

Consolidated Edison Company of New York, Inc. No-fee Credit/Debit Card Implementation Plan

In its *Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plan* (“Rate Case Order”),¹ the Public Service Commission (the “Commission”) approved a proposal by Consolidated Edison Company of New York, Inc. (“Con Edison” or “the Company”) to absorb into base rates the cost of transaction fees for residential and small commercial customer payments made via credit or debit card.² The Rate Case Order stipulated that the Company must file with the Secretary an implementation plan regarding its transition to a no-fee model within 90 days of the issuance of a Commission Order. The Company files this implementation plan (“the Plan”) to satisfy the Rate Case Order requirement.³

Implementation Plan

The Company began implementation activities to transition to a no-fee model for residential and small commercial customers shortly after the Commission issued the Rate Case Order. The Company anticipates completing this transition in mid to late March, 2020, provided that the following actions are completed timely.

1. Research, query and identify all back-office systems and customer-facing instances where a residential or small commercial customer would encounter notification of a service fee for payment with a credit or debit card. The Company has identified the following customer-facing areas that require modification: customer bills, letters, postcards, bill inserts, web pages, mobile applications, interactive voice response (IVR) applications and account screens in the Customer Information System (CIS) used by customer service representatives (CSRs). (Note that the Company does not accept credit or debit card payments at its Walk-in Center kiosks. Customers can use iPads at these locations to log on to My Account or Guest Pay to complete a credit or debit card payment).
2. Reprogram software to remove or modify instances where dynamic or template-based language indicates that residential or small commercial customers are subject to a \$3.35 fee for each credit or debit card transaction. Note that instances where language indicates a 2.6 percent transaction fee for large commercial customers will remain unchanged. Please see the Customer Outreach and Education Plan below for further information on adjustments to customer-facing content.

¹ Case 19-E-0065 et al., Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service, (“Rate Proceeding”), (issued January 16, 2020) (“Rate Case Order”).

² For purposes of this filing, the Company refers to the absorption of credit and debit card transaction fees for residential and small commercial customers into base rates as “transitioning to a no-fee model.” Large commercial customers are not included in this transition, and will continue to pay a credit or debit card transaction fee equal to 2.6 percent of the payment amount directly to the Company’s payment processing vendor.

³ Rate Case Order, Attachment A, p. 97.

3. Conduct a series of user acceptance tests with the Company's payment processing vendor, including extensive test-case scenarios to confirm that residential and small commercial accounts do not display fee notices on any payment interfaces.
4. Notify CSRs, field representatives and employees of the timing and system changes associated with the transition to a no-fee model. Update all CSR reference materials to facilitate consistent communication of the change.
5. Put all programming changes into production. At this point, fee language will be removed from all areas identified in step one above, with the exception of the mobile applications, which the Company anticipates will be updated by the end of March.⁴ During this interim period customers using the mobile apps will see language related to the fee, but will *not* be charged a fee once they move to the vendor's website.
6. Monitor systems in post-production and swiftly address any unanticipated issues. The Company's Customer Operations quality assurance teams will capture any customer feedback or concerns and relay to the Bill Delivery Operations Management & Payments team to be addressed immediately.

Customer Outreach and Education Plan

Customer Outreach will support the Company's transition to a no-fee model by educating residential and small commercial customers using a multi-channel approach, including bill messages, email blasts, information in customer newsletters and at coned.com, pop-up messaging on impacted transactional websites (i.e., My Account and Guest Pay), and messaging at the Company's walk-in centers.

The following bill message is an example of the type of messaging the Company will use to communicate the no-fee payment option to customers:

It's Easy to Pay Online

Pay with your bank account or credit/debit card with no fee. Pay at My Account (www.coned.com/MyAccount) or Guest Pay (www.coned.com/GuestPay).

Email blasts will target different customer segments, such as customers that regularly pay their bills with credit or debit cards and low-income customers. Customers that have been using

⁴ All updates to iOS and Android applications must be approved by the Apple App Store and Google Play, respectively, and are pre-scheduled on a six-week cadence that is beyond the Company's control. As such there is an unavoidable lag in timing for removal of fee-related language from the mobile applications.

credit or debit cards to pay their bill will be notified that they can continue to do so without having to pay a per-transaction fee. In addition, low-income customers will receive an email alerting them that they can now use their public benefits assistance pre-paid debit cards to pay their utility bills and no service fee will be charged.

In all other instances where credit and debit cards are listed as payment options for residential and small commercial customers (e.g., website, mobile apps), or where information is provided on payment options (e.g., the Company's payment options brochure), mentions of fees will be deleted and no-fee language will be added.

Additionally, the Company will provide information about the transition to a no-fee model at community events. Customer Outreach will also provide information regarding the transition to key community stakeholders.

Conclusion

As outlined above, the Company anticipates removing its existing credit and debit card service fees for residential and small commercial customers effective in mid to late March, 2020. If any substantial delays are encountered prior to this date, the Company will promptly notify Department of Public Service Staff.