



Monday, June 02, 2014

By Electronic Mail

Hon. Kathleen H. Burgess
Secretary
NYS Public Service Commission
Three Empire State Plaza
Albany, New York 12223

CASE 12-M-0476 - Proceeding on Motion of the Commission to Assess Certain Aspects of the Residential and Small Non-residential Retail Energy Markets in New York State.

CASE 98-M-1343 – In the Matter of Retail Access Business Rules.

CASE 06-M-0647 – In the Matter of Energy Service Company Price Reporting Requirements.

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

CASE 14-M-0101 Proceeding on Motion of the Commission in Regard to Reforming the Energy Vision.

Dear Secretary Burgess:

Enclosed for filing with the Commission, please find the Comments on the Commission's Efforts to Improve the New York State Retail Energy Markets filed on behalf of Infinite Energy, Inc.

Thank you for your assistance in this matter.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Richard F. Paez", written over a horizontal line.

Richard F. Paez

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Cc: Service List (by electronic mail)

**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

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the Residential and Small Non-residential Retail Energy Markets in New York State.**

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Energy Vision.**

**COMMENTS ON THE COMMISSION’S EFFORTS TO IMPROVE THE NEW YORK STATE
RETAIL ENERGY MARKETS OF INFINITE ENERGY, INC.**

I. PRELIMINARY STATEMENT

Infinite Energy, Inc. d/b/a Intelligent Energy (“Infinite Energy”) respectfully submits these comments in response to the questions and ongoing discussions in the above-referenced dockets. The New York Public Service Commission (“Commission”), its Staff, and the many market participants who are parties to this docket have made great efforts to identify the problems with and improve the New York retail energy markets. Infinite Energy supports these efforts and appreciates this opportunity to contribute to proceedings that will ultimately result in a stronger, more robust, and more equitable market for the benefit of New York’s residents and businesses.

Infinite Energy is a natural gas Energy Services Company (“ESCO”) licensed by the Commission in all major New York utility service areas. Founded in 1994 to serve commercial, industrial, and utility natural gas customers in the state of Florida, Infinite Energy now serves residential and non-residential customers in various states. As one of the original natural gas marketers licensed by the state of Georgia, Infinite Energy was integral to the formation and development of that highly successful market and is one of only three of those original natural gas marketers still operating there today. Infinite Energy expanded into the New York and New Jersey retail gas markets in 2004, and in 2010 began serving retail electric customers in Texas. Throughout this time, Infinite Energy has continued to serve utility and other large customers in various states as both a natural gas supplier and an asset manager. This experience – in both the wholesale and retail markets, as well as in the different market structures of the various states in

which it operates – provides Infinite Energy with a unique perspective into retail market design and many of the issues addressed by the Commission these past several years.

Both directly and through the National Energy Marketers Association of which it is an active member, Infinite Energy has participated in many discussions with Commission Staff regarding the concerns addressed in these dockets, from providing comparisons to other state retail energy market rules and remedies to similar issues (e.g., the definitions and roles of brokers and agents), customer education (e.g., Commission websites and price reporting), billing options such as Consolidated ESCO Billing, best practices of investigation and enforcement actions, and a number of other issues. These comments are intended to consolidate those many discussions in light of the Commission’s recent February 25th Order Taking Actions to Improve the Residential and Small Non-Residential Retail Access Markets (“Retail Access Order”), its February 25th Notice Seeking Comments (“Second Phase Assessment”), and its April 11th Notice Concerning Petition for Rehearing and Reconsideration (“Rehearing Notice”), so as to aid the Commission in furthering its goals.¹

II. THE CURRENT STATE OF THE NEW YORK RETAIL ENERGY MARKET

On October 19th 2012, the Commission issued a Notice Seeking Comments (“October Notice”) regarding various aspects of the New York retail energy markets. Fourteen months later, after comments were submitted by numerous market participants, the Commission issued its Retail Access Order which drastically revised the Uniform Business Practices (“UBP”) that govern ESCO interactions with both utilities and customers. This Retail Access Order was unexpected by the parties, and several issues that arose therein have been stayed by the Commission pending further review and discussion. Concurrently with its Retail Access Order, the Commission issued its Second Phase Assessment which, like its October Notice, poses various questions regarding many aspects of the retail energy markets.

Respectfully, Infinite Energy proposes that many of the questions asked – and answers thus far proposed – suffer from being too narrowly focused on each issue in isolation from the others and from the market as a whole. A more systemic approach, one which considers the history of the New York markets, as well as its structure and development in comparison to other successful markets, provides an opportunity to consider other solutions that have been tested and proved successful.

¹ Infinite Energy recognizes that many of the following comments, if applied to electricity, would be more appropriately made in the docket assigned to the Commission’s efforts towards Reforming the Energy Vision (14-M-0101), to which Infinite Energy is a party. However, Infinite Energy notes the Reforming the Energy Vision case is focused on electricity to the exclusion of natural gas (except insofar as gas-fired generation is concerned). Further, from operational, regulatory, and economic perspectives, many of the issues herein addressed are inextricably bound and thus are best addressed simultaneously.

II.A. Incomplete Restructuring

Infinite Energy believes that many, if not all, of the concerns expressed by the Commission are the direct result of the incomplete restructuring of the New York retail energy markets and the more than two decades of evolution which have since passed.² For example, the Commission's Second Phase Assessment begins to broach two of the most critical absences in New York – the availability of Consolidated ESCO Billing (“CEB”) and the excessive delay in customer switches. Infinite Energy contends that it is insufficient to make CEB merely an available option; ESCO billing and assumption of utility charges (purchase of utility receivables) should be the default billing method for customers who have chosen to procure their energy supply from a supplier other than the incumbent monopoly utility. Likewise, the impact of many issues – questionable enrollments, for example – is grossly exaggerated by the protracted delays experienced by customers waiting for their switch to complete, or who wish to return to their incumbent provider or switch to another supplier.

Many of the problems experienced in New York have been significantly reduced if not outright eliminated in other markets precisely due to CEB and accelerated switching times. The same customer who is unlikely to notice unauthorized switches, high charges, or other misbehavior on a Consolidated Utility Bill (“CUB”), will immediately scrutinize a CEB should such an invoice be unexpected (slamming) or excessive (cramming).³ What is known as a “slam” in New York, an often difficult experience for customers given two-month switching times and high bills, becomes a much more innocuous “inadvertent gain” in markets such as Texas where switch times have shrunk from days to hours and where suppliers who commit inadvertent gains must recompense the affected customer.

Direct billing by ESCOs would also address many of the Commission's recent financial and customer protection concerns. Once New York ESCOs become responsible for the collection of their customers' delivery charges – as they are in Georgia and Texas – the benefits and innovation of competition become necessary and sufficient conditions of each ESCO's success. As discussed at length in the Commission's Retail Access Order, the current practice by which utilities purchase ESCO receivables has created an untenable situation in which ESCOs are distanced from their customers. This distance allows bad behavior in the form of excessive charges and a reliance on the utility's system-wide bad debt rate, resulting in unjust profiteering and inappropriate transfer of risk. Sufficient ESCOs have

² In this regard especially, Infinite Energy applauds the statements of James M. Van Nostrand, of the West Virginia University College of Law, given at the Commission's May 22nd, 2014 Symposium on Reforming the Energy Vision; www3.dps.ny.gov/W/PSCWeb.nsf/All/6DB084A00222486285257CE10046E6F8?OpenDocument.

³ Two additional points must be made here. First, CUB bills do not allow for multiple line items for ESCO charges, where a CEB bill, constructed under the appropriate billing rules, would require clear line-items for each ESCO charge, making ESCO rates, fees, and other charges transparent to customers. Additionally, in New York, as in other markets where rate-regulated monopoly utilities are the norm, customers are accustomed to their utility bills being non-negotiable and thus often fail to question when they are slammed or crammed by unscrupulous marketers who have learned to exploit the CUB/POR platform. Infinite Energy believes that ESCO service – as well as slamming and cramming – is effectively hidden by CUB invoices, where the ESCO's name appears as a single line-item on a multi-page document.

succumbed to the temptation of aggressively marketing to low-income customers, pitching products with no significant or long-term value or savings, and providing renewal service on insufficiently hedged and thus intolerably volatile variable rates because of the guaranteed purchase of receivables (“POR”) by the utilities, which in essence arbitrages the bad debt rate of the utility versus the actual customer base of the ESCO. Even excluding those who market aggressively, it appears that at least some ESCOs fail to hedge sufficiently, to secure supply as well as they should, or to provide appropriate products to their customers, for the simple reason that their risk is passed to the utility and from there to rate payers through CUB/POR.

This bad behavior is not necessarily intentional. It is, however, unsurprising. The lack of a centralized, mandatory, well-known, and accessible market-place, the lack of apples-to-apples comparability between utility and ESCO rates, the clandestine “piggybacking” made possible by CUB, the guaranteed payment of ESCO charges, the relative ease of market entry by companies which may not have the financial strength and operational backing to operate safely and efficiently as an ESCO, and the lack of mechanisms for enforcement and application of penalties – all these factors contribute to an environment where parasitic behavior is inevitable. The market must be restructured in such a manner where cooperative and competitive behavior is beneficial for all parties.

In addition to allowing and encouraging bad behavior, the distance created by CUB also disallows good behavior in the form of clear ESCO charges, a monthly reminder to the customer of what company supplies the customer’s energy, open communication between ESCOs and their customers, innovation in product design,⁴ and incentives to market services ethically and to manage bad debt judiciously. In short, utility consolidated billing in conjunction with purchase of receivables without recourse⁵ has done the exact opposite of what unbundling and restructuring were intended to do: eliminate the abuses inherent to monopoly service, eliminate reliance on guaranteed returns from captive rate

⁴ Both rate-ready and bill-ready CUB methods, as well as the limited space available on utility bills and the unique setup of each utility’s bills and billing systems, prevent ESCOs from serving customers with innovative rate structures that are clearly discernible on the invoice. For example, in other markets Infinite Energy offers tiered rate products in which the first segment of a customer’s usage is billed at a certain rate, the next segment at a different rate, and the third at yet another rate. The advantage of such a product offering is that it allows Infinite Energy to offer the lowest possible rate for the customer’s first segment (usage that the customer is certain to use in a given month) with incrementally higher rates for the subsequent usage segments. The customer benefits from low rates for gas supply that will certainly be used and price-certainty for higher rates, as well as an incentive to conserve. Such a product cannot be offered through rate-ready CUB and loses much of its value even under bill-ready CUB due to the inability to reflect the customer’s usage in multiple line items on the CUB bill.

⁵ While New York utilities are allowed to apply a “discount rate” based on system-wide uncollectable and a marginal cost for bill printing, the CUB system in New York prevents utilities from charging back excessive or uncollectable charges. While the Commission’s February 25th order makes some strides insofar as low income customers are concerned, Infinite Energy proposes that the cost and legal questions which arise from this proposal are both untenable and unnecessary. The simplest solution, which avoids the question of customer confidentiality and which avoids most costs to the utilities, is to require consolidated ESCO billing. In the absence of resource, ESCOs will be forced to not only be competitive but to manage their own bad debt. Many ESCOs will find ways to serve low income customers on appropriate rates; those that cannot do so will avoid the market segment entirely.

payers, and establish a market structure in which customers may choose between *fully* competing suppliers.⁶

Respectfully, the CUB/POR experiment has not only failed, it has undermined the very market it was designed to facilitate. Allowing the dual billing and CEB models to exist alongside CUB is insufficient as a curative, as is creating ever more complex rules which must be incorporated into each utility's proprietary billing system at great expense. Implementing CEB in a manner where ESCOs become responsible for direct billing of utility charges will ensure that only those ESCOs with the financial and operational integrity to properly compete and serve the citizens of New York will be able to do so.⁷

To illustrate these points, enclosed in Appendix A is a copy of the Public Utility Commission of Texas Electric ("PUCT") Substantive Rules relevant to billing, in relevant part, and several Infinite Energy Texas electric invoices, annotated to reflect the relevant sections. Infinite Energy contends that the provision of a CEB, as is mandatory in Texas, following reasonable customer protection requirements set forth by the PUCT, is highly beneficial for customers. Retail Electric Provider ("REP") invoices are required to include, at a minimum, the following:

- A bold message directing customers to the Texas Power to Choose website (discussed in more detail below);
- The "total average price" paid by the customer that month in addition to detailed line-item governed by rule (terminology, units);
- A conspicuous notice of any services or products being provided to the customer that have been added since the previous bill;
- A notice regarding unauthorized charges detailing the customer's right to dispute the same and to file a complaint directly with the PUCT;
- For customers served on variable rates,
 - the change in rate from the previous month;
 - information regarding how to determine the current price being charged (which is exceptionally beneficial given that most customers can switch to different providers within hours if necessary); and
- For customers on fixed rates,
 - the expiration date,
 - any changes in price (due to law or regulatory actions).

⁶ Infinite Energy understands that each New York utility is subject to its unique circumstances and rate-case timelines. Nonetheless, the only sure method for ensuring apples-to-apples rates and open competition is to simply remove each utility from its commodity-supply obligation as soon as is practicable. There is no need to spend ratepayer and taxpayer funds on commodity-supply related concerns when supply is completely divested from the monopoly utility delivery functions. As discussed below, Provider of Last Resort (POLR) functions are ideally addressed in a competitive bid manner.

⁷ There is little point to a competitive market if it increases the Commission's administrative costs, especially when the examples of Texas and Georgia confirm that competition can fund itself while removing unnecessary administrative costs.

These simple but effective rules governing CEB benefit the customer and allow suppliers to provide additional services and innovative products (for example, products which are inclusive of utility delivery charges, hedging the customer from changes in said charges). More immediately, they drastically reduce if not eliminate the bad behavior which the Commission addresses in these proceedings: an ESCO cannot slam with impunity when responsibility for billing falls on its shoulders; it cannot hide cramming when its bills are transparent by rule; it loses incentive for gaming when it assumes utility receivables. Equally simple – and effective – are the rules addressing situations where suppliers violate the requirements, whether intentionally or otherwise: records are clear, consumers are credited for any inappropriate charges, and suppliers are fined, generating the revenue needed to fund enforcement and educational efforts.⁸

Unfortunately, the greatest opposition to this necessary transition has come from vocal segments of the ESCO community. Since the beginnings of New York’s restructuring, it has been repeated to the point of tacit acceptance that requiring ESCOs to bill their own charges using their own or a 3rd party’s billing systems would be a barrier to market entry. The time has long since passed for Infinite Energy and others to go on record stating that this belief is not only false but harmful to the market and to consumers. While it can require significant capital to build, buy, or outsource a billing system, of all the basic requirements reasonably expected of an *Energy Services Company*, the ability to calculate and deliver accurate and timely invoices should be the first and most fundamental. By requiring the utilities to provide this service, the market has opened itself to a large number of players which do little more than move captive rate payers from utility supply to non-utility supply, without providing significant value. Worse, under the current CUB/POR program, essentially guaranteed receivables without either regulatory oversight or competitive pressure leads to abuse, stagnation, and minimal investment. The citizens and business of New York deserve better.

Compare to Texas, which has a comparable number of REPs to New York’s ESCOs. Each REP must meet stringent requirements which include, but are not limited to, capital and credit, ability to bill both supplier and utility charges, and operational and technical knowledge.⁹ While it is up to the individual REP to determine whether to build, buy, or outsource its billing capabilities as part of its unique business model, the underlying requirement is that each REP must possess the ability to bill its own customers and the financial integrity to undertake the costs and risks of doing so. This ensures that REPs in the Texas market are not only stable but able to provide value to customers in the market place.

⁸ §25.8. Classification System for Violations of Statutes, Rules, and Orders Applicable to Electric Service Providers.
<http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/25.8/25.8.pdf>

⁹ See PUCT §25.107 Certification of Retail Electric Providers (REPs),
<http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/25.8/25.8.pdf>

Moreover, it makes no sense for New York's utilities to spend ratepayer money to retool their billing system to accommodate another party's billing needs, especially given that each utility has a unique system. No New York customer should have to pay – and no ESCO should expect – for a utility to invest in upgrading or redesigning a billing system to accommodate a competitive model; the billing system is part and parcel of the competitive model. From every applicable perspective, it should be the ESCOs which propose to undertake the opportunity to serve New York customers which should invest capital in building or buying billing systems. It is cheaper and more efficient to have utilities send their charges to the ESCOs – using standardized electronic data interchange (“EDI”) protocols that are neutral to specific back-end systems – while allowing ESCOs to develop billing systems which suit both their needs and their customers' needs.

II.B Default Service

Both the delayed switch times and the near total unavailability of CEB¹⁰ are in part due to, and in part a cause of, the incumbent utility being perceived as both the default and primary provider. The ESCOs are seen and presented as a mere alternative – little more than providers of short-term teaser rates, existent only as a single line-item on the utility bill. This perception – and the underlying market structures that create and reinforce it – must change for ESCOs to provide true value to the market.

It is *historically* axiomatic that wherever there exists a natural monopoly, the physical limitations and fixed costs of providing service are best provided by a vertically integrated utility overseen by an appropriate regulatory agency. However, as changes on both the state and federal levels have increasingly shown over the last four decades, it is equally axiomatic that most of the services and functions once considered integral to monopoly utility service are anything but: from FERC's deregulation of the natural gas pipelines¹¹ and restructuring of the electric industry¹² to state-level restructuring efforts such as the Commission's own retail access program, Georgia's natural gas restructuring, and the Texas ERCOT region's electric restructuring, it is clear that technology has enabled regulators to completely unbundle competitive services (commodity supply, merchant functions such as billing, energy efficiency and distributed generation) from monopolistic ones (delivery, reliability, infrastructure investments, emergency response).

