Utility and ESCO/Marketer detail sections would equal the total outstanding balance for the consolidated bill presented in the Summary section of the bill. Further, the customer would see that amounts presented in the consolidated bill reflected recent activity on the customer's account for both the billing and non-billing parties through the "as of" date on the bill. Should the non-billing party miss the bill window (i.e. the Invoice transaction was not received in time to present current charge activity), the ESCO/Marketer detail section would still reflect balance information even though current charges/adjustments would be "0".

The model is adopted as originally proposed with some additional clarification. Regarding NYSEG's suggestion, the Bill Ready Business Processes document will be modified to indicate that agreement for the "as of" date to be presented on a consolidated bill must be an explicit provision of the Billing Services Agreement and to indicate that the choice of the "as

of" date is limited to (a) the date that validated usage was sent to the ESCO/Marketer or (b) two business days following the date that validated usage was sent to the ESCO/Marketer.

Bill presentation - Non-billing Party Credits

Con Edison asserts that a process proposed in the Utility Bill Ready Business Processes document, which addresses certain payments received directly by the non-billing party, is inconsistent with the Commission's Uniform Billing and Payment Processing Practices [C.5.d(1)(n)] because it appears that, if implemented, an amount equal to "total credits since last bill" would not be presented in the summary section of the consolidated bill. Con Edison requests that ESCO/Marketers be required to electronically provide "previous balance" and "total balance due" information and to include all credits on the bill summary. Con Edison is concerned that customers making payments directly to an ESCO/Marketer, despite the issuance of a utility-provided consolidated bill, will be confused if their payment is not acknowledged as an individual specified item on the bill.

Discussion

The Bill Ready Business Process document provides that customer payments be reflected differently on the utility-provided consolidated bill depending upon whether the payment was made to the utility that issued the consolidated bill, or was received directly by the ESCO/Marketer from the customer. Under the proposed process, payments made to the utility would be clearly identified as "payments" in both the ESCO/Marketer detail and the summary section of the consolidated bill. When a payment is received directly by the ESCO/Marketer for its own charges, it would be reflected under the "current charges/adjustments" section of the ESCO/Marketer portion of the bill. The "total outstanding balance" figure on the consolidated bill summary would reflect the result of either

type of payment having been made and thus satisfy the requirements set forth in the Uniform Practices. Making direct payments to ESCO/Marketers is not expected to be a frequent practice when a utility-provided consolidated bill is used. However, Con Edison's concerns that the text of the proposed rule could be misunderstood by the parties are acknowledged and the Business Processes document has been modified to remove the ambiguity.

Two commodities in a single invoice

For dual accounts (both electric and gas), Niagara Mohawk requests that the utility be allowed to elect to receive only a single combined invoice rather than having to accept separate invoices for each commodity account. Niagara Mohawk asserts that it will incur significant costs to maintain two separate balances, particularly in regards to customers on budget billing.

Discussion

The requested change to allow utilities to require dual commodity accounts to be handled in a single transaction would be a significant departure from the anticipated EDI architecture. The request is rejected at this time. Standards allowing dual commodities to be handled in single transactions have not been widely developed on either a national or state basis, and although this approach may be viable in the future, it makes little sense to introduce a change of this significance during the initial implementation of EDI.

Processing Constraints

NYSEG requests that utilities be allowed to prescribe a non-EDI "alternate method" to handle Bill Ready invoices applicable to "off-system" billed accounts.⁵

Discussion

Without addressing whether it is appropriate in a retail access environment to continue to bill any customer in an "off-system" manner, NYSEG's request that an alternate non-EDI method may be allowed is rejected. To create a comprehensive system, all retail access accounts should be invoiced using EDI.

Simple Modifications - Utility Bill Ready

The following Utility Bill Ready changes have been made in response to submitted comments and to achieve consistency between the documents approved herein and New York data standards previously adopted by the Commission, national EDI data standards published by the Utility Industry Group (UIG), and regional standards in place in the Mid-Atlantic states:

⁵ An "off-system" account is one that is billed without using the utility's computerized customer information system.

