

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on November 7, 2002

COMMISSIONER PRESENT:

Maureen O. Helmer, Chairman

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

ORDER APPROVING ELECTRONIC DATA INTERCHANGE STANDARDS
FOR POSITIVE NOTIFICATION AND MODIFYING THE
FUNCTIONAL ACKNOWLEDGEMENT, APPLICATION ADVICE
AND UTILITY BILL READY INVOICE STANDARDS

(Issued and Effective November 7, 2002)

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 824 Positive Notification Transaction Set Standard¹ and a revised 997 Functional Acknowledgement Transaction Set Standard² are approved. In addition, we also approve the document containing detailed business processes for billing party notification to the non-billing party following receipt of an EDI 810 Invoice for Bill Ready consolidated billing³.

Approval of the Positive Notification Standard and the Business Process document necessitates that conforming

¹ TS824 Positive Notification Implementation Guide, Version 1.0.

² TS997 Functional Acknowledgement Implementation Guide, version 2.0.

³ Notification Advice For Consolidated Billing Business Processes - Bill Ready Models.

modifications be made in two documents previously approved⁴. Those documents, as modified herein, are also approved.

Staff filed version 2.0 of the TS997 Functional Acknowledgement Implementation Guide on June 5, 2002. The Collaborative filed a proposed TS824 Positive Notification Implementation Guide and the Application Advice for Consolidated Billing Business Processes - Bill Ready Models document on August 1, 2002. Comments were solicited on the proposed standards via notices published in the State Register on June 19, 2002 (TS997) and July 24, 2002 (TS824 Positive Notification and related Business Process documents). Joint comments were filed by New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation (NYSEG).

BACKGROUND

The documents approved herein establish standards for generating the appropriate electronic response to receipt of an 810 Invoice transaction when the bill option is Bill Ready consolidated billing⁵. These documents were developed in response to, or as a result of, previous orders issued in Cases 98-M-1343 and 99-M-0631, which established uniform practices for

⁴ Case 98-M-0667 - In the Matter of Electronic Data Interchange, Supplement A (Consolidated Billing Business Processes - Utility Bill Ready) in an Order Approving Electronic Data Interchange Transactions for Utility Bill Ready and Rate Ready Billing, issued and effective June 21, 2002 and Supplement C (version 1.1 TS824 Application Advice Implementation Guide) in an Order Approving Electronic Data Interchange Standards Regarding Remittance and Account Assignment and Modifying the Application Advice Standard and All Type 814 Standards, issued and effective July 31, 2002.

⁵ In the Bill Ready model the non-billing party calculates their charges and transmits an electronic invoice containing their charges and other bill information to the billing party for presentation on the customer's consolidated bill.

consolidated billing, and our order in this proceeding⁶ which directed the New York EDI Collaborative to file for our approval the EDI transaction standards, and related business processes, that would be necessary to support implementation of consolidated billing.

Transaction Standard 824 - Positive Notification

As part of the operation of a consolidated billing system, the billing party is required to advise the non-billing party of certain information regarding each particular bill. In that regard, a proposed TS824 Positive Notification Implementation Guide was filed by the EDI Collaborative on August 1, 2002. The EDI Collaborative proposed that an 824 Application Advice (Positive Notification) transaction be used to communicate the following information to the non-billing party: "total payments applied", "payment applied/reversed through date", "total reversed payments", "total amount due" and "bill due date". In its filing, the EDI Collaborative also recommended that Positive Notification transactions be sent on the date the consolidated bill is rendered, which would be earlier than the "within two business days" established in the Uniform Practices. Under the proposed standard, a Positive Notification transaction must be sent for each 810 Invoice accepted.

NYSEG raises concerns about the required data that must be supplied under the proposal because, in its view, there is no need to supply data in this transaction that is already provided for in other EDI transactions. According to NYSEG, the intent of the 824 Positive Notification transaction is to indicate to the non-billing party only the amount due for non-billing party charges that the billing party presented to the customer and the due date of the consolidated bill.

⁶ Case 98-M-0667, In the Matter of Electronic Data Interchange, Order Adjusting Workplan and Deadlines for the Proceeding, issued and effective April 4, 2002.

In addition, NYSEG expresses concerns about specific text in the Notes section of the Positive Notification Implementation Guide which it believes requires further clarification. These include the characterization of "total amount due" in the Positive Notification transaction when the billing party must respond to receipt of multiple 810 Invoices for the same electric or gas account during a bill period and the description of what should be sent in the "total amount due" segment when the customer is on an installment plan for utility charges such as budget or deferred payment plans.