¹⁰ Infinite Energy is aware of only one New York gas utility, National Fuel Gas, which offers CEB.

¹¹ FERC Orders 436, 636, and 637

¹² FERC Orders 888, 888-A, 889, 2000, and 719

Specifically, compared to the first few years of intense competition,¹³ the New York retail energy market has long stagnated (see Appendix C). While many suppliers exist in the market, the Commission's own findings suggest that the competitive market is not delivering the results it was intended to deliver. Worse, those findings also indicate that some number of so-called "bad players" have actively engaged in predatory marketing practices, particularly targeting vulnerable customers such as low-income and senior citizens. The Commission's Orders and Notices are intended to address these failures. However, the current focus appears to be on symptoms, not on the underlying causes. To truly unlock the potential of the restructured market – and to enable the Utility of the Future which the Commission is determined to make manifest – the market must be fully restructured: utilities must be redirected to focus their expertise and investments exclusively towards delivery, reliability, and emergency-response; suppliers must be made fully responsible for their own billing and receivables and simultaneously empowered to develop tools and product offerings which will be refined by true competition; customers must be educated to understand their rights and provided objective shopping tools which are easy to use and locate.

The New York retail energy market, and the Commission that oversees it, is at a crossroads. The choice now is between pushing forward to a completely restructured market or turning back entirely. Respectfully, any series of measures that continues to conflate a monopoly utility that benefits from traditional rate-regulation, prior-period adjustments, and socialization of bad debt and other costs of doing business with a market of truly competitive suppliers that are excluded or marginalized from fully serving the customer is destined to only prolong the problems, if not exacerbate them. Moreover, the expanded rules proposed in the Commission's February 25th Order, many of which are in response to the actions of bad players, are prohibitive to the point of further stagnating the market, and possibly causing many well-behaved ESCOs to vacate it.

¹³ Infinite Energy suspects that if the Commission were to review its records of licensed ESCOs, it would discover three discrete groups:

1. Those ESCOs which began and primarily remain small companies focused on local fuel oil delivery, boiler sales, installation, and maintenance, and similar. These entities became ESCOs so as to not lose their customer base to natural gas suppliers.
2. Those ESCOs which exist exclusively in New York and other states where utility consolidated billing and guaranteed purchase of receivables allows for "quick and dirty" sign-ups of customers en masse, with little to no operational savvy and little to no value provided to the customer.
3. Those ESCOs which provide full operational and merchant function services to their customers, whether using outsourced experts and technology or in-house personnel and proprietary systems.

As stated earlier, in markets such as Georgia (natural gas only, 12 suppliers active) and Texas (electric only, ~250 suppliers active), all suppliers necessarily fall into the third category above. Infinite Energy believes that the first few years of intense competition occurred because of the entry of ESCOs from the first and third groups. However, the first group quickly slowed activity – these entities have neither the interest in nor the wherewithal to expand beyond their immediate, local customer base – and was quickly overshadowed by the entry of the second group – those predatory and parasitic entities which take advantage of the New York market structure at the expense of both the market and the Commission's constituency.

II.C Rule Enforcement

Infinite Energy has long shared the Commission's concerns regarding bad players in New York. Every misdeed harms the consumers, the markets, and the reputations of all ESCOs. Mistakes happen, but given the current structure of CUB and delayed switching times there is little difference between an easily-correctable mistake and a predatory practice. In either case, some solutions to ESCO misbehavior work better than others, while some have unintended, even chilling effects. As long as ESCOs are not the primary service providers responsible for billing of their charges as well as those of the utility, bad players will continue to behave badly no matter how demanding the rules applicable to enrollment are made.

For example, an extended third party verification ("TPV") process as required by the February 25th revised UBP may help reduce a small number of customer complaints. However, for the vast majority of customers whose experience with ESCOs has not been marred by misbehavior,¹⁴ such an extended and arms-length process can be problematic on multiple levels: the proposed TPV process takes too much time, it can result in false-negatives which require repeating the process, it causes customer confusion and frustration, it suggests that there is an implicit risk to doing business with ESCOs, it carries costs which must ultimately be borne by the consumer. Moreover, the introduction of the TPV requirement for ESCOs begs the question of why utilities aren't required to subject customers to such an extended precautionary process, especially given that utilities cannot offer many of the fixed rate and other value-added services that ESCOs can. Ultimately, it requires each of New York's nearly 11.4 million potential retail customers to undergo a lengthy and confusing process to reduce the frequency of issues which have affected a very small percentage of that 11.4 million. As stated above, Infinite Energy believes that implementation of CEB and ESCO POR will all but eliminate these issues without punishing the many customers who neither need nor want an excessive custodial regime.

Infinite Energy is aware of no other circumstance where consumers purchasing goods or services *under contract* are required to answer open-ended questions based on memory to confirm their recollection of the agreement. In most cases, the agreement itself hasn't been received yet – which is why the rescission period is crucial, as it provides time for careful review of the terms of service. If the TPV is to stand for proof that the customer understood the contract, it should parallel standard contract language: affirmative, declarative statements relevant strictly to the customer's selected product offering, to which the customer must respond with a clear assent or refusal. A concise and well-designed verification process can serve as a powerful protection in conjunction with the requirement that all New York retail energy customers are served under contract and provided a three day rescission period. A lengthy and

¹⁴ According to the Commission's March 2013 Monthly Report on Consumer Complaint Activity, in 2012, 1,733 customers filed initial complaints and 186 filed escalated complaints, reflecting 0.064% and 0.007% of the number of customers who have migrated (according to the Commission's 2012 Electric & Natural Gas Retail Access Migration Archives).

often confusing verification effectively disincentivizes customers from considering ESCO service as a viable option. Worse, it does nothing to prevent the issues in question: the TPV process can always be circumvented or contaminated if the ESCO or its agents can hide on a consolidated utility bill or avoid paying restitution and penalties for their bad behavior.

The proposed TPV schema also makes assumptions about the nature of the customer's product selection which further limits the products which ESCOs may offer. For example, separating the customer's rate and term into two separate and inflexible questions makes the presentation of many potential product offerings impossible (for example, tiered rates, index rates,¹⁵ and introductory rates structured as a discount from the utility rate for a certain number of months followed by a fixed rate for a certain number of months). The only choice ESCOs will have, besides running the risk of an inadvertent violation, is to request approval from Staff for variations from the prescribed TPV language. As it stands, it is not clear how an ESCO would present a month-to-month variable rate without changing the given language as it calls for the customer to confirm that the ESCO marketing representative explained that the contract term is for a set number of months.

Even in cases where the limited syntax does not preclude a given product offering, the separation of rate and term – the two fundamental attributes on which most energy products are built – is confounding. Compare an offer for a 12 month fixed rate plan following the prescribed TPV to the disclosure used by Infinite Energy in Georgia:

February 25 th TPV	<p>Did your representative explain that the price of natural gas under the contract is \$ RATE per therm? Please answer yes or no. [Customer must respond "Yes" to continue.]</p> <p>Did your representative explain that the contract term is for TERM months and that the early termination fee is \$ ETF? Please answer yes or no. [Customer must respond "Yes" to continue.]</p>
Infinite Energy GA Fixed Rate Verification	<p>You have selected a fixed rate for TERM months at a rate of RATE per therm. (Additional terms and conditions relayed to customer.) Do you accept the terms of this Agreement? [Customer must respond "Yes" to continue.]</p>

As described above, product offerings designed to assist customers in taking advantage of near-term savings are even more difficult to present using the prescribed script:

¹⁵ Infinite Energy respectfully requests that the Commission consider formally recognizing the difference between true variable products – rates based on formulae which are generally unpublished, proprietary, and subject to change – and index rate products – rates based on explicit formulae tied to publicly published indices such as the NYMEX last day settle. While variable rates serve their purpose, they are potentially subject to abuse (nothing prevents an ESCO from arbitrarily raising or lowering its price) and misuse (such as experienced this last winter, when customers on insufficiently hedged variable rates experienced price spikes). Conversely, index rates are typically formulated of two components: the index itself, which the customer can both review the history of and independently confirm, and the negotiated adder, representing transportation costs, profit margin, and other elements, which is fixed for a term. Many of Infinite Energy's customers enjoy the flexibility and transparency of such rates.

Infinite Energy GA Fixed Rate w/Intro Period Verification	You have selected a fixed rate for TERM months at a rate of RATE per therm with an introductory discount of DISCOUNT cents for the first INTRO months. (Additional terms and conditions relayed to customer.) Do you accept the terms of this Agreement? [Customer must respond “Yes” to continue.]
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Despite these issues, the ultimate problem with the expansive TPV requirement, among other requirements proposed in the February 25th Order, is that it is not guaranteed to prevent or even minimize the problems it is designed to address. “Good players” will continue to be good. Bad players will find other ways to circumvent the rules, abuse the system, or flimflam customers. The status quo will remain. This is not to say that clear enrollment verification requirements aren’t needed in New York but that misbehavior is *not* a function of a laxness in the rules – it is a function of greed.¹⁶ Greed can only be addressed by making misbehavior more expensive than good behavior. Respectfully, excessive up-front paperwork does not address bad behavior, but it does serve to make good behavior more expensive. Those ESCOs that are happy to serve only those customers which will ultimately benefit from the ESCO’s service have nothing to lose from punitive fines punishing mercenary behavior.

In its twenty years of providing service to retail energy customers, Infinite Energy has seen only one methodology for successfully dealing with bad players: thorough investigations that are followed, if necessary, with progressive fines, suspensions, and expulsion. What works in Georgia or Texas will work in New York: marketers who cannot provide a clearly signed contract and a complete record of enrollment must return the customer to the original supplier and pay whatever restitution necessary to make both the customer and the original supplier whole. If the record shows that the ESCO or its agent performed willfully or negligently to slam the customer, the misbehavior must be addressed with fines and escalating penalties. ESCOs that cannot provide value and competitive services will continue to find other ways to cut a profit from the backs of New York’s citizens until it is made too expensive to do so or they are forced to exit the market.

IV. DIRECT RESPONSES TO THE COMMISSION’S SECOND PHASE ASSESSMENT

In the following section, Infinite Energy provides its direct responses to the questions posed by the Commission in its Second Phase Assessment. As a preliminary point, Infinite Energy asserts that to achieve the Commission’s goal of rapid innovation in Energy-Related Value-Added Services (“ERVAS”), the natural gas and electricity markets must be completely restructured in a form similar to the Georgia natural gas market and the Texas electricity market. With this restructuring, a transition to

¹⁶ Infinite Energy proposes telephonic enrollment requirements similar to those established in the Texas market as promulgated in §25.474. Selection of Retail Electric Provider of the PUCT Subchapter R Customer Protection Rules for Retail Electric Service, <http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/25.474/25.474.pdf>

smart meters for all customers must be implemented as soon as practicable. If these changes occur, ESCOs will innovate quicker than utilities – out of necessity, as a fully competitive market will require them to do so. (A list of example ERVAS programs is included in Appendix D.)

Already, many such products are offered in Texas, such as free nights and weekends for residential customers and off-peak pricing for commercial customers. In both Georgia and Texas, prepay programs exist – with specific customer protection rules governing the provision of prepay service – allowing those with poor or negligible credit to enroll in competitive rates for services. Even on the simple basis of pricing, full competition ensures that Texas and Georgia rates are consistently some of the lowest in the country (see Appendix C). Despite record cold temperatures in Texas and extreme cold in Georgia, neither one of those states suffered the extreme volatility in pricing that New York suffered. In January of this year, the natural gas variable rates offered by Georgia ESCOs never went above \$1.17 per therm; more importantly, many Georgia ESCOs offered rates which were significantly lower – as low as \$0.69 per therm.¹⁷ Texas electric variable prices ranged from 9¢ to 14¢ per kWh.¹⁸ As the Commission is well aware, prices in New York soared as high as 23¢ per kWh for electricity and \$1.22 per therm for natural gas.

The hybrid system that New York has embraced clearly cannot handle weather extremes and does not encourage ERVAS innovation. ESCOs must be able to bill. ESCOs must manage their own risk and bad debt. All natural gas utilities must release upstream assets to the ESCOs proportionate to their customers' share of the system, as these assets, originally paid for by those customers, are critical to the ESCOs' ability to perform competitively. ESCOs must compete against each other on a level playing field, not against a utility whose rates do not reflect the market, are subject to prior-period adjustments, and which allow the utility to distribute its bad debt across future rate cases.

It is also critical that the various New York utilities undertake streamlining and standardizing of their tariffs. Under the current system, each utility's tariff is drastically different, from organization and formatting to the number and types of service classifications. Under some tariffs, customers choosing an ESCO are treated under the same service classification, merely sans the commodity portion of their service classification. Under others, all customers choosing an ESCO are switched to a different service classification, regardless of their original classification. Even within classifications, different service locations may be subject to drastically different provisions or rates based on each location's particular characteristics (including whether or not the customer receives transportation service), resulting in

¹⁷ www.psc.state.ga.us/content.aspx?c=/gas-marketer-pricing/2014/january/

¹⁸ Based on a review of several major Retail Electric Providers online variable rate histories, including StarTex Power, Pennywise Power, Champion Energy, Infinite Energy, Direct Energy, Texpo Energy, Ambit Energy, and Reliant Energy, available through the Texas Power to Choose website, www.PowerToChoose.com.

numerous “sub-classes” for each service classification.¹⁹ This is confusing – and costly – for the customers, the ESCOs, and the Commission itself. While Georgia’s processes are simplified due to there being a single retail market (the natural gas distribution system of Atlanta Gas Light Company, which constitutes the vast majority of the state), Texas addresses this issue by requiring each of its six utilities to use a standardized tariff.²⁰ Standardized tariffs have many advantages – they allow for streamlined rate cases, facilitate better management of customer questions, and further enable ERVAS product offerings thanks to the consistency across the state. These structures also ensure that all charges and credits are appropriately distributed across the entire utility’s rate base and service area.

Such standardization will also go a long way towards addressing the issue of utility commodity rates for however long the utilities remain in the market function. Currently, utility commodity rates are not properly market-based and include past-period adjustments, inappropriate credits, and subsidies which should be unbundled and applied to all ratepayers equally. This is further compounded by the fact that many utility-supply customers are subject to other charges (“Merchant Function Charge” and the like) which are not presented as part of the utility commodity charge despite the fact that ESCO-supply customers are not subject to said charges.

If these recommendations occur, ESCOs will be forced to innovate, offer low prices, and pay for any violation of customer protection rules.

Commission A. Costs of Acquiring New Customers

Commission 1. *Are there specific actions that the Commission could take to reduce the costs to energy service companies (ESCOs) of acquiring mass market customers who will purchase energy-related value-added services? What are the costs and benefits of these potential actions?*

Infinite Energy 1. The primary barriers to ESCO service in New York are the continued reliance on the utilities as *de facto* default providers and the lack of customer knowledge regarding retail choice.

The vast majority of New York customers who are in the ideal position to consider an alternative provider – residents who are starting or transferring service – never become aware of the availability of ESCO service. A review of the utility websites reveals that energy choice and ESCO service is presented as a separate program as opposed to an *integral and necessary choice* for a customer inquiring about new

¹⁹ For example, Central Hudson’s gas tariff has, effectively, eight service classifications but forty different rate codes (one for each sub-class); Orange and Rockland’s gas tariff has eight service classifications but sixty different rate codes, 21 of which duplicate other rate codes for transportation customers.

²⁰ <http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/25.214/25.214fig%28d%29%281%29.pdf>

service.²¹ If, as the Commission envisions it, the New York retail market is to be truly competitive, then each customer requesting service should be provided all available choices from the very onset of their service.

The Commission has acknowledged that the various referral programs have failed, which is not surprising given the fact that ESCO service and the referral programs are presented as optional afterthoughts buried among the dozens of items competing for a customer's attention on a given utility's website. This concept is well known in traditional brick-and-mortar retail environments: the product which the storefront wishes to sell is put out front, presented as the primary if not the only option, while other products are stored in the dark recesses of the store, at best specialized alternatives of little interest to the average busy shopper.

For example, Consolidated Edison ("CONED") has been the most vocal utility in supporting and advocating energy choice. Nonetheless, the CONED website presents the "Energy Choices" and "Power Your Way" options on the "Customer Central" menu which contains twenty two items total.²² "Energy Choices," as a phrase without context and thus without meaning (Could it mean propane? Solar? A thermostat option?), is unlikely to draw customer attention – let alone a customer who simply wants to turn their natural gas or electric on *now*. The "Becoming a Customer" page²³ does not mention customer choice until the bottom of the page, and even then as a conditional statement followed by the suggestion that ESCO service is exclusive to the referral program and that the exclusive product offering is the short-term 7% discount rate, after which savings are not guaranteed:

Please be advised that you *may* be eligible to choose an energy service company (ESCO) to supply your energy ***through the PowerMove program***. With PowerMove you will receive a 7% discount off the Con Edison price for energy supply for two months when you choose to participate in the program. It's important for you to know that the PowerMove discount can be applied only once to each service on your account. Also, ***savings beyond the introductory period are not guaranteed***. (Emphasis added.)