1. Consistent with the Uniform Business Practices, the Bill Ready Business Process document is clarified with regard to cancel/rebill.⁶
2. The Bill Ready Implementation Guide has been amended to clarify that the 810 Bill Ready transaction should be used to communicate updates to information, such as the E/M customer account number, bill calculator, bill presenter and meter number parameters, and that if information transmitted on an 810 invoice does not match certain previously supplied information, the receiving party may reject the transaction.
3. The Bill Ready Business Process document is clarified to state that third party data service providers are bound by the same level of accountability for data confidentiality as the party they represent.
4. The Bill Ready Implementation Guide is clarified with respect to the transmission of numbers whose attributes are either "R" or "N" and additional examples have been provided.

⁶ The following statements were added to the description for Subprocess 3.0 in the Business Processes document;

"In the Utility Bill Ready model, if the customer was enrolled with the same E/M during the period for which usage is now being canceled but the customer's bill option changed during that period, the Utility may agree to present restated charges on behalf of the current E/M using the Bill Ready method."

"Where the customer has changed E/Ms within a period in which previously reported usage, and related charges, must be canceled, the Utility will report the canceled usage to each E/M for the period they served the customer (see Business Processes for Monthly Usage). The Utility will only present restated charges in a consolidated bill on behalf of the customer's current E/M when the current bill option for that customer is Utility Bill Ready. The Utility will not issue a consolidated bill for the customer on behalf of a previous E/M for periods affected by the cancellation. The prior E/M is responsible for issuing refunds to, or collecting charges from, the customer for that portion of the cancellation period in which the customer was enrolled with that E/M."

5. The Bill Ready Implementation Guide has been corrected to include an N1 customer segment.
6. The description of the E/M Customer Account Number parameter in the Bill Ready Implementation Guide is modified to state that if this parameter is not included on an 810 invoice, then the utility (bill presenter) will use the E/M Customer Account Number of record.
7. The Bill Ready Implementation Guide has been amended to recognize a new code, ADJ010, which has been approved by the UIG for describing cancelled charges in place of the ADJ000 code.
8. The Front Matter, segment and element notes have been restructured and/or modified such that the presentation of information in the Bill Ready Implementation Guide is consistent with the presentation of the same information in the Rate Ready Implementation Guide.
9. Examples of data exchange scenarios have been appended to the published guide.
10. The Front Matter text regarding rejection in the Rate Ready Implementation Guide has been modified to correct technical inaccuracies.
11. Minor editorial, grammatical and spelling changes have been incorporated into all of the documents described herein.

Utility Rate Ready

Customer tax information

Con Edison recommends several modifications to the Rate Ready Business Processes document that would require that customer tax information be provided by the ESCO/Marketer for purposes of calculating billed charges for the consolidated bill. These modifications would require changes in previously

issued EDI standards⁷ to accommodate the exchange of tax rate information.

Discussion

This issue is deferred pending resolution of outstanding petitions for reconsideration in Cases 98-M-1343 and 98-M-0631. Such petitions refer directly to customer tax information.

Codes related to budget bills

Con Edison comments that since data for Budget Billing charges is presented on the customer bill, the proposed coding of certain budget bill amounts is incorrect and should be reversed. Con Edison also comments that the definition of the "Budget Plan Accumulated Difference" parameter in the Rate Ready Business Process document requires clarification to provide a better description of the amount that must be provided.

Discussion

Con Edison did not provide sufficient detail to support its comments. In addition, the changes proposed could not be effected without also modifying instructions provided in both the Rate Ready Business Processes and Rate Ready Implementation Guide, and Con Edison has not demonstrated how its proposal or necessary corresponding changes in other segments/elements should be structured to adjust for the proposed change in the coding it seeks. Further, the treatment of budget bill amounts for Rate Ready is consistent with standards for LDC Rate Ready adopted in the Mid-Atlantic States. No adjustment will be made at this time. Con Edison should consider pursuing its proposed code changes in the future, potentially within the context of a change control process for

⁷ EDI Enrollment and EDI Account Maintenance transaction standards.

EDI where all parties could collaboratively identify all the modifications that would be necessary to adopt the change proposed, if warranted.