Discussion

To comply with the Uniform Practices billing parties need only report the "amounts billed" to the non-billing party. While some of the additional information recommended for reporting by the EDI Collaborative is duplicative of information already being transmitted in an 820 Remittance transaction, with the exception of the "reverse payments" data segment, there is good reason to require its transmission as part of a Positive Notification transaction as well. Therefore, the Positive Notification transaction will include the data segments for "payments applied", "payments applied through date" and "bill due date"⁷ even though these items go beyond the requirements initially established in the Uniform Practices.

Although a non-billing party should receive the Remittance transaction for an account before receiving the 824 Positive Notification transaction, when a customer pays its bill at the last minute, which frequently occurs, the Positive Notification transaction may provide more timely notice of the billing party's receipt of a customer's payment than the Remittance transaction. When the non-billing party is the utility, and disconnection is pending for a customer, timely notice of last minute payments could halt scheduled disconnection for an account. Further, it does not appear to be

⁷ The name of this segment will be changed to "payment due date" since it is the payment, and not the bill, that is due.

burdensome for a billing party to include such payment data in this transaction since the additional data is both necessary and easily provided. Supplying the payments applied through date in the Positive Notification transaction is less burdensome than expecting non-billing parties to reconstruct this date by reconciling Remittance transactions.

The EDI Collaborative failed to provide any rationale for including information on "reversed payments" in both Remittance and Positive Notification transactions. The billing party is not required to separately identify "reversed payments" on the consolidated bill and reporting this information in the Positive Notification transaction could prove burdensome to billing parties, therefore the proposal to require such information is not approved.

NYSEG's suggested clarifications to the Notes section of the 824 Positive Notification Implementation Guide are adopted in principle and the Notes text has been modified for these and other changes as discussed below.

The Notes pertaining to the handling of multiple invoices⁸ may be misinterpreted and should be clarified because a consolidated bill may contain bill data for the non-billing party from more than one 810 Invoice. When this occurs, the billing party sends a Positive Notification transaction for each 810 Invoice received and each transaction would report identical bill details as each Positive Notification transaction references the same bill.

The structure of the proposed 824 Positive Notification is modified such that a billing party could, but would not be required to, send one Positive Notification transaction that references more than one 810 Invoice transaction. This approach would be preferable to sending two or

⁸ "In the event that multiple 810s are included on one customer bill, the 824 Positive Notification sent for each 810 Invoice will present cumulative information presented for the billing periods."

more Positive Notification transactions that contain redundant information. Billing parties that receive multiple 810 Invoices, but choose to present the data from each Invoice in separate bills, must send a separate Positive Notification transaction for each 810 Invoice. The Notes section is expanded to clarify the processing for multiple Invoices received during a bill period and the structure of the 824 Positive Notification Implementation Guide is modified to permit reference to multiple Invoices in the transaction.

As the Commission has not yet determined whether, or in what circumstances, an ESCO may be required to present utility deferred payment amounts in the consolidated bill, it would be premature to include notes clarifying the treatment for deferred payment amounts in the response transaction as it is unclear whether such amounts may be sent in the underlying Invoice transaction. NYSEG's comments on this topic are, however, generally relevant for the treatment of budget bill amounts in this transaction. The text of the Notes pertaining to customers on budget plans has been modified to provide the clarification originally suggested by NYSEG for DPA amounts.⁹

The Notes have also been expanded to include a note on validation criteria, missing from the filed Implementation Guide, and to provide more clarification regarding the processing of positive responses when multiple 810 Invoices were received for a billing period. Version 1.0 the Positive Notification Transaction Set Standard is approved as modified herein. A revised test plan for the TS810 Invoice - Utility Bill Ready which incorporates scenarios using the TS824 Positive Notification Transaction Standard should be issued for comment within 7 days of issuance of this Order.

⁹ "When a customer is on a Deferred Payment Agreement (DPA), this Total Amount Due includes the current month DPA amount plus any outstanding charges as reported on the customer's bill."

Transaction Standard 997 - Functional Acknowledgement

The Functional Acknowledgement transaction is used by the recipient of an EDI transaction to inform the sender that their transaction was received.¹⁰ Version 1.0 of the TS997 Functional Acknowledgement Transaction Standard was approved by the Commission in Opinion 01-03.¹¹ On June 5, 2002, Staff filed a draft version 2.0 that significantly expanded the scope of this Standard such that a 997 acknowledgement could be used to acknowledge receipt of additional types of transactions.¹²

Discussion

Although no formal comments were filed on the proposed modifications to the TS997 Implementation Guide, based on informal suggestions by the parties, Staff subsequently modified its draft to correct for minor technical errors and add additional text for clarification.¹³ Version 2.0, as modified, is approved.