Infinite Energy wishes to stress that it has long appreciated and respected CONED's efforts to promote retail choice in its service area. However, as long as the Commission, the market rules (UBP), the utility tariffs, and even the majority of ESCOs see energy choice as an *alternative* to utility supply, then that is all retail energy choice will remain, even on the very utility pages designed to promote choice. Instead, utility supply, to the extent it remains an available choice to New York consumers, must be transformed

²¹ In many cases, the only mentions of retail energy choice are limited to brief educational statements which treat a customer's choice of energy supplier no different from any of the other many programs available. Please note that many New York utilities require visitors to sign up for an online account (using a service address) to see any pages related to signing up for service.

²² Specifically: Ways to pay my bill; Manage my bill; Becoming a customer; Energy choices; Energy savings; Voluntary time-of-use; Safety tips; Storm central; Outage map; Report electric problem; Publications; Special services; Energy efficiency; My energy toolkit; Commercial energy calculator; On your block; Electric vehicles; Power your way; Claims; FAQ; Kids; Contact us.

²³ <http://www.coned.com/customercentral/becomingacustomer.asp>

into only one of the available choices – not the default – wherever it is presented (including in rate cases).

To this end, ideally, each utility should be required to formally divest itself of its commodity procurement, marketing, and merchant function divisions, which should be reformed at arm's length and recognized as yet another ESCO. Short of this appropriate corporate-level unbundling, customers starting or transferring service should invariably be presented an unbiased list of all eligible suppliers, in which the utility is listed as but one of the many eligible providers. Such presentation should further include a listing of their basic product offerings (not just a generic, short-term 7% discount rate). The ideal starting-point for this will be the Commission's own Power to Choose website.

The issues detailed above have only been compounded by the gimmicky nature of the referral programs which only present one short-term option: 7% off the utility rate for two months. Such a product is of little benefit to the customer as it requires either a renegotiation after only two months or subsequent service on a variable rate. It is of equally little value to the ESCO, which must approach the customer almost from scratch: the customer may not even be aware of which ESCO services the account, given that many referrals are randomized, all are served on a Consolidated Utility Billing basis, and none actually commence until several meter read periods after the customer chose to be referred.

From the customer's perspective, the referral program is an odd option with a vague promise: 7% off the utility rate for two months, followed by uncertainty. By the time the referral is complete, as much as two months later, and the customer's supply is enrolled with the ESCO, the customer has long forgotten the "sure, why not" moment when consent to enter the program was given. Given the near total absence of CEB, especially in regards to the referral program, the typical customer won't notice or know how to interpret the ESCO's name associated with their supply, mentioned merely as a line-item on a multi-page bill. Efforts to renew the customer onto a more appropriate rate – a fixed term product, for example – are very difficult given the customer's lack of awareness of who their ESCO is and what purpose it serves.²⁴ The end result for the customer is two months of savings followed by any number of months at a variable rate; the end result for the ESCO is either a customer served on a variable rate or a prospect that must be approached as if from scratch to propose and negotiate a more appropriate and mutually-beneficial service package.

Infinite Energy believes that the Commission took the correct course of action when it eliminated the referral program and the short-term 7% discount product and respectfully proposes that the solution is not a new referral program but the elimination of the assumptions and underlying structures that relegate ESCO service as an "alternative" to utility supply.

²⁴ The success of direct-mail renewal campaigns is typically measured in single-digit percentages and telephone campaigns are highly expensive and often intrusive. In Texas and Georgia, the constant reminders of energy choice, as well as the absolute requirement to select a non-utility supplier, drives customers to the respective state's websites for customer choice (data included in Appendix B).

The solution, regardless of the utility's continued role as a possible supplier, is to parallel the solutions implemented by Texas and Georgia:²⁵ All customers contacting their utility for service are immediately and invariably directed to the state's Public Service Commission website or provided a list of all eligible suppliers from which to choose. A similar structure is possible in New York, where customers are shown the full range of choices before being allowed to default to the monopoly utility rate. An example of a hypothetical customer's experience is included in Appendix B.

While default service continues to exist in Georgia and Texas in the form of Providers of Last Resort ("POLR"), such service is limited to extreme circumstances – provision of service to customers whose income or circumstances preclude access to competitive service (such as the Regulated Provider in Georgia, a role awarded by bid every two years) or temporarily to customers whose chosen supplier abruptly departs the market (such as POLR service in Texas). Outside of the limited POLR service, which is rate-regulated and, in the specific case of low income customers, discounted, competitive rates are the only rates available to customers. This ensures that the full effect of competitive market pressure applies to all energy suppliers and prevents any possibility that rate-regulated utility prices fail to operate on an "apples-to-apples" basis in relation to other service offerings.

***Commission 2.** Should a new generation of utility ESCO referral programs be developed to facilitate customer awareness of energy-related value-added services offered by ESCOs? Should customers be referred to specific ESCOs based on their interest in energy-related value-added services? What are the costs and benefits of these potential changes?*

Infinite Energy 2. As stated above, customers starting or transferring service should be required to select their commodity provider through the Power to Choose website, which should clearly set out value-added aspects of each offering in addition to current and historical pricing, complaint history, renewable or green energy characteristics, and other factors relevant to retail energy customers. This will ensure that the competitive forces the Commission sought to bring into play with its retail access restructuring can work. More importantly, it will ensure that customers become aware of the choices that are available to them. Additional information is included in the appendixes to this filing.

To the extent that the utilities remain in the merchant function, their commodity service should be set up as an affiliate following the same rules and requirements as ESCOs. All utility employees should be required to operate under strict guidelines regarding anti-competitive practices. However, Infinite

²⁵ Please note that while in both in Georgia and the Texas ERCOT region, the incumbent utilities are not eligible to supply energy to end-use customers, both the Georgia natural gas utility (Atlanta Gas Light) and several of the ERCOT utilities (notably ONCOR and CenterPoint) spun off arm's length retail entities that do supply energy. In both markets, POLRs are either assigned (in Texas, by market-share) or awarded competitive bids (Georgia) to ensure default service. In Texas, the utility retail affiliates are often the POLR in their utility affiliate's service area; in Georgia, conversely, the POLR bid has been awarded to a non-affiliate competitive supplier for many years going.

Energy contends that the utilities must exit the market for both the savings and the ERVAS envisioned by the Commission to occur. Each ESCO will develop and tout its own ERVAS offerings. It is critical that funds be directed towards consumer education, particularly through the Power to Choose website.

It must also be stated that while the Commission's recent focus on ERVAS is highly relevant in terms of electric service, such services are less clearly applicable to the provision of natural gas service. While an electric service provider has many options for providing services designed to lower the consumer's overall energy bill – which in most cases means distributed generation, smart appliances, and similar local or digital services – there is less equivalence in natural gas, which unlike electricity cannot directly interface with smart appliances. Natural gas, and the underlying infrastructure and market on which it is based, requires complete unbundling, transparent pricing, and an appropriate regulatory scheme to operate competitively. Smart meters for natural gas service will, of course, close much of this gap between the natural gas and electric services. Specific ERVAS programs are discussed in detail in Appendix D.

Commission 3. *Should utilities be directed to obtain information from their customers regarding their interest in energy-related value-added services that might facilitate ESCO marketing? What are the costs and benefits of such a requirement?*

Infinite Energy 3. Utilities should regularly provide customers with historic, current, and tariff-based future pricing in chart form, with a standardized disclosure specifying that utility prices cannot be fixed, do not include any ERVAS, and include socialized charges for utility bad debt and other prior-period adjustments. The Commission must ensure that customers taking commodity supply from customers are not benefiting from inappropriately unbundled credits at the expense of shopping customers.

Every ESCO bill, as well as every utility bill for as long as utilities are allowed to perform the billing function, should direct customers to the Power to Choose website using a standardized disclosure reminding customers of their right to choose and switch suppliers. Instead of each utility “reinventing the wheel” and expending its ratepayer's funds to provide the same information on different platforms, both utilities and ESCOs (by way of a yearly fee) should fund the expansion of the Commission Power to Choose website, which will present all the relevant information and options fully and, most importantly, in an unquestionably neutral fashion. Any utility unwilling to pay such fees should voluntarily exit the commodity supply market immediately and without further comment. Utility bills in particular should include an additional disclosure explaining the availability of competitive suppliers who can offer fixed pricing, green products, and other value-added services.²⁶

²⁶ Compare Public Utility Commission of Texas Substantive Rule 25.479, Issuance and Format of Bills, (c)(1)(S): For residential customers, on the first page of the bill in at least 12-point font the phrase, “For more information about residential electric service please visit www.powertochoose.com.”

The Power to Choose website should become the hub for collecting customer information, providing education, and facilitating contact between authorized suppliers (whether ESCOs or utilities) and customers – this will allow transparency, standardization, direct Commission and Staff oversight, as well as a single, state-wide platform which can be addressed with a single stakeholder process. ESCO offerings and ERVAS may be provided in chart form (such as in Georgia²⁷) or in a searchable table format (as in Texas²⁸).

Commission B. Billing

Commission 4. Are changes to Commission policies concerning consolidated ESCO billing (CEB) required to remove unwarranted barrier(s) or impediment(s) to ESCOs seeking to use CEB? What are the costs and benefits of any proposed modifications to the Commission's policies to further facilitate CEB?

Infinite Energy 4. During the transition period prior to the complete restructuring of the New York market, every utility should be required to offer CEB. Once the restructuring is complete, all ESCOs should be required to issue a CEB.

Infinite Energy believes that any utility currently able to invoice its Commission-approved tariff charges should be equally able to transmit those charges to an ESCO or other billing entity, as the same code that allows a utility to send such charges to a billing system can be translated by an EDI service provider into code which will allow ESCOs or their billing service providers to perform the same function. As each utility is already positioned to interface with ESI service providers and their printer (whether internal or external), such a modification will have little to no cost as the brunt of the expense will be covered by ESCOs, the EDI service providers, or the actual printers who will be paid for by the ESCO.

Commission 5. . Under consolidated utility billing (CUB), what are the benefits and costs of requiring utilities to increase the space on bills to be used for ESCOs to provide information regarding energy-related value-added products and services, to approximately 1000 characters?

Infinite Energy 5. Consolidated utility billing (CUB) should be eliminated in favor of consolidated ESCO billing (CEB). To require each of the dozen utilities to individually upgrade its systems and reformat their already drastically different bill templates will require great expense and multiple stakeholder processes. Such extensive effort will be insufficient as it will not meet the needs of every ESCO or every conceivable product offering and value-added service. Instead of requiring each of the dozen utilities to accommodate the billing needs of the hundreds of ESCOs and thousands of potential product offerings, present and future, the utilities should be instructed to implement CEB programs which will allow the ESCOs to bill the utility charges.

²⁷ <http://www.psc.state.ga.us/content.aspx?c=/gas-marketer-pricing/>

²⁸ <http://www.powertochoose.org/>

Infinite Energy respectfully points out that most ESCOs do business in other states, with their own EDI protocols and bill-printing requirements. Any ESCO or utility which claims that the burden of direct billing is untenable must explain its ability to do so in every other state or market in which it performs the billing function.

Commission 6. *Under CUB, what are the benefits and costs of requiring utilities to modify their billing systems to enable ESCOs to provide tailored customer-specific billing messages regarding energy related value-added services?*

Infinite Energy 6. Utility billing systems were designed and implemented in isolation from each other, resulting in a dozen different systems and billing templates. Further, these systems were designed to bill the standardized tariff utility rates and had to be severely modified in a patchwork manner to accommodate the CUB that currently exists. As in markets where the utilities no longer provide utility service, New York should look to enable the modern billing systems designed by or for ESCOs and their unique billing needs, which have already incorporated the ability to bill utility charges as well as innovative rate designs and value-added services.²⁹

Commission 7. *What specific changes to utility billing systems are required to facilitate the ability of ESCOs to offer time-of-use products for mass market customers? What are the benefits and costs of any proposed changes?*

Infinite Energy 7. No changes would be needed to utility billing systems if CEB is fully enabled. In a fully restructured market, each utility would spin off its commodity procurement, sales, billing, and customer service divisions to a standalone, arm's-length affiliate. As each customer would be invoiced for all commodity and delivery charges directly from its chosen ESCO, the remaining transmission and distribution utilities ("TDU") would perform all billing functions through EDI and CEB, a much more efficient – and for rate payers, inexpensive – method.

Commission 8. *What other modifications to CUB should be considered to facilitate development of energy related value-added services, and what are the benefits and costs of such modifications?*

Infinite Energy 8. None. The most cost-effective measures are to develop the EDI modifications needed to allow ESCO consolidated billing. ESCOs either already have developed or are willing to develop their own billing solutions to best serve their customers. The UBP, Section 9 B., strongly suggests that ESCOs should be empowered to provide its customers their individualized choice of CUB, CEB, or dual billing,

²⁹ Several software companies have designed full-service billing platforms specifically for energy markets, which are already in use in New York and similar states, and which will easily accommodate CEB in New York. Examples include, but are not limited to, Energy Services Group (www.energyservicesgroup.net) and iSIGMA (www.isigma.net). It is also important to note that ESCOs are already required to "maintain or provide for the capability of issuing a separate bill for its services under the dual billing option" (UBP Section 9.B.3.).

especially if the limitations of CUB make it impossible to provide the customer with the pricing options and value-added services the customer desires. That utilities are empowered to dictate to both ESCOs and their customers the billing options from which they may choose is the most fundamental detriment to competition and quality service in the New York market.

Commission C. Processing of Enrollment Requests

Commission 9. *To what extent do current enrollment requirements limit the ability of ESCOs to offer value-added services?*

Infinite Energy 9. The length of Independent Third Party Verification (TPV) as required by the Commission's February 25th Order drastically increases both the number of customers who are unwilling to complete the process due to the length of the call and the number of false-negatives.

The specific requirement for customers to recall product and sale-interaction details, as opposed to confirming a series of yes/no questions, makes it very difficult for customers to complete the enrollment process. As discussed elsewhere, the Commission should exercise its powers to enforce good behavior, penalize bad behavior, and ensure that ESCOs meet their fiduciary obligation using the "speak softly but carry a big stick" methodology which has worked so well in states such as Texas.

As stated in the 2013 Scope of Competition in Electric Markets of Texas,³⁰ the PUCT assessed nearly \$4 million in penalties to electric market participants during the period from January 2011 through August 2012. This, combined with a regulatory assessment of 1% per pre-tax bill, allows the PUCT to maintain a robust website, develop several educational programs, and fund its highly effective Oversight and Enforcement division. As a last resort, ESCOs that are unwilling or unable to earn their customers through honest dealings and fair competition are subject to suspension (unable to enroll new customers) or outright revocation (expulsion from the market). A simple Classification System for Violations of Statutes, Rules, and Orders³¹ ensures sure interpretation and enables swift enforcement.

Commission 10. *What specific actions could be taken to reduce the period between when a customer enrolls with an ESCO and when service commences? What are the benefits and costs of those actions?*

Infinite Energy 10. Market-wide implementation of smart meters will not only enable ERVAS but eliminate the critical problem of delayed enrollments. It cannot be stressed enough that inconsistent meter-read schedules and excessive allowances for estimates, adjustments by the utility (often long after the CUB customer has switched away), and other variances lead to expensive corrections, customer confusion, and bad debt. Until such time as market-wide implementation of smart meters is completed, utilities should be required to provide options to customers who have selected an ESCO, including next

³⁰ https://www.puc.texas.gov/industry/electric/reports/scope/2013/2013scope_elec.pdf

³¹ <http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/25.8/25.8.pdf>

meter read or a selected date (at an extra charge). Utilities should be required to commit to a switch-date no later than the customer's next regularly scheduled meter read, even if doing so requires a special meter-reading or an estimated read. Utilities which are unable to commit to monthly meter reads of all meters in their territory should be required to install remote-read smart meters immediately, as a matter of policy above and beyond the needs of the competitive market.³²

Commission D. Net Metering Refinements

Commission 11. *Do existing rules governing net metering, particularly concerning billing, allocation of credit and the settlement of outstanding balances, impose undue costs or burdens on ESCOs? If so, explain those concerns and the impact on ESCO operations and the ability of ESCOs to offer value-added services requiring net metering.*

Infinite Energy 11. Smart meters should be implemented for all electric and natural gas accounts eligible for ESCO service. A multiyear deployment plan, such as the five-year plan implemented in Texas, allows for a distribution of costs over time.

Commission E. Data Availability

Commission 12. *What specific data might be available to assist ESCOs in developing innovative energy-related value added services?*

Infinite Energy 12. Once a customer provides authorization to an ESCO to access that customer's historical usage, peak demand, and other service information, that information must be provided quickly and completely. Such is achieved in Texas using a standalone website designed and maintained by Commission Staff in conjunction with the independent system operator (ERCOT).³³ (Infinite Energy proposes that in New York, the NYISO and Natural Gas Reliability Advisory Group, which already are working together on electric and natural gas coordination efforts, are ideally positioned to consolidate for the purpose of creating New York's smart meter portal and EDI clearinghouse.) Customers who select an ESCO should be allowed to authorize their chosen ESCO to act as their agent and representative for all utility-related services, as the ESCO should, among other services and products, be able to provide its expertise, advanced customer resolution services (including online platforms), and staff to resolve the customer's energy-related wants and needs, including at the utility. As it stands, ESCO customers are often denied the ability to give their ESCO agency, prevented from having their ESCO agent on the line while placing calls to the utility, and otherwise confounded in their attempts to conduct business, whether

³² Infinite Energy has received numerous complaints from customers regarding the lax attitude toward meter reads in New York. These issues include, but are not limited to, customers whose meters are inaccessible (inside a building the customer does not have access to), excessive estimates, and drastic cancel/rebills after leaving the ESCO's service. This is particularly problematic for UCB customers who are suddenly presented a bill by their ESCO months after the bill in question was paid.