Choice of 568 Transactions or Non-EDI methods

In the Utility Rate Ready process, the utility provides a consolidated bill based on rate or price information previously provided by the ESCO/Marketer. The EDI Rate Ready process does not accommodate an EDI process for the ESCO/Marketer to direct the Utility to adjust a customer's balance for presentation on the consolidated bill if, for example, billed amounts were based on the wrong rate or price, the ESCO/Marketer wishes to waive late fees previously assessed, or the ESCO/Marketer wishes to apply a security deposit against the customer's balance. Con Edison suggests that a Contract Management Report transaction (an EDI 568 transaction) be developed to effectuate this type of notification from the ESCO/Marketer in lieu of relying on non-EDI electronic means and/or telephone calls. In addition, Con Edison suggests that the 568 transaction be used by the utility to notify the ESCO/Marketer that payment on the consolidated bill has been collected where the utility elects to purchase the receivables of an ESCO/Marketer. In the Purchased Receivables model, an ESCO/Marketer would be paid by the utility, irrespective of whether the utility is able to collect from the customer the amount due on a consolidated bill. Under the Uniform Business Practices, however, a utility may discontinue consolidated billing for a customer with a past due balance. Incorporating a 568 transaction in the Rate Ready business model would enable the utility to keep the E/M informed of the collection status of their customers when the utility is purchasing receivables.

With respect to security deposits, the Rate Ready Business Process document reiterates the Uniform Business

Practices requirement that each party must manage its own security deposits, and further, that the

"E/M must notify the Utility regarding the application of a deposit held by the E/M to the customer's account. The Collaborative is considering whether this information should be communicated via and EDI 568 or non-EDI."

Niagara Mohawk recommends that should an ESCO/Marketer wish to apply a deposit, it should do so only upon its "dropping" of the customer.

Discussion

Con Edison's proposal regarding the development and use of the 568 transaction is sound and the EDI Collaborative is directed to file proposed transaction standards by December 1, 2002, consistent with the Collaborative Working Group workplan filed on March 25, 2002. The issue of whether all parties should be required to implement the 568 transaction should be addressed in comments regarding the proposed standards. Niagara Mohawk's recommendation on deposits is rejected. The Uniform Business Practices rule is clear on this matter and, in keeping with the Commission's historical treatment of ESCO/Marketers to date, ESCO/Marketers are free to apply security deposits to their accounts at their discretion.

Processing Constraints

Con Edison cites internal system processing constraints with respect to certain of the rate ready business process requirements. First, Con Edison states that significant changes to its "operations activities" would be required to implement the requirement that both the billing and non-billing parties be required to process all 867 cancel transactions prior to processing 867 Monthly Usage original usage transactions. Con Edison also reports it will be unable to process the Total

Outstanding Balance (BAL) segment, described on page 17 of the Rate Ready Implementation Guide, until the first half of 2003.

Discussion

As to the first item, Con Edison has not provided sufficient detail or justification for its request to be seriously entertained. Therefore, the request is denied. As to the second item, the data element Con Edison states that it will not be able to process until mid-2003 is a critical element to the EDI transaction. Con Edison's request will not be granted at this time. Con Edison is free to submit for consideration a revised request describing how it would provide for the transfer of the data in an alternate fashion until such time as it is able to process the data element as intended.

Simple Modifications - Utility Rate Ready

The following Utility Rate Ready changes have been made in response to submitted comments and to achieve consistency between the documents approved herein and New York data standards previously adopted by the Commission, national EDI data standards published by the Utility Industry Group (UIG), and regional standards in place in the Mid-Atlantic states:

1. A new Collaborative Working Group (CWG) rule has been added to the Rate Ready Business Process document stating that requests for a change in a customer's bill option will only be processed for accounts that are active with the E/M at the time the Change request is received. Change requests that pertain to an account for which an enrollment with the E/M is pending will not be processed.

2. The Rate Ready Business Process document has been modified to clarify that there may not be a cancelled charge for each charge associated with the corresponding 810 Original Invoice and that the type of charges to be excluded would be reflected in the Billing Services Agreement.
3. The Rate Ready Business Process document and the Rate Ready Implementation Guide have been modified to include "incorrect billing option", "invalid bill option" and "invalid or missing meter number" among the reasons for rejection.
4. The Rate Ready Implementation Guide has been corrected to state that an 810 Rate Ready invoice may also be rejected when it contains validation or syntax errors, or data segments/elements are missing or invalid.
5. The Rate Ready Implementation Guide has been amended to clarify that the 810 Rate Ready transaction should not be used to communicate updates to information, such as the E/M customer account number, bill calculator, bill presenter and meter number parameters, and that if information transmitted on an 810 invoice does not match the previously supplied information, the receiving party may reject the transaction.
6. The Rate Ready Business Process document is modified to reflect that "When a Utility cancels an invoice, the cancellation of the E/M charges will be transmitted in a Cancel 810."