¹⁰ This transaction may also be used to communicate the presence of syntactical errors.

¹¹ Supplement L to Opinion No. 01-03, Case 98-M-0667, In the Matter of Electronic Data Interchange, Opinion and Order Approving EDI Data Standards and Data Protocols and Modifying the New York Uniform Business Practices for EDI Implementation (issued July 23, 2001).

¹² The structure of Version 1.0 limited the use of a 997 to acknowledging receipt of an 814, 824 or 867 transaction. The updated structure of Version 2.0 recognizes that a 997 transaction may also be used to acknowledge receipt of an 810 Invoice, a 248 Account Assignment, an 820 Remittance or a 568 Contract Management transaction.

¹³ The Front Matter notes were amended to remove an erroneous statement regarding the ISA; the Transaction Set Notes were edited and Transaction Set Comments were added; the example for the SE segment was corrected to include SE01; and element descriptions previously omitted are now displayed.

Notification Advice for
Consolidated Billing - Business Processes

On August 1, 2002, the EDI Collaborative filed a proposed Business processes document covering Application Advice for Consolidated Billing for Bill Ready Models. The proposed Business Processes document addresses billing party notification (both acceptance and rejection responses) following receipt of an 810 Invoice.

The EDI Collaborative proposed that the billing party notify the non-billing party of the disposition of their 810 Invoice via an 824 Positive Application Advice (acceptance) or an 824 Negative Application Advice (rejection). In contrast to the Utility Bill Ready document previously adopted, the EDI Collaborative now recommends that a response to receipt of an 810 Invoice may only be considered a "positive" response when the non-billing party's bill information was presented on the customer's consolidated bill. For rejection responses pertaining to timeliness, the billing party may now indicate in the rejection transaction whether bill data would be held for presentation on the customer's next bill or must be resent during the next bill window for that customer.

Further, the EDI Collaborative proposes that the Uniform Practices be modified to require that positive responses be created on the same day the consolidated bill is created and responses rejecting transactions be created within one business day of receipt of the 810 Invoice being rejected.

Discussion

The Business Processes document is modified to be consistent with the changes discussed elsewhere in this Order regarding the content of the Positive Notification transaction, processing responses following receipt of multiple 810 Invoices, the use of action codes in the rejection response transactions, and to add relevant Uniform Practices or Collaborative Working

Group rules that were cited in the Utility Bill Ready document but were absent from this proposed Business Processes document¹⁴.

In addition, the proposed Business Processes document will be modified to minimize future confusion between the document and the two 824 transaction standards. This document will be titled "Notification Advice" rather than "Application Advice" to avoid its identification with one 824 standard and not the other. Separate standards will be maintained with different names for rejection versus acceptance responses. The 824 Application Advice transaction will be used only for rejection responses, either in response to receipt of an 810 Invoice or any other transaction for which the structure does not already provide for a rejection response mechanism. The 824 Positive Notification transaction is limited to acceptance responses following receipt of an 810 Invoice for the Bill Ready model.

The EDI Collaborative's recommendations regarding the turnaround time for an 824 Application Advice (within one business day) and the 824 Positive Notification (created when the bill is created) are adopted. The Notification Advice for Consolidated Billing Business Processes document is adopted as modified herein.

Modifications to Consolidated Billing
Business Processes - Utility Bill Ready

On June 21, 2002, the Commission approved a Business Processes document for Consolidated Billing - Utility Bill Ready.¹⁵ Various aspects of that document are now in need of

¹⁴ Minor nonsubstantive editorial and format changes were also made.

¹⁵ 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, Supplement A (Consolidated Billing Business Processes - Utility Bill Ready) (issued June 21, 2002).

revision to conform to newly developed transaction standards and processes.

Discussion

The Consolidated Billing Business Processes for Utility Bill Ready document is modified to add additional text pertaining to the processes to be used for, and the business rules pertaining to, creating acceptance and rejection notices following receipt of an 810 Invoice. Sub-processes have been added under Process 2.0 to distinguish between the process for rejection notices for cause versus rejection notices for "missed bill window" to emulate the structure of the Notification Advice Business Processes document approved elsewhere in this Order. Additional Uniform Business Practices and Collaborative Working Group rules have been incorporated to be consistent with the rules in the Notification Advice Business Processes document including the timeframe for creating rejection and acceptance notices, the content of those notices, and the handling of responses when multiple 810 Invoices have been received. The document, as revised, is approved.