³³ <https://www.smartmetertexas.com/CAP/public/>

through their ESCO or in conjunction with their ESCO. This is in stark contrast to other restructured markets where the ESCO fully represents – and is fully responsible for – their customers.

Insofar as liability is concerned, the answer is simple and effective: ESCOs who claim authority and authorization on behalf of their customers are held unequivocally accountable for it. No communication between an ESCO and a utility is unrecorded, whether such communication takes place by phone or by email. Any ESCO which falsely claims to possess customer authorization is subject to the most severe penalties for violation of customer protection rules. Any ESCO currently in the New York market, as well as any third party proposing to provide third party services to New York customers, should be willing and able to sign appropriate disclosures regarding customer information protection rules or accept not having access to the same. No utility should bear responsibility or liability for customer information when the certification of every ESCO in the market is contingent on its commitment to treating customer information as sacrosanct.

Commission 13. *Who currently owns or maintains that data, and what are the barriers to making that data available to ESCOs and other parties? What are the costs and benefits of removing or reducing those barriers?*

Infinite Energy 13. The utilities currently maintain the data, though it is owned by the customer. The primary barrier is that there is no standardized method for ESCOs to provide proof of customer authorization for the release of the data. Responsibility and liability for requesting customer data appropriately should be passed to the ESCOs – requests should be made using a state-wide standardized process (ideally using an online portal) and violations should be treated with severe repercussions that address the ESCO or agent's misbehavior without penalty to the utility which acted in good faith.

The standardization of utility tariffs and the implementation of CEB are critical to this end. As made painfully clear in the May 22nd Customer Engagement Committee conference call, the complete lack of standardization across utility billing and account management systems is an insurmountable barrier to the provision of the customer data needed for innovative products and ERVAS. Contrast again with Texas, which empowers the ERCOT to act, in addition to its role as independent system operator, as the central clearinghouse and stakeholder forum for all EDI transactions. This ensures a transparent and well-built system that provides a third-party platform where all data, forms, and communication protocols are standardized (regardless of any one participant's proprietary system).

Commission 14. *How can this data be made generally available? Are there specific standards and protocols that should be adopted to ensure statewide consistency and ensure customer privacy?*

Infinite Energy 14. Infinite Energy believes that the most appropriate venue for the provision of this data is the Commission's own website or a standalone website patterned after the Texas Smart Meter website. Following the Texas model, it is a simple matter for the end-use customer to provide access to the information of his or her choice using the portal, which serves to remove all conceivable liability from the utility for the provision of the data, as the customer directly provides authorization to access the information to the ESCO or third-party service provider.

Commission F. Other Proposals to Facilitate Energy-Related Value-Added Services

Commission 15. What other specific barriers to offering energy-related value-added services do ESCOs face? What action(s) could the Commission take to address those barriers? What are the costs and benefits of those actions?

Infinite Energy 15. Please refer to the response under Infinite Energy 16.

Commission 16. What other specific regulatory changes to enhance the ability of ESCOs to offer energy-related value-added services to mass market customers should be considered by the Commission? What are the benefits and costs of those proposals?

Infinite Energy 16. Elimination of CUB and POR and implementation of CEB; standardization and streamlining of in utility tariffs; fully unbundled, transparent, and market-based utility commodity rates as a temporary measure until the utilities fully exit the market; mandatory meter-read schedules and limited allowances for estimates.

Commission G. ESCO Eligibility.

Commission 17. Consistent with the Commission's efforts to encourage energy-related value-added services as well as compliance with the UBP, what changes to ESCO eligibility requirements should the Commission consider?

Infinite Energy 17. Please refer to the response under Infinite Energy 18.

Commission 18. Consistent with efforts to encourage ESCO compliance with the UBP and other Commission rules, what changes to ESCO eligibility requirements should be considered? For example, should the Commission consider requiring ESCOs to pay application or annual fees?

Infinite Energy 18. Infinite Energy believes that the role of an ESCO is sufficiently demanding financially, technically, operationally, and legally, that certification must be a rigorous process. Any entity proposing to serve New York residents and businesses must prove that it possesses sufficient managerial experience, compliance oversight, training, and either internal or outsourced technical expertise to perform marketing, contracting, EDI, and billing in a manner that both adheres to customer protections and is financially sustainable. Any such certification should include appropriate credit rating

standards, access to capital, standards for the protection of customer deposits (and prepayments, should the Commission enable pre-pay product options), and technical and managerial requirements, as well as clear standards for suspension and revocation.³⁴ Any entity proposing otherwise should be expected to explain how it proposes to function in such a demanding role given the demands placed on suppliers of energy in other markets where utilities no longer provide commodity service.

Commission H. ESCO Compliance.

Commission 19. *Should the Commission require that the annual and triannual filings required by the UBP be accompanied by a letter from the ESCO's Chief Executive Officer certifying that the filing is in full compliance with the UBP and that the ESCO has the resources and practices in place to ensure compliance with the UBP and other Commission Orders related to retail supply service?*

Infinite Energy 19. An additional letter by an officer is a meaningless gesture. Like Texas, the Commission should monitor ESCOs who fail to comply with the rules and fine them. The solution is not the creation of additional rules or gestures but the establishment of reasonably high requirements for market entry as well as the enforcement of reasonable rules. These enforcement efforts must create a public and meaningful impact in the form of fines and publicly accessible records to have an equally meaningful impact on the behavior of other ESCOs.

III. CONCLUSION

Infinite Energy applauds the efforts of the Commission and its Staff to improve the New York retail energy markets, the experience of customers, and especially the well-being of low income and other vulnerable customers. Towards this end, Infinite Energy believes that the Commission must complete the restructuring that it initiated nearly two decades ago:

- Short-term elimination of the utilities' role as billing party and purchaser of ESCO receivables in favor of ESCO consolidated billing and direct billing by ESCOs of utility charges;
- Medium-term full unbundling of utility rates, resulting in transparent, market-based, comparable ("apples-to-apples") rates;
- Long-term removal of the utilities non-competitive presence in the market by initiating proceedings to bring about divestiture of sales and procurement divisions into full, stand-alone ESCOs;
- Implementation of reasonable customer protection rules ("speaking softly") in conjunction with appropriately punitive penalties for non-compliance ("big stick");

³⁴ Texas has implemented similar standards: <http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/25.107/25.107.pdf>

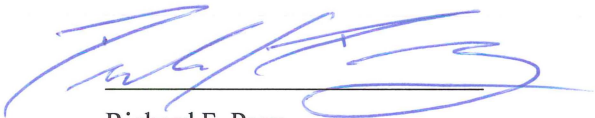
- Creation of rigorous market-entry requirements to ensure that every ESCO has the operational, technical, and financial qualifications to participate in markets;
- Deployment of smart meters and other technology, standards, or requirements to enable innovative products, ERVAS, and expedient switching times;
- Complete redesign of the New York Power to Choose website as a centralized, standardized, and objective marketplace for all retail energy customer needs, paid for by all market participants which are licensed by the Commission to sell natural gas or electricity (including the utilities insofar as they continue to sell commodity); and
- Formal consideration of a standalone retail market system operator for both the electric and natural gas markets, responsible for convening stakeholder processes, establishing and acting as the central clearinghouse for all EDI transactions, and implementing the Commission's rules.

While these proposals will require extended stakeholder processes, drastic overhauls of the current market, and significant investment, states such as Georgia and Texas have proven that such efforts can be completed in a few years' time and to overwhelming success. New York can take the examples provided by its sister states and combine them with its own experience restructuring natural gas and electricity to complete the restructuring of both commodities once and for all, using the power of a newly competitive market to lead the nation in energy modernization through the 21st century.

Infinite Energy appreciates this opportunity to address the Commission's concerns and to contribute to the latest and, ultimately, greatest effort to improve the New York retail energy market since its inception. Additional information and research will be provided in future filings in these proceedings, and will also be made available to the Commission and Staff upon request.

On Behalf of Infinite Energy,

Respectfully Signed,



Richard F. Paez

Infinite Energy, Inc. | Senior Analyst, Legal & Regulatory Affairs
7001 SW 24th Avenue | Gainesville, Florida 32607-3704
Phone: 352-331-1654 | Fax: (352) 313-6925
Regulatory@InfiniteEnergy.com | www.InfiniteEnergy.com

Dated: Monday, June 02, 2014

Cc: Service List

Appendix A

- 1. Public Utility Commission of Texas, Subchapter R. Customer Protection Rules for Retail Electric Service, in relevant part**
 - a. §25.479. Issuance and Format of Bills
 - b. §25.457 General Retail Electric Provider Requirements and Information Disclosures to Residential and Small Commercial Customers
 - c. §25.481. Unauthorized Charges
- 2. Infinite Energy Texas Electric Invoice Examples**
 - a. Fixed Rate
 - b. Variable Rate

Appendix A.1.a.

Public Utility Commission of Texas, Subchapter R. Customer Protection Rules for Retail Electric Service, §25.479. Issuance and Format of Bills, in relevant part.

(c) **Bill content.**

(1) Each customer's bill shall include the following information:

(A) The certified name and address of the REP and the number of the license issued to the REP by the commission;

(B) A toll-free telephone number, in bold-face type, which the customer can call during specified hours for inquiries and to make complaints to the REP about the bill;

(C) A toll-free telephone number that the customer may call 24 hours a day, seven days a week, to report power outages and concerns about the safety of the electric power system;

(D) The service address, electric service identifier (ESI), and account number of the customer;

(E) The service period for which the bill is rendered;

(F) The date on which the bill was issued;

(G) The payment due date of the bill and, if different, the date by which payment from the customer must be received by the REP to avoid a late charge or other collection action;

(H) The current charges for electric service as disclosed in the customer's terms of service document, including applicable taxes and fees labeled "current charges." If the customer is on a level or average payment plan, the level or average payment due shall be clearly shown in addition to the current charges;

(I) A calculation of the average unit price for electric service for the current billing period, labeled, "The average price you paid for electric service this month." The calculation of the average price for electric service shall reflect the total of all fixed and variable recurring charges, but not include state and local sales taxes, reimbursement for the state miscellaneous gross receipts tax, and any nonrecurring charges or credits, divided by the kilowatt-hour consumption, and shall be expressed as a cents per kilowatt-hour amount rounded to the nearest one-tenth of one cent.

(J) The identification and itemization of charges other than for electric service as disclosed in the customer's terms of service document;

(K) The itemization and amount of any non-recurring charge, including late fees, returned check fees, restoration of service fees, or other fees disclosed in the REP's terms of service document provided to the customer;

(L) The balances from the preceding bill, payments made by the customer since the preceding bill, and the amount the customer is required to pay by the due date, labeled "amount due;"

(M) A notice that the customer has the opportunity to voluntarily donate money to the bill payment assistance program, pursuant to §25.480(g)(2) of this title (relating to Bill Payment and Adjustments);

(N) If available to the REP on a standard electronic transaction, if the bill is based on kilowatt-hour (kWh) usage, the following information:

(i) the meter reading at the beginning of the period for which the customer is being billed, labeled "previous meter read," and the meter reading at the end of the period for which the customer is being billed, labeled "current meter read," and the dates of such readings;

(ii) the kind and number of units measured, including kWh, actual kilowatts (kW), or kilovolt ampere (kVa);

(iii) if applicable, billed kW or kVa;

(iv) whether the bill was issued based on estimated usage; and

(v) any conversions from meter reading units to billing units, or any other calculations to determine billing units from recording or other devices, or any other factors used in determining the bill, unless the customer is provided conversion charts;

(O) Any amount owed under a written guarantee agreement, provided the guarantor was previously notified in writing by the REP of an obligation on a guarantee as required by §25.478 of this title (relating to Credit Requirements and Deposits);

(P) A conspicuous notice of any services or products being provided to the customer that have been added since the previous bill;

(Q) Notification of any changes in the customer's prices or charges due to the operation of a variable rate feature previously disclosed by the REP in the customer's terms of service document;

(R) The notice required by §25.481(d) of this title (relating to Unauthorized Charges); and

(S) For residential customers, on the first page of the bill in at least 12-point font the phrase, "for more information about residential electric service please visit www.powertochoose.com

(2) If a REP separately identifies a charge defined by one of the terms in this paragraph on the customer's bill, then the term in this paragraph must be used to identify that charge, and such term and its definition shall be easily located on the REP's website and available to a customer free of charge upon request. Nothing in this paragraph precludes a REP from aggregating transmission and distribution utility (TDU) or REP charges. For any TDU charge(s) listed in this paragraph, the amount billed by the REP shall not exceed the amount of the TDU tariff charge(s). The label for any TDU charge(s) may also identify the TDU that issued the charge(s). A REP may use a different term than a defined term by adding or deleting a suffix, by adding the word "total" to a defined term, where appropriate, changing the use of lower-case or capital letters or punctuation, or using the acceptable abbreviation specified in this paragraph for a defined term. If an abbreviation other than the acceptable abbreviation is used for the term, then the term must also be identified on the customer's bill.

(A) Advanced metering charge -- A charge assessed to recover a TDU's charges for Advanced Metering Systems, to the extent that they are not recovered in a TDU's standard metering charge. Acceptable abbreviation: Advanced Meter.

(B) Competition Transition Charge -- A charge assessed to recover a TDU's charges for nonsecuritized costs associated with the transition to competition. Acceptable abbreviation: Competition Transition.

(C) Energy Efficiency Cost Recovery Factor -- A charge assessed to recover a TDU's costs for energy efficiency programs, to the extent that the TDU charge is a separate charge exclusively for that purpose that is approved by the Public Utility Commission. Acceptable abbreviation: Energy Efficiency.

(D) Late Payment Penalty -- A charge assessed for late payment in accordance with Public Utility Commission rules.

(E) Meter Charge -- A charge assessed to recover a TDU's charges for metering a customer's consumption, to the extent that the TDU charge is a separate charge exclusively for that purpose that is approved by the Public Utility Commission.

(F) Miscellaneous Gross Receipts Tax Reimbursement -- A fee assessed to recover the miscellaneous gross receipts tax imposed on retail electric providers operating in an incorporated city or town having a population of more than 1,000. Acceptable abbreviation: Gross Receipts Reimb.

(G) Nuclear Decommissioning Fee -- A charge assessed to recover a TDU's charges for decommissioning of nuclear generating sites. Acceptable abbreviation: Nuclear Decommission.

(H) PUC Assessment -- A fee assessed to recover the statutory fee for administering the Public Utility Regulatory Act.

(I) Sales tax -- Sales tax collected by authorized taxing authorities, such as the state, cities and special purpose districts.

(J) System Benefit Fund - A non-bypassable charge approved by the Public Utility Commission, not to exceed 65 cents per megawatt-hour, that funds the low-income discount, one-time bill payment assistance, customer education, commission administrative expenses, and low-income energy efficiency programs.

(K) TDU Delivery Charges -- The total amounts assessed by a TDU for the delivery of electricity to a customer over poles and wires and other TDU facilities not including discretionary charges.

(L) Transmission Distribution Surcharges -- One or more TDU surcharge(s) on a customer's bill in any combination. Surcharges include charges billed as tariff riders by the TDU. Acceptable abbreviation: TDU Surcharges

(M) Transition Charge -- A charge assessed to recover a TDU's charges for securitized costs associated with the transition to competition.

(3) If the REP includes any of the following terms in its bills, the term shall be applied in a manner consistent with the definitions, and such term and its definition shall be easily located on the REP's website and available to a customer free of charge upon request:

(A) Base Charge -- A charge assessed during each billing cycle without regard to the customer's demand or energy consumption.

(B) Demand Charge -- A charge based on the rate at which electric energy is delivered to or by a system at a given instant, or averaged over a designated period, during the billing cycle.

(C) Energy Charge -- A charge based on the electric energy (kWh) consumed.

(4) A REP shall provide an itemization of charges, including non-bypassable charges, to the customer upon the customer's request and, to the extent that the charges are consistent with the terms set out in paragraph (2), of this subsection, the terms shall be used in the itemization.

(5) A customer's electric bill shall not contain charges for electric service from a service provider other than the customer's designated REP.

(6) A REP shall include on each residential and small commercial billing statement the date, as provided for in §25.475(c)(3)(B) of this title (relating to General Retail Electric Provider Requirements and Information Disclosure to Residential and Small Commercial Customers) that a fixed rate product will expire.

(7) To the extent that a REP uses the concepts identified in this paragraph in a customer's bill, it shall use the term set out in this paragraph, and the definitions in this paragraph shall be easily located on the REP's website. A REP may not use a different term for a concept that is defined in this paragraph.

(A) kW -- Kilowatt, the standard unit for measuring electricity demand, equal to 1,000 watts;

(B) kWh -- Kilowatt-hour, the standard unit for measuring electricity energy consumption, equal to 1,000 watt-hours; and

(8) Notice of contract expiration may be provided in a bill in accordance with §25.475 of this title.

...

(g) **Record retention.** A REP shall maintain monthly billing and payment records for each account for at least 24 months after the date the bill is mailed. The billing records shall contain sufficient data to reconstruct a customer's billing for a given period. A copy of a customer's billing records may be obtained by that customer on request, and may be obtained once per 12-month period, at no charge.

Full subchapter: <http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/25.479/25.479.pdf>

Appendix A.1.b.

Public Utility Commission of Texas, Subchapter R. Customer Protection Rules for Retail Electric Service, §25.475. General Retail Electric Provider Requirements and Information Disclosures to Residential and Small Commercial Customers, in relevant part.

