



September 20, 2010

*VIA ELECTRONIC MAIL*

Hon. Jaclyn A. Brillling, Secretary  
State of New York Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223

Re: Case 98-M-1343 – In the Matter of Retail Access Business Rules  
Plan to Provide Customers with Real-Time Remote Customer Access  
to Account Number

Dear Secretary Brillling:

In its July 19, 2010 Order Concerning Remote Customer Access to Account Information (“Order”), issued in the captioned proceeding, the New York State Public Service Commission (“Commission”) directed National Fuel Gas Distribution Corporation (“Distribution”) to submit plans to provide customers with real-time remote access through an IVR system or other mechanism, consistent with the discussion in the body of the Order, and provide detailed estimates of the implementation costs for such plans. The instant letter describes Distribution’s plans.

Distribution proposes the option to develop one of two basic approaches for providing customers with real-time remote access to their account numbers. The first approach is based upon developing enhancements to Distribution’s SmartPhone system (currently used to collect meter readings) and would provide customers with telephonic access to their account numbers. Distribution estimates the SmartPhone approach would cost approximately \$105,000. The second approach would be web-based and presumes the ESCO would have internet access at the point of sale. Distribution estimates the web-based approach would cost approximately \$40,000.

In both approaches, customers would provide 4 pieces of information designed to uniquely identify their account information along with a pre-defined ESCO PIN. If all 5 items are provided, the system should provide the customer’s account number. The four customer provided items are as follows:

- a) Last 4 digits of customer’s Social Security Number (SSN)
- b) House Number (e.g. ‘6363’ for 6363 Main Street)

- c) Zip Code (5 digits)
- d) Telephone Number (with area code)

The ESCO PIN is being designed primarily as an additional security measure because the last 4 digits of a customer's SSN are less unique than the full 10 digit SSN. Given Distribution's near 100% market penetration and relative ease by which the phone numbers can be correlated with address information, addition of an additional layer of security is seen as a reasonable attempt to protect customer information. ESCO PINs would be available only to those ESCOs registering with Distribution and would be changed monthly or upon ESCO request. Since provision of the account number is envisioned as a means to sign up the customer at the 'point of sale', presumably the ESCO would make the PIN accessible to the customer under either of the two approaches. Given the transient nature of contractors used by some ESCOs for marketing campaigns, Distribution believes the PIN would help protect ESCOs too.

Common to both approaches are approximately \$16,000 of internal reporting, billing enhancements and ESCO PIN administration. The detail for costs specific to each approach are as follows:

SmartPhone Approach (Total Estimated Cost \$105,000)

Mainframe Enhancements - \$21,000:

- Create New Super Descriptor consisting of the 4 pieces of customer information.
- Create a new Mainframe screen that would accept the ESCO PIN and customer information and return the account number or a message.
- If an account number is returned, update internal records.

SmartPhone Vendor (external) Development & Services - \$68,000:

- Provide an application design workshop resulting in a functional specification.
- Create a speech enabled application to allow the customers to speak the numbers or type the numbers.
- Create a system administrator guide.
- Provide up to 3 days of go-live support.

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Web-based Approach (Total Estimated Cost \$40,000)

Mainframe Enhancements - \$21,000 (same as SmartPhone)

Web Interface to Mainframe - \$3,000

Upon acceptance by the Commission of this report as compliant with its Order, Distribution would meet with ESCOs to determine the preferred approach to implementation. This meeting would also be used to determine the means of recovering development costs from the ESCOs participating in the program that is implemented.

Please let me know if I can provide you with any additional information regarding this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael E. Novak", with a long horizontal flourish extending to the right.

Michael E. Novak  
Assistant General Manager  
Rates & Regulatory Affairs

cc: Active Parties (by email)