Modifications to TS824 Application Advice Implementation Guide

On July 31, 2002, the Commission approved the most recent version of the TS824 Application Advice Implementation Guide.¹⁶ In the Application Advice for Consolidated Billing Business Processes, filed on August 1, 2002, the EDI Collaborative recommends that the Notes section of the Implementation Guide for version 1.1 of the 824 Application Advice be modified to incorporate additional text clarifying the

¹⁶ Case 98-M-0667 - In the Matter of Electronic Data Interchange, Order Approving Electronic Data Interchange Standards Regarding Remittance and Account Assignment and Modifying the Application Advice Standard and All Type 814 Standards, Supplement C (version 1.1 - TS824 Application Advice Implementation Guide) (issued July 31, 2002).

use of specific action codes when an 810 Invoice is rejected because it was received outside the bill window. The 824 Application Advice Implementation Guide states that action code "82" indicates information in the rejected transaction should be re-sent; when "EV" is used the data should not be re-sent. In the recently filed Application Advice Business Process document the EDI Collaborative recommends that the following note be added to the Notes section of the Application Advice Implementation Guide:

Technical Error Description code OBW will be used when non-billing party billing information is not presented on the current bill due to a missed window. The BGN08 data element will be used to indicate action to be taken as follows:

Code EV will be used to indicate that the non-billing party must resubmit the billing data on the next billing cycle.

Code 82 will be used to indicate that the billing party will hold the billing information until the next billing window.

NYSEG points out that the use of certain action codes in the 824 Application Advice and 824 Positive Notification Implementation Guides "should be synchronized in regard to rejection of an invoice when the invoice is received outside of an open billing window and in regard to the actions codes returned on the 824 Application Advice". According to NYSEG, "the action codes in the 824 Application Advice Version 1.1 Implementation Guide are inconsistent with the process established in the 824 Positive Notification Version 1.0 in the case of an invoice rejected by the billing party due to th[at] invoice [being] outside of the billing window." NYSEG requests that the use of action codes "82" and "EV" in the BGN segment in version 1.1 of the 824 Application Advice "be revised to be consistent with the process of invoice rejection due to invoice receipt outside of an open billing window".

Discussion

The text referencing the action codes at issue must be consistent across all documents, but these codes are only documented in version 1.1 of the 824 Application Advice Implementation Guide and the Application Advice for Consolidated Billing Business Processes document, recently filed by the EDI Collaborative, and are not mentioned in the Positive Notification Implementation Guide. NYSEG's comments appear to suggest that it is the 824 Application Advice Implementation Guide that should be modified to agree with the text of the business process document. However, documentation in the 824 Application Advice Implementation Guide on the use of these action codes is consistent with the Implementation Guide published by the national standard setting body (Utility Industry Group) and is also consistent with the Guide published by the Mid-Atlantic consortium. NYSEG's request to modify the 824 Application Advice Implementation Guide with respect to the use of these action codes is not approved. However, all references to these action codes in the Application Advice Business Process document, and any other documents, will be modified to be consistent with the use of the codes in version 1.1 of the 824 Application Advice Implementation Guide. The EDI Collaborative's recommendation to add an additional note to the Front Matter of that Guide to clarify the use of these codes when an Invoice is rejected for missed bill window will also be adopted. The 824 Application Advice Implementation Guide as modified herein is approved and will be released as Version 1.2.

It is ordered:

1. Version 1.0 of the TS824 Positive Notification Transaction Standard and version 2.0 of the TS997 Functional Acknowledgement Transaction Standard are adopted, with modifications as discussed herein.

2. The Notification Advice for Consolidated Billing Business Processes Document for Bill Ready Models is adopted as modified herein.

3. An updated version of the Consolidated Billing Business Processes - Utility Bill Ready containing the conforming modifications discussed herein is adopted.

4. Version 1.1 of the TS824 Application Advice Transaction Standard is revised as discussed herein and reissued as version 1.2.

5. 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">• TS824 Positive Notification Implementation Guide
SUPPLEMENT B	<ul style="list-style-type: none">• TS997 Functional Acknowledgement Implementation Guide, Version 2.0
SUPPLEMENT C	<ul style="list-style-type: none">• Notification Advice for Consolidated Billing Business Processes - Bill Ready Models
SUPPLEMENT D	<ul style="list-style-type: none">• Consolidated Billing Business Processes - Utility Bill Ready (Revised)
SUPPLEMENT E	<ul style="list-style-type: none">• TS824 Application Advice Implementation Guide, Version 1.2