(d) **Changes in contract and price and notice of changes.** A REP may make changes to the terms and conditions of a contract or to the price of a product as provided for in this section. Changes in term (length) of a contract require the customer to enter into a new contract and may not be made by providing the notice described in paragraph (3) of this subsection.

...

(2) Price changes.

...

(B) For a fixed rate product, each bill shall either show the price changes on one or more separate line items, or shall include a conspicuous notice stating that the amount billed may include price changes allowed by law or regulatory actions.

(C) Each residential bill for a variable price product shall include a statement informing the customer how to obtain information about the price that will apply on the next bill.

Full subchapter: <http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/25.475/25.475.pdf>

Appendix A.1.c.

Public Utility Commission of Texas, Subchapter R. Customer Protection Rules for Retail Electric Service, §25.481. Unauthorized Charges, in relevant part.

(a) **Authorization of charges.** Any services offered by the retail electric provider (REP) that will be billed on the customer's electric bill shall be authorized by the customer consistent with this section.

(b) **Requirements for billing charges.** A REP shall meet all of the following requirements before including any charges on the customer's electric bill:

- (1) The REP shall inform the customer of the product or service being offered, including all associated charges, and explicitly inform the customer that the associated charges for the product or service will appear on the customer's electric bill.
- (2) The customer must clearly and explicitly consent to obtaining the product or service offered and to having the associated charges appear on the customer's electric bill. The REP shall document the authorization in accordance with §25.474 of this title (relating to Selection of Retail Electric Provider). The documentation of the authorization shall be maintained by the REP for at least 24 months.
- (3) The REP shall provide the customer with a toll-free telephone number the customer may call and an address to which the customer may write to resolve any billing dispute and to answer questions.

(c) **Responsibilities for unauthorized charges.**

(1) If a REP charges a customer's electric bill for any product or service without proper customer authorization, the REP shall promptly, but not later than 45 days thereafter:

- (A) discontinue providing the product or service to the customer and cease charging the customer for the unauthorized product or service;
- (B) remove the unauthorized charge from the customer's bill;
- (C) refund or credit to the customer the money that has been paid by the customer for any unauthorized charge, and if any unauthorized charge that has been paid is not refunded or credited within three billing cycles, pay interest at an annual rate established by the commission pursuant to §25.478(f) of this title (relating to Credit Requirements and Deposits) on the amount of any unauthorized charge until it is refunded or credited; and
- (D) upon the customer's request, provide the customer, free of charge, with all billing records under its control related to any unauthorized charge within 15 business days after the date of the removal of the charge from the customer's electric bill.

(2) A REP shall not:

- (A) seek to disconnect electric service to any customer for nonpayment of an unauthorized charge;
- (B) file an unfavorable credit report against a customer who has not paid charges that the customer has alleged were unauthorized unless the dispute regarding the unauthorized charges is ultimately resolved against the customer. The customer remains obligated to pay any charges that are not in dispute; or
- (C) re-bill the customer for any unauthorized charge.

(3) In the event that a REP erroneously files an unfavorable credit report against a customer who has not paid charges that the customer has alleged were unauthorized, the REP must correct the credit report without delay.

(4) A REP shall maintain for at least 24 months a record of every customer who has experienced any unauthorized charge for a product or service on the customer's electric bill and has notified the REP of the unauthorized charge. The record shall contain for each unauthorized charge:

- (A) the date the customer requested that the REP remove the unauthorized charge from the customer's electric bill;
- (B) the date the unauthorized charge was removed from the customer's electric bill; and
- (C) the date the customer was refunded or credited any money that the customer paid for the unauthorized charges.

(d) Notice to customers. Any bill sent to a residential and small commercial customer from a REP shall include a statement, prominently located on the bill, that if the customer believes the bill includes unauthorized charges, the customer should contact the REP to dispute such charges and, if not satisfied with the REP's review may file a complaint with the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326, (512) 936-7120 or toll-free in Texas at (888) 782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136.

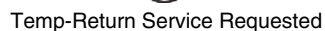
(e) Compliance and enforcement.

- (1) A REP shall provide proof of the customer's authorization and verification to the customer and/or the commission upon request.
- (2) A REP shall provide a copy of records maintained under the requirements of subsection (c)(4) of this section to the commission or commission staff upon request.

Full subchapter: <http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/25.481/25.481.pdf>

Appendix A.2.a.

Infinite Energy Texas Electric Invoice Examples, Fixed Rate Invoice



Account Inquiries: 1-877-604-3489 Hours: 8 AM to 5 PM CST, Monday - Friday

Service Address:

Account Number:

Account Name:

ESI ID:

Invoice Number:

Agreement End Date: 01/16/2015

Invoice Date: 05/21/2014

PUCT License Number: 10196

Invoice Date:

05/21/2014

Infinite Electric LLC DBA Infinite Energy

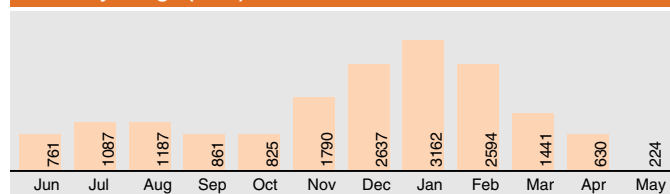
Due Date:

06/06/2014

Rate Type:

Fixed

Monthly Usage (kWh)



Important Messages & Account Notices

Electric Outage or Safety Issues (24/7): 1-888-313-4747
For more information about residential electric service, please visit www.powertochoose.com

Pay your bills online at www.infiniteenergy.com

Summary of Charges	Amount
Previous Balance	\$93.43
Payments Received	-\$93.43
Balance Forward	\$0.00
Current Charges	\$3.18
Subtotal:	\$3.18
Amount Due to Infinite Energy:	\$3.18

The average price you paid for electric service this month was 0.3¢ per kWh.

Deposit Balance	Previous Balance	Payments Received	Deposit Due	Current Charges	Amount Due
\$0.00	\$93.43	-\$93.43		\$3.18	\$3.18

LATE FEE REMINDER: A ONE TIME FEE OF 5% WILL BE APPLIED TO ANY CURRENT CHARGE, WHICH IS UNPAID BY THE PAYMENT DUE DATE.
RETURNED PAYMENTS: A \$30.00 FEE IS CHARGED FOR ALL RETURNED PAYMENTS

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Please tear off this portion and return it with your payment in the enclosed envelope.



Amount from Payment
To Donate (\$1, \$5, \$10)

\$		
----	--	--

Payment Amount

\$ _____

Customer Number:

Payment Due Date:

06/06/2014

Please check appropriate box if applicable:

☐

Name, Address, Email or Phone changes on back

9

Correspondence enclosed

Total Amount Due

\$3.18

Please enter your Customer Number on all remittances and make your check payable to: Infinite Energy. Cash **not** accepted

Infinite Energy
Payment Center
P.O. Box 660905
Dallas, TX 75266-0905



060203008579662658140506061400000003182

IEI NY PSC 34 06/02/2014



Current Meter Read	Previous Meter Read	Meter Multiplier	Total Usage (kWh)
73220	72821	1.0000	399.0000

Current Electricity Charges Detail for Invoice Number [REDACTED]			Actual Charges
Energy Charge ACTUAL PERIOD	399 kWh @ \$0.096028 04/17/2014 - 05/19/2014		\$38.32
LITE-UP Discount	399 kWh @ \$0.118100 04/17/2014 - 05/19/2014		-\$47.12
Service Fee			\$9.95
Miscellaneous Gross Receipts Tax Reimbursement			\$0.96
PUC Assessment			\$0.08
Sales Tax	2.00%		\$0.99
		Current Charges	\$3.18

Customers with a variable priced product may contact Infinite Energy at 877-674-3489 to obtain rate information for their next invoice cycle.

Estimated Period: In the event no meter read is provided by the TDSP at the time your invoice is issued, we may issue you an invoice based on your estimated usage for the invoicing period. This period will be identified on your invoice as an "Estimated Period" and will be adjusted accordingly once actual meter reads are provided.

Amount From Payment to Donate: Infinite Energy is proud to offer the community an invoice payment assistance program that provides assistance to Infinite Energy customers who are experiencing a hardship situation and need help paying their energy invoices. This program is funded by customer contributions. This donation may be added to your total payment or a separate payment may be submitted. Please write the amount of your donation in the space provided. All donations are tax deductible.

Contacting Infinite Energy: If you have any questions, concerns regarding your account or believe there are unauthorized charges on your invoice, please contact Infinite Energy Customer Service M - F 8AM - 5PM CST for assistance. If, after contacting Infinite Energy first, you are not completely satisfied with our findings, you have the right to file a complaint with the PUCT. You may contact the PUCT locally by calling (512) 936-7120, or toll free in Texas at (888) 782-8477. You may also contact the PUCT by mail--see below for the address. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136.

Conditional Payments: Any form of payment You send to Infinite Energy for less than the full balance due, which is marked paid in full or is tendered as full satisfaction of the balance, may be treated, in Infinite Energy's sole discretion, as (a) a partial payment on your account or (b) improper payment and refused by Infinite Energy by either returning it to You, not cashing it, or destroying it. Infinite Energy reserves all rights concerning these payments.

MoneyGram ExpressPayment®: You can pay your invoice with Cash by using any MoneyGram ExpressPayment® service. You can call (800) 555-3133 for locations. The following information is necessary to make a payment: (1) Your Infinite Energy **CUSTOMER NUMBER** (2) **RECEIVE CODE: 7372**.

Standard Payment Address	Overnight Payment Address	Public Utility Commission of Texas (PUCT)
Infinite Energy Payment Center P.O. Box 660905 Dallas, TX 75266-0905	First Data/REMITCO Infinite Electric, Box# 660905 1010 W. Mockingbird Ln, Suite 100 Dallas, TX 75247	Public Utility Commission of Texas P.O. BOX 13326 Austin, TX 78711-3326

Phone	Fax	Email	Web
(877) 604-3489	(866) 427-7845	customerservice@infiniteenergy.com	www.infiniteenergy.com

Infinite Energy, 7001 SW 24th Ave, Gainesville, FL 32607

page 2

If you have entered information below, you must fill in the box on the front of this return payment coupon. Thanks!

Please Change Name or Mailing Address To:		Payment Options:
<input type="checkbox"/> Check here if your change of address is due to a move		By mail, send check or money order (cash not accepted) to: Infinite Energy Payment Center P.O. Box 660905 Dallas, TX 75266-0905
New Email Address:		
New Telephone Number:		

Appendix A.2.b.

Infinite Energy Texas Electric Invoice Examples, Fixed Rate Invoice



Current Meter Read	Previous Meter Read	Meter Multiplier	Total Usage (kWh)
24584	24028	1.0000	556.0000

Current Electricity Charges Detail for Invoice Number [REDACTED]			Actual Charges
Average Energy Charge ACTUAL PERIOD	556 kWh @ \$0.100764 04/17/2014 - 05/19/2014		\$56.02
LITE-UP Discount	556 kWh @ \$0.118100 04/17/2014 - 05/19/2014		-\$65.66
TDU Metering & Customer Charge	04/17/2014 - 05/19/2014		\$5.25
TDU Delivery Charges ACTUAL PERIOD	556 kWh @ \$0.032212 04/17/2014 - 05/19/2014		\$17.91
Service Fee			\$5.95
Miscellaneous Gross Receipts Tax Reimbursement			\$1.68
PUC Assessment			\$0.14
Sales Tax	2.00%		\$1.72
		Current Charges	\$23.01

Customers with a variable priced product may contact Infinite Energy at 877-674-3489 to obtain rate information for their next invoice cycle.

Estimated Period: In the event no meter read is provided by the TDSP at the time your invoice is issued, we may issue you an invoice based on your estimated usage for the invoicing period. This period will be identified on your invoice as an "Estimated Period" and will be adjusted accordingly once actual meter reads are provided.

Amount From Payment to Donate: Infinite Energy is proud to offer the community an invoice payment assistance program that provides assistance to Infinite Energy customers who are experiencing a hardship situation and need help paying their energy invoices. This program is funded by customer contributions. This donation may be added to your total payment or a separate payment may be submitted. Please write the amount of your donation in the space provided. All donations are tax deductible.

Contacting Infinite Energy: If you have any questions, concerns regarding your account or believe there are unauthorized charges on your invoice, please contact Infinite Energy Customer Service M - F 8AM - 5PM CST for assistance. If, after contacting Infinite Energy first, you are not completely satisfied with our findings, you have the right to file a complaint with the PUCT. You may contact the PUCT locally by calling (512) 936-7120, or toll free in Texas at (888) 782-8477. You may also contact the PUCT by mail--see below for the address. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136.

Conditional Payments: Any form of payment You send to Infinite Energy for less than the full balance due, which is marked paid in full or is tendered as full satisfaction of the balance, may be treated, in Infinite Energy's sole discretion, as (a) a partial payment on your account or (b) improper payment and refused by Infinite Energy by either returning it to You, not cashing it, or destroying it. Infinite Energy reserves all rights concerning these payments.

MoneyGram ExpressPayment®: You can pay your invoice with Cash by using any MoneyGram ExpressPayment® service. You can call (800) 555-3133 for locations. The following information is necessary to make a payment: (1) Your Infinite Energy **CUSTOMER NUMBER** (2) **RECEIVE CODE: 7372**.

Standard Payment Address	Overnight Payment Address	Public Utility Commission of Texas (PUCT)
Infinite Energy Payment Center P.O. Box 660905 Dallas, TX 75266-0905	First Data/REMITCO Infinite Electric, Box# 660905 1010 W. Mockingbird Ln, Suite 100 Dallas, TX 75247	Public Utility Commission of Texas P.O. BOX 13326 Austin, TX 78711-3326

Phone	Fax	Email	Web
(877) 604-3489	(866) 427-7845	customerservice@infiniteenergy.com	www.infiniteenergy.com

Infinite Energy, 7001 SW 24th Ave, Gainesville, FL 32607

page 2

If you have entered information below, you must fill in the box on the front of this return payment coupon. Thanks!

Please Change Name or Mailing Address To:		Payment Options:
<input type="checkbox"/> Check here if your change of address is due to a move		By mail, send check or money order (cash not accepted) to: Infinite Energy Payment Center P.O. Box 660905 Dallas, TX 75266-0905
New Email Address:		
New Telephone Number:		

Appendix B

Texas Power to Choose Website and Customer Experience, Including Sample Enrollment

Step 1 – Texas Power to Choose Website – Customer Enters their Zip Code



Additional Web Pages Available from Texas Power to Choose:

Buying Renewable Power & Distributed Generation Offers

<http://www.powertochoose.org/en-us/Content/Resource/Selling-Renewable-Power>

Business (Non-Residential) Customer Information

<http://www.powertochoose.org/en-us/Content/Resource/Business-Non-Residential>

Texas Electric FAQ

PUCT: <http://www.puc.texas.gov/consumer/facts/Facts.aspx>

PtC: <http://www.powertochoose.org/en-us/Content/Resource/FAQ>

Texas Electric Glossary

<http://www.powertochoose.org/en-us/Content/Resource/Glossary>

Smart Meter Texas

<https://www.smartmetertexas.com/CAP/public/index.html>

Step 2 – Texas Power to Choose Website – Search Results

75001

REFRESH RESULTS

TDU Area

ONCOR ELECTRIC DELIVERY

Estimated Use

1,001 - 2,000 kWh

Price/kWh

¢ to ¢

Contract Length

mo to mo

Plan Type

☒ Fixed Rate
☐ Variable (Changing Rate)
☐ Indexed (Market Rate)

Prepaid Plans

☒ Show All Plans
☐ Show Only Prepaid Plans
☐ Do Not Show Prepaid Plans
☐ Show Only Prepaid Plans
☐ Do Not Show Prepaid Plans

Time Of Use Plans

☒ Show All Plans
☐ Show Only Time Of Use Plans
☐ Do Not Show Time Of Use Plans

Company Scores

☐
☐
☐
☐
☐

Renewable Energy

N/A

Electric Companies

ALL

REFRESH RESULTS

1-10 OF 199

1 2 3 ...