7. Consistent with the UBP, the Rate Ready Business Process document is clarified with regard to cancel/rebill.⁸
8. The Rate Ready Business Process document is clarified to state that third party data service providers are bound by the same level of accountability for data confidentiality as the parties they represent.
9. The Rate Ready Implementation Guide is clarified with respect to the transmission of numbers whose attributes are either "R" or "N" and additional examples have been provided.
10. The Rate Ready Business Process document is modified to clarify that "bill date" is synonymous with the "transaction creation date" sent in the EDI 810 Invoice; that past due information for budget bill customers in a Pay-As-You-Get processing method will be provided by non-EDI means; and that when the Purchase Receivables method is being used, the ESCO/Marketer may access information about a customer's past due balance, if any, by making arrangements directly with the applicable utility.

⁸ The following statement has been added to the description of Subprocess 2.0 in the Business Processes document:

"When the customer has changed E/Ms during the period in which previously reported usage, and related charges, must be canceled, the Utility will report the canceled usage to each E/M for the period they served the customer (see Business Processes for Monthly Usage). The Utility will send Cancel 810 Invoice transaction(s) to the customer's current E/M for periods that were initially billed using the Utility Rate Ready option. Similarly, the Utility will only rebill for the customer's account with the current E/M when the current bill option is Utility Rate Ready and then, only for periods in which Utility Rate Ready billing was in effect for that customer. The Utility will not rebill the customer on behalf of the previous E/M for periods affected by the cancellation. The prior E/M is responsible for issuing refunds to, or collecting charges from, the customer for that portion of the cancellation period in which the customer was enrolled with that E/M.

11. The Front Matter text regarding rejection in the Rate Ready Implementation Guide has been modified to correct technical inaccuracies.
12. The Front Matter, segment and element notes have been restructured and/or modified such that the presentation of information in the Bill Ready Implementation Guide is consistent with the presentation of the same information in the Rate Ready Implementation Guide.
13. Examples of data exchange scenarios have been appended to the published guide.
14. Minor editorial, grammatical and spelling changes have been incorporated into all of the documents described herein.

It is ordered:

1. The 810 Utility Bill Ready Transaction Standard and the 810 Utility Rate Ready Transaction Standard are adopted, with modifications as discussed herein.

2. The 867 Monthly Usage Transaction Standard has been revised to add an additional segment to allow the utility to notify the ESCO/Marketer when an interim bill is going to be issued to the customer and Version 1.1 is adopted.

3. The EDI Collaborative shall develop the requisite test plans for the 810 Utility Bill Ready and the 810 Utility Rate Ready transaction standards within 21 days of issuance of this Order.

4. All affected parties are directed to begin the appropriate phases of testing for each individual transaction set as soon as the test plans are approved, to begin Phase II testing of the 810 Invoice for the Utility Bill Ready and Utility Rate Ready models by October 1, 2002, and to fully implement Utility Bill Ready and Utility Rate Ready EDI transactions as of January 1, 2003.

5. The EDI Collaborative is directed to develop and file a 568 Transaction Standard by December 1, 2002.

6. This proceeding is continued.

(SIGNED) _____
Commissioner

Note: The following documents are available electronically from the Commission's web site at <http://www.dps.state.ny.us/98m0667.htm>.

Supplement	Description
SUPPLEMENT A	<ul style="list-style-type: none"> • TS810 Invoice Implementation Guide - Utility Bill Ready • EDI 810 Data Dictionary for Invoice from ESCO/Marketer to Utility • Consolidated Billing Business Processes - Utility Bill Ready
SUPPLEMENT B	<ul style="list-style-type: none"> • TS810 Invoice Implementation Guide - Utility Rate Ready • EDI 810 Data Dictionary for Invoice from Utility to ESCO/Marketer • Consolidated Billing Business Processes - Utility Rate Ready
SUPPLEMENT C	<ul style="list-style-type: none"> • TS867 Monthly Usage Standard Implementation Guide, Version 1.1 • EDI 867 Data Dictionary, Version 1.1 • Usage Business Processes - Monthly, Version 1.1