SORT BY PRICE/kWh

VIEW 10 PER PAGE

COMPARE	Company	Plan Details	Price/kWh	Pricing Details	Ordering Info
	 COMPLIANCE SCORE HISTORY	- Value 12 - Fixed Rate - 12 Months - 0% Renewable	1,000 kWh 9.2¢ 500 kWh 11.4¢ 2000 kWh 9.1¢	Minimum Usage Fees / Credits Cancellation Fee: \$149.00 Fact Sheet Terms of Service	Special Terms (877) 909-7693 OR SIGN UP
	 COMPLIANCE SCORE HISTORY	- Value 24 - Fixed Rate - 24 Months - 0% Renewable	1,000 kWh 9.2¢ 500 kWh 11.4¢ 2000 kWh 9.1¢	Minimum Usage Fees / Credits Cancellation Fee: \$149.00 Fact Sheet Terms of Service	Special Terms (877) 909-7693 OR SIGN UP
	 COMPLIANCE SCORE HISTORY	- Charitable Saver 24 - Fixed Rate - 24 Months - 10% Renewable	1,000 kWh 9.3¢ 500 kWh 11.9¢ 2000 kWh 10.1¢	Minimum Usage Fees / Credits Cancellation Fee: \$20 per month remaining Fact Sheet Terms of Service	Special Terms (855) 784-2426 OR SIGN UP
	 COMPLIANCE SCORE HISTORY	- Pollution Free Conserve - Reliable Rate - Fixed Rate - 12 Months - 100% Renewable	1,000 kWh 9.3¢ 500 kWh 9.8¢ 2000 kWh 11.2¢	Minimum Usage Fees / Credits Cancellation Fee: \$200.00 Fact Sheet Terms of Service	Special Terms (855) 965-2186 OR SIGN UP
	 COMPLIANCE SCORE HISTORY	- Online Look 24 - Fixed Rate - 24 Months	1,000 kWh 9.3¢ 500 kWh 12.1¢ 2000 kWh 9.3¢	Minimum Usage Fees / Credits Cancellation Fee: \$175.00 Fact Sheet Terms of Service	Special Terms (877) 261-1024 OR SIGN UP
	 COMPLIANCE SCORE HISTORY	- Online Look 24 - Fixed Rate - 24 Months - 6% Renewable	1,000 kWh 9.3¢ 500 kWh 12.1¢ 2000 kWh 9.3¢	Minimum Usage Fees / Credits Cancellation Fee: \$175.00 Fact Sheet Terms of Service	Special Terms (877) 261-1024 OR SIGN UP
	 COMPLIANCE SCORE HISTORY	- Spirit Of Texas AutoPay E-Plan - Fixed Rate - 12 Months - 6% Renewable	1,000 kWh 9.4¢ 500 kWh 12.1¢ 2000 kWh 9.1¢	Minimum Usage Fees / Credits Cancellation Fee: \$175.00 Fact Sheet Terms of Service	Special Terms (866) 941-7975 OR SIGN UP
	 COMPLIANCE SCORE HISTORY	- Spirit Of Texas AutoPay E-Plan - Fixed Rate - 24 Months - 6% Renewable	1,000 kWh 9.4¢ 500 kWh 12.1¢ 2000 kWh 9.1¢	Minimum Usage Fees / Credits Cancellation Fee: \$175.00 Fact Sheet Terms of Service	Special Terms (866) 941-7975 OR SIGN UP
	 COMPLIANCE SCORE HISTORY	- Source Secure Fixed 24 - Fixed Rate - 24 Months - 5% Renewable	1,000 kWh 9.4¢ 500 kWh 12.9¢ 2000 kWh 9.1¢	Minimum Usage Fees / Credits Cancellation Fee: \$150.00 Fact Sheet Terms of Service	Special Terms (888) 557-0065 OR SIGN UP
	 COMPLIANCE SCORE HISTORY	- Charitable Saver 12 - Fixed Rate - 12 Months - 10% Renewable	1,000 kWh 9.4¢ 500 kWh 12¢ 2000 kWh 10.2¢	Minimum Usage Fees / Credits Cancellation Fee: \$20 per month remaining Fact Sheet Terms of Service	Special Terms (855) 784-2426 OR SIGN UP
	 COMPLIANCE SCORE HISTORY	- Champ Saver-3 - Fixed Rate - 3 Months - 11% Renewable	1,000 kWh 9.4¢ 500 kWh 11.3¢ 2000 kWh 9.1¢	Minimum Usage Fees / Credits Cancellation Fee: \$150.00 Fact Sheet Terms of Service	Special Terms (877) 653-5090 OR SIGN UP

1-10 OF 199

1 2 3 ...

SORT BY PRICE/kWh

VIEW 10 PER PAGE



[About Us](#) [Careers](#) [Conti](#)

1 Utility 2 Rate 3 Service Information 4 Summary 5 Confirmation

► Online Sign Up

2 Rate

Have a Question?
(877) 674-3489

Utility:
Oncor

PROMOTION CODE:

If you have a promotion code, please enter it below

<p>★ The All-Inclusive 12 mo</p> <p>Term: 12 months</p> <p>10.3¢ /kWh (Total Average Price*)</p> <hr/> <p>Electricity Facts Label Terms of Service Your Rights as a Customer</p> <hr/> <p>► Select Rate</p>	<p>★ The All-Inclusive 24 mo</p> <p>Term: 24 months</p> <p>10.1¢ /kWh (Total Average Price*)</p> <hr/> <p>Electricity Facts Label Terms of Service Your Rights as a Customer</p> <hr/> <p>► Select Rate</p>
<p>The All-Inclusive 3 mo</p> <p>Term: 3 months</p> <p>10.3¢ /kWh (Total Average Price*)</p> <hr/> <p>Electricity Facts Label Terms of Service Your Rights as a Customer</p> <hr/> <p>► Select Rate</p>	<p>The All-Inclusive 6 mo</p> <p>Term: 6 months</p> <p>11.4¢ /kWh (Total Average Price*)</p> <hr/> <p>Electricity Facts Label Terms of Service Your Rights as a Customer</p> <hr/> <p>► Select Rate</p>
<p>The All-Inclusive 3 mo</p> <p>Term: 3 months</p> <p>10.3¢ /kWh (Total Average Price*)</p> <hr/> <p>Electricity Facts Label Terms of Service Your Rights as a Customer</p> <hr/> <p>► Select Rate</p>	<p>The All-Inclusive 6 mo</p> <p>Term: 6 months</p> <p>11.4¢ /kWh (Total Average Price*)</p> <hr/> <p>Electricity Facts Label Terms of Service Your Rights as a Customer</p> <hr/> <p>► Select Rate</p>
<p>The All-Inclusive 9 mo</p> <p>Term: 9 months</p> <p>10.6¢ /kWh (Total Average Price*)</p> <hr/> <p>Electricity Facts Label Terms of Service Your Rights as a Customer</p> <hr/> <p>► Select Rate</p>	<p>The All-Inclusive 18 mo</p> <p>Term: 18 months</p> <p>10.5¢ /kWh (Total Average Price*)</p> <hr/> <p>Electricity Facts Label Terms of Service Your Rights as a Customer</p> <hr/> <p>► Select Rate</p>

1

2

3

4

5

UtilityRateService InformationSummaryConfirmation

Online Sign Up

3

Service Information

Have a Question?
(577) 874-3489

UTILITY:
Oncor

RATE:
The All-Inclusive 12 mo
Term: 12 months
10.3¢ /kWh

Current Service

☐ Move-In
My electricity is currently off or I do not have service in my name and need to establish service

☐ Standard Switch
I would like to change my electric service from a different provider to Infinite Energy as soon as possible.

☐ Self-Selected Switch
I would like to change my electric service from a different provider to Infinite Energy on a specific date of my choosing.

ESI-ID (OPTIONAL):

AUTHORIZED REP (OPTIONAL):

LANGUAGE PREFERENCE:

English

Contact Information

FIRST NAME:

LAST NAME:

EMAIL:

CONFIRM EMAIL:

PHONE:

Credit Check

SOCIAL SECURITY NUMBER:

DATE OF BIRTH:

Service Address

ADDRESS 1:

ADDRESS 2:

ADDISON, TX 75001

Billing Address

☐ My billing address is different than the service address



► Online Sign Up

4 Summary

Have a Question?
(877) 674-3489

UTILITY:

Oncor

SERVICE TYPE:

switch

LANGUAGE PREFERENCE:

ENGLISH

UTILITY:

Oncor

RATE:

The All-Inclusive 12 mo

Term: 12 months

10.3¢ /kWh

NAME:

Richard - TEST Paez - TEST

EMAIL:

RFPaez@InfiniteEnergy.com

PHONE:

(123) 456 - 7890

SOCIAL SECURITY NUMBER:

214 - 23 - 4949

DATE OF BIRTH:

05/25/1979

SERVICE ADDRESS:

123 Main Street

ADDISON, TX 75001

BILLING ADDRESS:

123 Main Street

ADDISON, TX 75001

REFERRAL:

Utility/Commission Site

Authorization & Verification to Terms & Conditions

By clicking the Next button below, you agree to the following:

- You are legally authorized to enter an agreement for electric service and to change retail electric providers (REPs) for the locations listed. You have read and understood the [Terms of Service \(TOS\)](#), [Electricity Facts Label](#), and [Your Rights as a Customer](#).
- You authorize Infinite Energy to perform a credit check to determine if a deposit is required. If required, your total deposit requirement will not exceed \$250.
- If you are switching REPs, you have the right to review and rescind the TOS without penalty within three federal business days of receiving the mailed TOS, which you shall be receiving in approximately 4 to 7 days. You may exercise this right by contacting Infinite Energy at (877) 604-3489, www.InfiniteEnergy.com, or Care@InfiniteEnergy.com.
- You understand that early termination fees may apply depending on your service plan: You understand that a \$150 early termination fee will apply during the plan term.
- If you experience a service outage any time during your agreement, please contact your TDU: Oncor (888) 313-4747.

☐ By checking this box, you affirm that you understand and agree to all of the above.

☐ By checking this box, you affirm that you wish to change from your current REP to Infinite Energy and that you designate Infinite Energy to perform the tasks necessary to complete a switch or move-in for your service with Infinite Energy.

*Rates are the average price per kWh based on monthly usage of 2000 kWh. Your actual price for electricity service may be different depending on how and when you use electricity. See the Electricity Facts Label for additional pricing information.

Back

Cancel

Next



► Online Sign Up

5 Confirmation



Thank you for choosing Infinite Energy. Based on the information in your credit history, you have been approved for service without a deposit.

We will attempt to honor the start date you requested, but the date is subject to acceptance by your utility.

We have sent a confirmation to the email address you provided. This e-mail will also contain links to our terms of service and your rights as a customer.

If you are switching your service to Infinite Energy from another REP, you have the right to rescind this agreement without cancellation fees within three federal business days after receiving the agreement. You may exercise this right by contacting Infinite Energy by phone at (877) 604-3489, by e-mail at Care@InfiniteEnergy.com, at www.InfiniteEnergy.com, by fax (866) 427-7845 or by U.S. Mail at 7001 SW 24th Avenue, Gainesville, FL 32607.

It may take up to one business day to receive your account number and information via e-mail. We appreciate your choosing Infinite Energy and are available to answer any questions you may have.

[NJ & NY Disclosures](#) | [Privacy](#) | [Disclaimer](#)

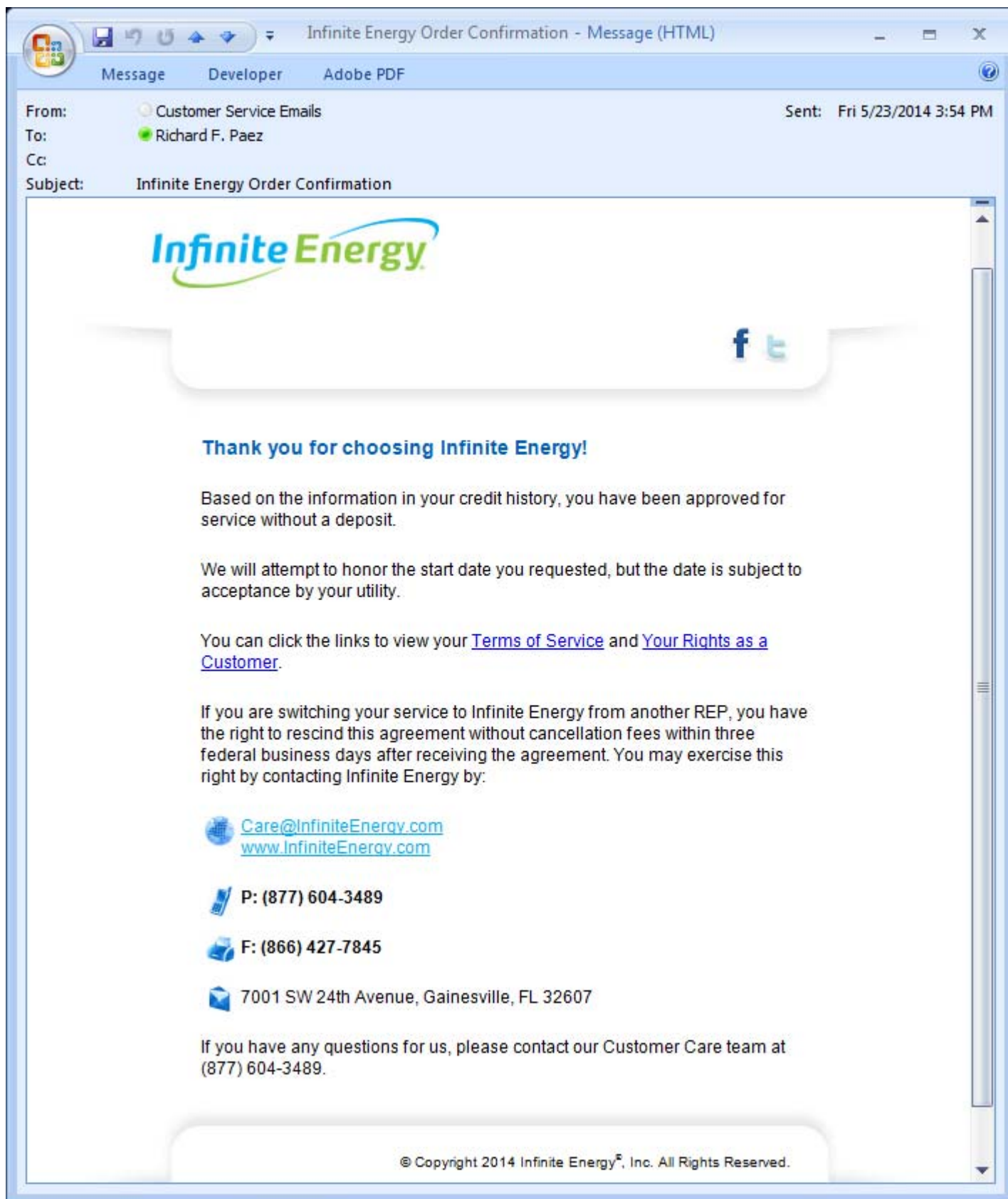
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Infinite Electric, LLC d/b/a Infinite Energy (TX PUC REP Certification #10196)

Infinite Energy, Inc. d/b/a Intelligent Energy in New York and New Jersey (NJ BPU #GSL-0076)



Step 7 – Example Online Enrollment – Customer Confirmation Email



Narrow Your Search

1. Average Monthly Use

2. Plan Types

3. Contract Length

4. Shopping FAQs

252 PLANS FOUND FOR 75001

I. ON AVERAGE, HOW MUCH ELECTRICITY DO YOU USE IN A MONTH?

SELECT YOUR USAGE

NEXT

View plans

DID YOU KNOW?

- Check past bills to estimate your average electricity use. Usage may be higher during very hot or cold months, so look at several bills to get an idea of your average usage.
- A kilowatt-hour is equivalent to 1 kilowatt (1kW) of power used for 1 hour (1h) of time. One 100-watt light bulb burning for 10 hours uses 1,000 watt-hours or 1 kilowatt-hour.
- Most households use an average of 1,000 kWh per month.
- The total amount of electricity used per month can affect the rate you pay.
- Many electric companies require that you use a minimum amount of electricity each month. Our shopping tool allows you to see if a company requires a minimum usage and if there is an associated fee or credit.

IEI_NY_PSC_46_06/02/2014

Narrow Your Search

1. Average Monthly Use

2. Plan Types

3. Contract Length

4. Shopping FAQs

252 PLANS FOUND FOR 75001

2. WHAT PLAN TYPES ARE YOU INTERESTED IN?

☐ Fixed Rate

☐ Variable (Changing Rate)

☐ Indexed (Market Rate)

NEXT >

View plans >

DID YOU KNOW?

- **Fixed-Rate Plan** A fixed-rate plan has a set rate that doesn't change throughout the contract period, with minor exceptions. If you choose a plan with a fixed rate, your price per kWh will not change during your contract period except for changes in Transmission and Distribution fees, changes in ERCOT or Texas Regional Entity administrative fees, or changes resulting from federal, state or local laws that impose fees beyond your REP's control. This may help your household budgeting, but if market prices fall you may have to wait until your contract ends to enjoy a lower price.
- **Indexed Rate Plan** An indexed rate plan (also called market rate plan) is similar to a variable plan in that the price per kWh can go up or down each month. The difference is that the rates for these plans are directly tied to a pricing formula connected to a publicly available index. If the index rises, your monthly rate will also, but if the index falls, your rates will be lower.

With an indexed plan, the price per kWh can change substantially each month, giving benefits and risks similar to those of variable rate plans. The difference is that the rates for indexed rate plans are tied to a publicly available index. Customers considering these plans should ask the electric company for specifics about the pricing formula as well as how and when they will receive notifications of changes to the index.
- **Variable Rate Plans** Variable rate plans have no monthly contract or cancellation fee, but the rate you pay per kWh can vary from month to month. Your rate can go up or down based on the market and the discretion of your electric company. Variable plans allow customers to benefit from falling market prices, but they also have an increased risk for higher rates if electricity prices spike due to natural disasters, cold winters, or adverse market conditions. The rates different companies charge each month varies, but because customers can switch any time, companies have an incentive to keep their rates low.

Narrow Your Search

1. Average Monthly Use 2. Plan Types 3. Contract Length 4. Shopping FAQs

135 PLANS FOUND FOR 75001

3. HOW LONG DO YOU WANT YOUR CONTRACT TO LAST?

to months

NEXT >

[View plans >](#)

DID YOU KNOW?

- If you choose a plan with a long contract period, you may be subject to an early cancellation fee if you decide to change plans prior to the expiration of the contract period.
- Plans that are shorter give you more flexibility to switch, but they only lock in your set rate for a short amount of time.
- Month-to-Month plans are usually Variable or Indexed offers.

Narrow Your Search

1. Average Monthly Use 2. Plan Types 3. Contract Length 4. Shopping FAQs

135 PLANS FOUND FOR 75001

ABOUT MINIMUM ELECTRICITY USAGE

Many plans require you to use a minimum amount of electricity each month. If you use less than the minimum amount, you will automatically be charged a fee, sometimes called a “minimum usage charge.” This fee may or may not be listed separately on your monthly bill, so it is important to check the electricity facts label for your plan. Not all companies charge this fee or require you to use a minimum amount each month. Some companies offer credits or waivers of other fees for using a certain amount of electricity. Our shopping tool allows you to see if a company requires a minimum electricity usage and if there is an associated fee or credit.

VIEW PLANS >

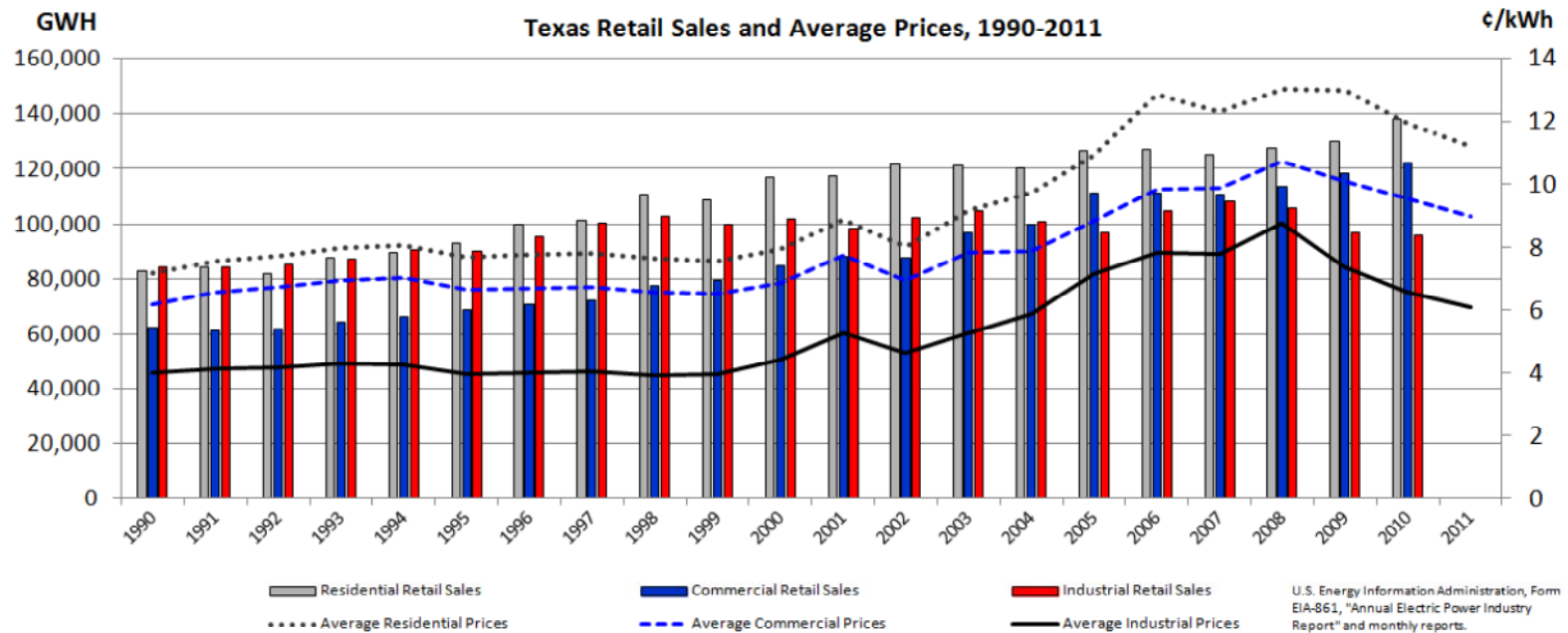
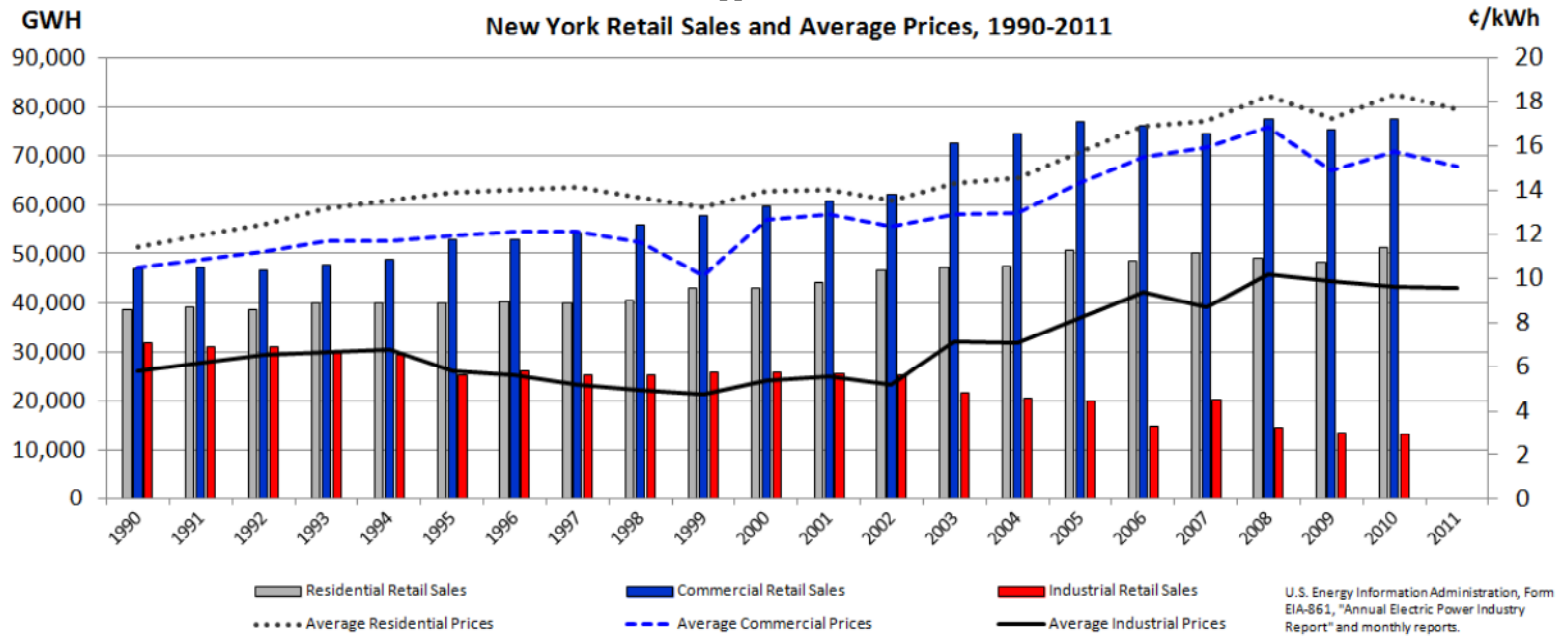
THINGS TO KEEP IN MIND WHILE YOU SHOP:

- > Does the rate include all costs?
- > Does the plan require a minimum electricity usage?
- > What are my payment options?
- > What happens when my contract period expires?
- > What if I miss a payment?
- > Is there a penalty if I break the contract?
Most fixed rate contracts have a penalty for switching to another company. Check with the company to find out the penalties or check the terms of service agreement for the plan in which you are interested.
- > Money Saving Tips

Appendix C

- 1. Price Comparison and Cold Weather Impact Charts and Tables**
- 2. Switching Rates and Power to Choose Web Traffic to Eligible Customer Comparison**
- 3. ABACCUS “Summary of Best Practices”**

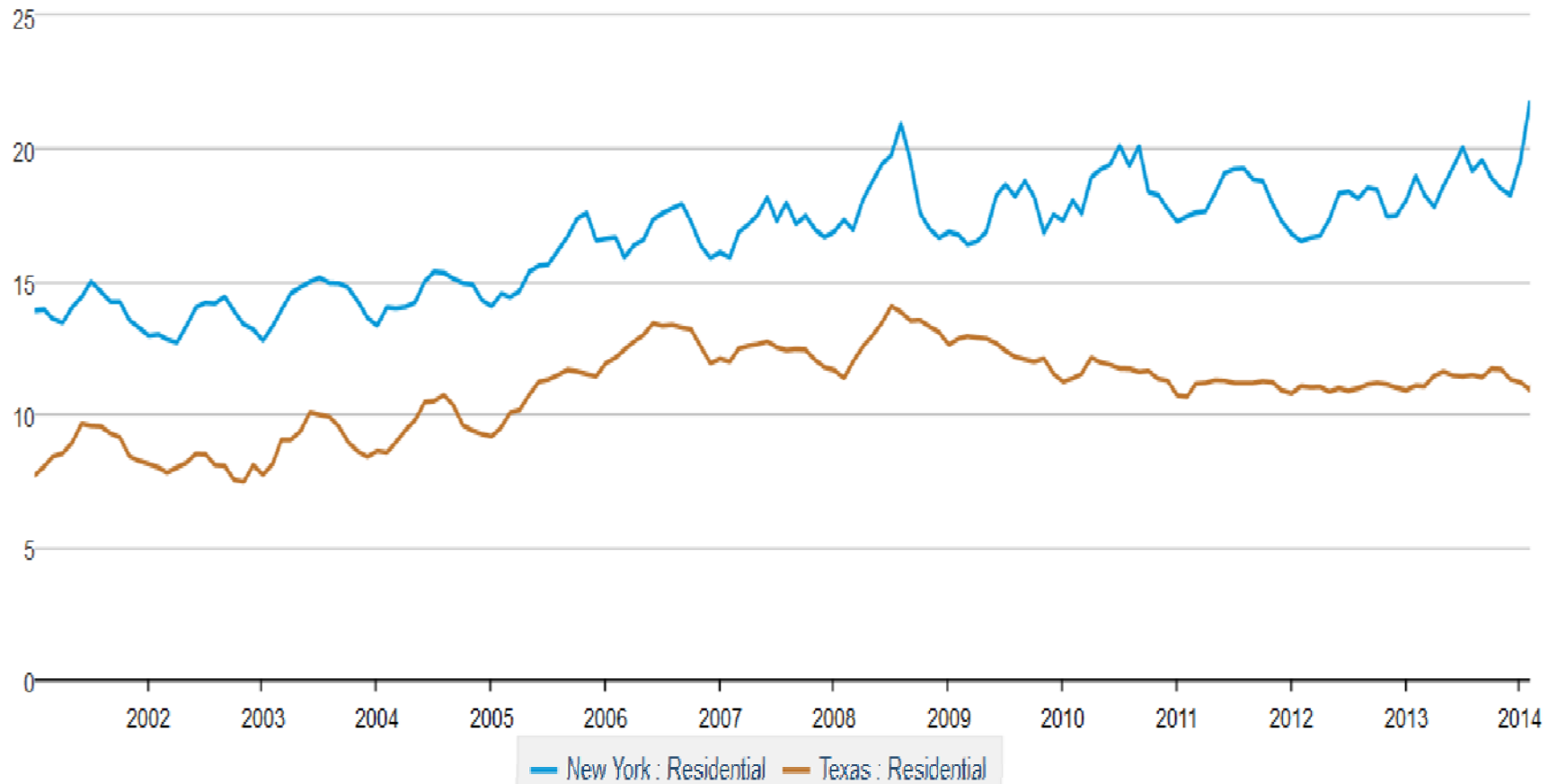
Appendix C.1.



Average Retail Price of Electricity, Monthly

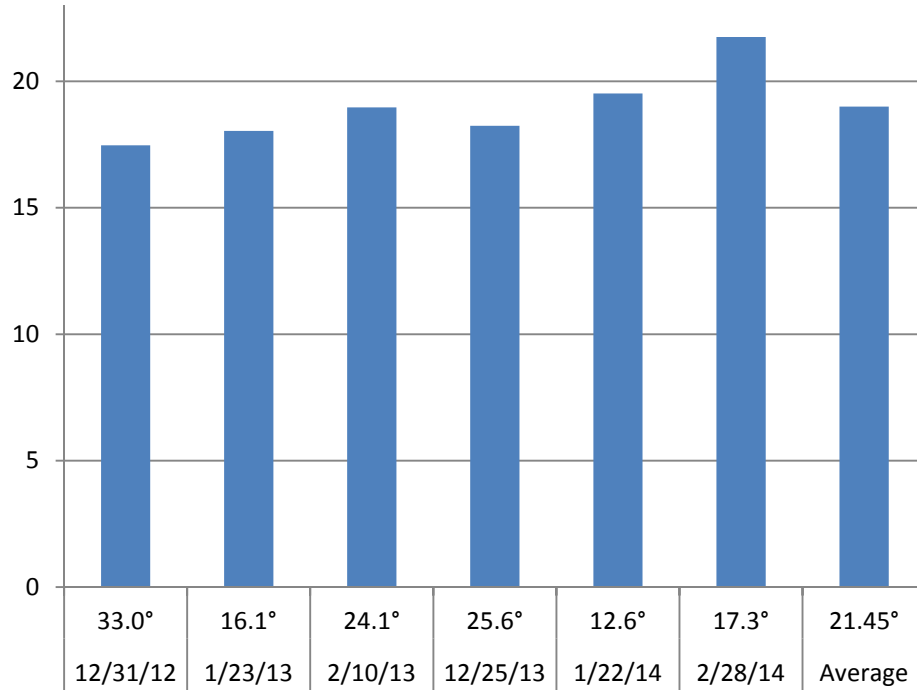


Cents per Kilowatthour

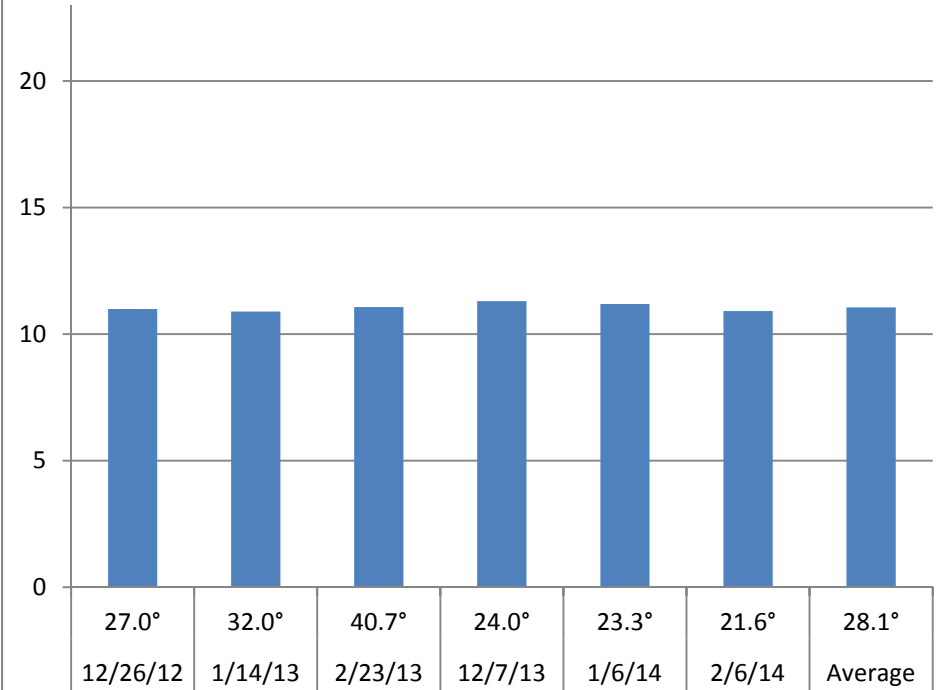


Data source: U.S. Energy Information Administration

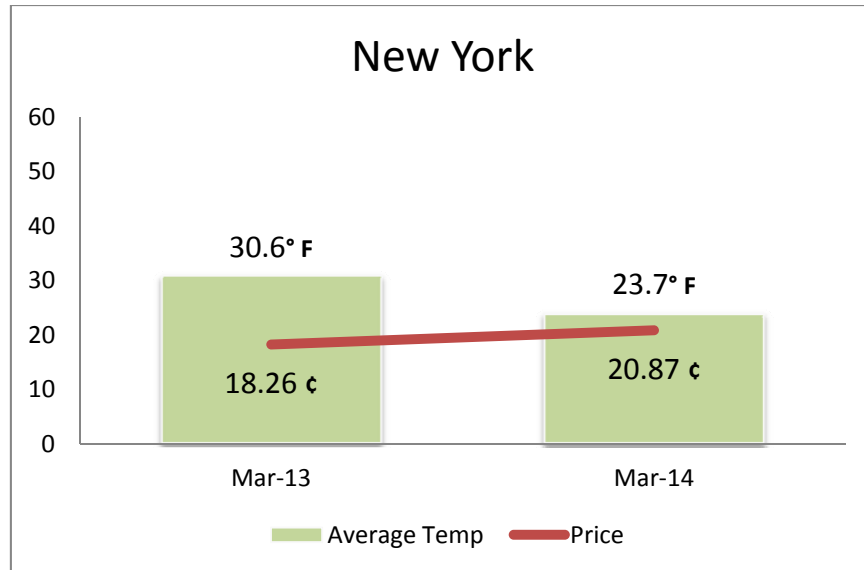
Average Residential Price of Electricity ¢/kWh New York City



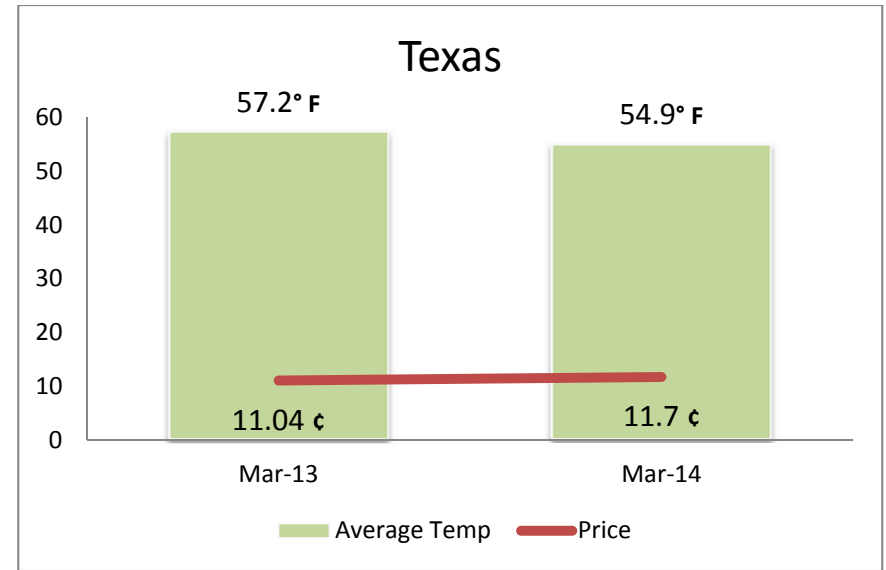
Average Residential Price of Electricity ¢/kWh Dallas TX



Average March 2013 and 2014 Temperature and Residential Electric Prices – New York and Texas

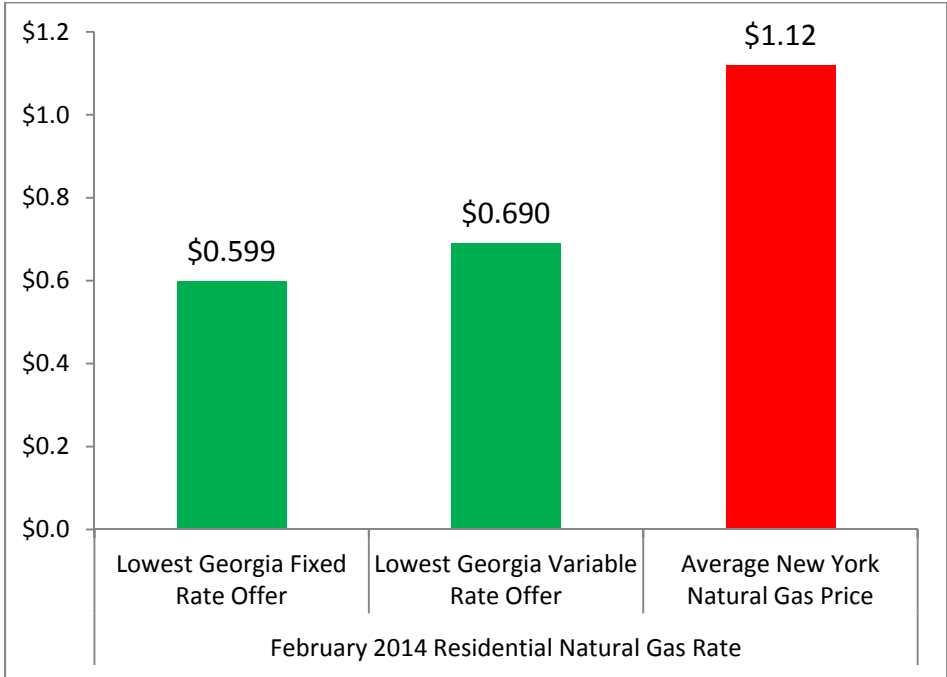


New York State average temperature 45.4° F



Texas State average temperature 64.8° F

Comparison of Competitive Georgia Natural Gas Offers to New York Average Price



Sources for Appendix C1:

Pricing

U.S. Energy Information Administration
<http://www.eia.gov/electricity/data/browser/#/topic/7?agg=0>
http://www.eia.gov/dnav/ng/ng_pri_rescom_a_EPG0_PRS_DMcf_m.htm

Georgia Public Service Commission February 2014 Pricing Chart
<http://www.psc.state.ga.us/content.aspx?c=/gas-marketer-pricing/>

EIA Average Price of Natural Gas Delivered to Residential Consumers
http://www.eia.gov/dnav/ng/ng_pri_rescom_a_EPG0_PRS_DMcf_m.htm

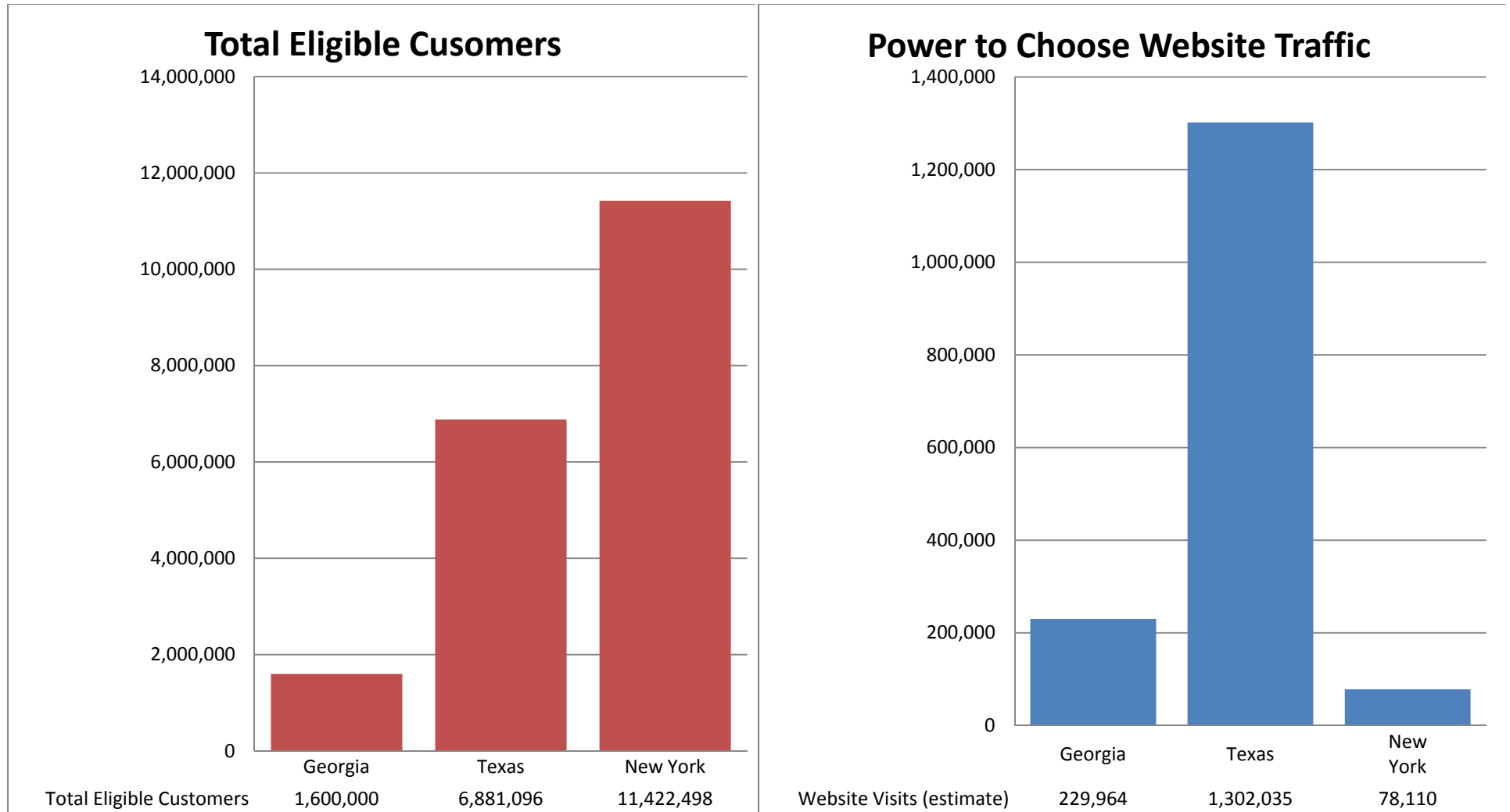
Average Temperature Data

Average Daily Temperature Archive, University of Dayton
<http://academic.udayton.edu/kissock/http/Weather/citylistUS.htm>

National Climactic Data Center
<http://www.ncdc.noaa.gov/temp-and-precip/>
<http://www.currentresults.com/Weather/US/average-annual-state-temperatures.php>

Appendix C.2.

The following charts compare the number of shopping-eligible customers in New York, Texas, and Georgia to the internet traffic for each state's shopping website. While New York has more shopping-eligible customers than Texas and Georgia combined, the internet traffic for Georgia's website is nearly triple that of New York's, while the Texas site sees nearly seventeen times as many visitors.



Jurisdictions with Significant Levels of Residential Customer Switching

Jurisdiction	Residential Switching
Texas ¹⁵	100.0%
Connecticut	44.1%
Ohio ¹⁶	42.2%
Alberta	35.4%
Pennsylvania	31.5%
New York	22.7%
Illinois ¹⁵	22.4%
Maryland	22.1%
Maine	21.6%
Massachusetts ¹⁵	14.3%
New Jersey	14.3%
District of Columbia	12.3%

Eligible customer statistics compiled from the following:

- New York Electric Retail Access Migration Data for June 2013
- New York Natural Gas Retail Access Migration Data for April 2012
 - <http://www3.dps.ny.gov/W/PSCWeb.nsf/ArticlesByTitle/441D4686DF065C5585257687006F396D?OpenDocument>
- Texas Summary of Performance Measure Data, December 2013
 - <http://www.puc.texas.gov/industry/electric/reports/RptCard/Default.aspx>
- Georgia PSC 2013 Annual Report
 - <http://www.psc.state.ga.us/pscinfo/thepsc.asp>

Website traffic statistics compiled using data from URL Metrics (<http://urlm.co/>) for the following websites:

- www.PowertoChoose.org
- www.NewYorkPowertoChoose.com
- <http://www.psc.state.ga.us/content.aspx?c=/gas-marketer-pricing/>

³⁵ The jurisdictions use different definitions for switching; therefore, these data are not strictly comparable. Switching refers, in general, to net movement away from the incumbent provider or default service provider. Georgia information is not included as the ABACCUS report is exclusive to electricity.

Appendix C.3.

ABACCUS Summary of Best Practices

Every jurisdiction must adopt and support a strong preference for workable competition in retail energy sales. There must be a commitment at every level of government to give the appropriate opportunities to entrepreneurs. At the highest level, there must be a commitment to:

- Adopt and support a strong preference for workable competition in retail energy sales
- Unbundle rates and services to open opportunities for new service providers
- Create a code of conduct to govern interactions between regulated entities and affiliates
- Educate residential consumers and make information about power markets accessible
 - Create a comprehensive education plan that reflects how far the markets have progressed
 - Create a Website for residential consumers that is easy to use, up-to-date and includes comparison data (price, fixed-price contract term, renewable content, deposit/cancellation fees)
- Reform default service in the near term
 - Make default service pricing more market reflective; that is, use competitive power procurement with multiple, short-term auctions; align the default service rates with market prices
 - Make the default service price known in advance of its effective date (greater transparency and predictability)
 - Allow competitive suppliers to provide default service instead of the incumbent utilities
 - Provide C&I default service to small- to medium-sized commercial consumers; default service is not necessary for the largest C&I consumers
 - Limit residential default service pricing to basic (plain vanilla) service; let the market offer choices
- Phase out default service
 - A plan to phase out default service is essential. It must reflect the realities of each jurisdiction. No two plans would be the same as each jurisdiction must be mindful of past decisions

Source: ABACCUS 2012 Report, defgllc.com/publication/2012-abaccus-electricity-restructuring-scorecard/

Appendix D

Energy-Related Value-Added Services

There is currently no definition by the New York Public Service Commission with respect to energy-related value-added services, nor has any been forthcoming during the various technical conferences and collaborative meetings which have occurred since the Commission's announcements on February 25th and shortly thereafter. During the May 12th, 2014 collaborative meeting of the working group on customer engagement, there was an indication that Staff may not consider "free nights and weekends" an ERVAS. In the meantime, it has been left to the ESCOs to create a definition for the Commission to review.

As the nature and provision of ERVAS is crucial to these comments and the ongoing discussion in these proceedings, Infinite Energy has compiled the following non-exhaustive summary of ERVAS provided by ESCOs in various states.

Smart Thermostats

Green Mountain Energy, Infinite Energy, and Reliant Energy are among the companies providing Nest Thermostats, which ordinarily retail for \$249.00, to customers at no cost when those customers sign up for long term fixed rate energy plans. Each company provides information on how customers can save money with their Nest Thermostats as well.

- www.greenmountainenergy.com/for-home/pollution-free-efficient-with-nest/
- www.infiniteenergy.com/nest/
- www.reliant.com/en/public/nest-learn-conserve-24-plan.jsp

Mobile and Web Applications

Bounce Energy, Direct Energy, and Infinite Energy are among the companies that offer mobile apps that allow customers to view their account balances and billing history, pay their bills and renew their rate plans, and learn more about their energy usage and ways to reduce their usage. This information is becoming increasingly available on website platforms as well.

- www.bounceenergy.com/app
- www2.directenergy.com/app/
- play.google.com/store/apps/details?id=com.iei.web.mobile

Referral Programs

Constellation Energy manages a residential electricity customer referral program called "Power Circle" in which residential customers who make ten qualified referrals in a month are eligible for free residential electricity supply for one month. By effectively trading free power for customer referrals, programs like this are another way ESCOs can promote customer education.

- home.constellation.com/content/documents/powercircle_terms.pdf

Prepaid Service

Infinite Energy and TXU Energy are among the companies providing prepaid electricity and natural gas products, which allow customers with negligible credit or to enroll for service at competitive rates without expensive deposits. Prepaid service is an ERVAS: a March 20, 2013 report published by the Distributed Energy Financial Group found that participation in prepaid energy service resulted in an average reduction in energy usage of 11%, attributable exclusively to usage reductions during prepaid service.

- www.txu.com/en/residential/promotions/mass/plan-flex-power.aspx
- www.infiniteenergy.com/georgia/natural-gas/prepay-infinite-advance.xhtml
- DEFG Report: defgllc.com/news/article/defg-report-confirms-prepaid-energy-leads-to-significant-drop-in-energy-consumption/

Bundled Protection and Warranty Plans

Direct Energy, Infinite Energy, and Reliant Energy are among the companies bundling energy service with appliance, heating, and air conditioning tune-ups and safety inspections. These programs help customers save money on their energy bills by making sure that their homes are as efficient as possible.

- www.directenergy.com/home-services/ac-heating
- www.reliant.com/en/residential/my-reliant/customer-care/get-answers/reliant-home-solutions.jsp
- www.infiniteenergy.com/home-solutions/

Time and Day of Use Plans

Direct Energy, Reliant Energy, and TXU Energy are among the companies providing free and discounted electricity during nights and weekends, as well as off-peak pricing for commercial customers. These programs allow customers to save money by switching high-use activities to different times of day or different days of the week. They can also help redistribute peak demand to non-peak times of day. Each company provides tips on maximizing the benefit of these deals.

- www2.directenergy.com/freesaturday/default.aspx
- www.reliant.com/en/faqs/keep-your-cash-nights-weekends-plan-faqs.jsp
- free.txu.com/

Electric Vehicle Plans

Green Mountain Energy offers a program called “Pollution Free EV,” which guarantees electric vehicle drivers a special rate on 100% wind power to charge not only a customer’s car, but their home as well. It also gives them the option to enroll with a third-party electric car charging service, eVgo, for access to a wider electric car charging infrastructure. In addition to a discounted rate for ordinary wind electricity, this plan enables customers to save money on fuel.

- www.greenmountainenergy.com/for-home/products/oncor/oncor-pollution-free-electric-vehicle/
- <http://www.nrgevgo.com/>

Solar Leasing

TXU Energy is among the companies that manages a solar leasing program, in which TXU Energy helps customers take advantage of the benefits of available tax credits and solar incentives through a partnership with

SolarCity, a third party solar energy company. In addition to helping customers with the process, TXU Energy also provides solar-friendly product offerings, including rates to purchase surplus power, fixed rate pricing, and energy efficiency programs and thermostats that can work in tandem with advanced meters to reduce usage.

- www.txu.com/en/residential/promotions/solar-city-faqs.aspx
- <http://www.solarcity.com/>

Third Party Platforms

ERVAS programs are so diverse in some markets that ESCOs and Public Service Commissions are working with third-parties who specialize in making these services easier for ESCOs to provide. In Georgia, a company called GoodCents specializes in building energy efficiency programs for energy companies and state energy efficiency initiatives like Energizing Indiana. In Texas, the public service commission has teamed up with a number of energy companies to create Power to Save Texas, which provides energy tips and intuitive energy savings calculators.

- www.goodcents.com/
- energizingindiana.com
- www.powertosavetexas.org/

Oil-to-Gas Conversions

Other ERVAS programs specific to New York will become more plausible with the further implementation of competition. For example, ESCOs could potentially offer oil-to-gas conversions by pricing the cost of the conversion into a multi-year length fixed price product. In this way, ESCOs could help the 30% of New York homes still heated with fuel oil convert to natural gas, lowering their energy bills moderately in the short term, substantially in the long term, and reducing emissions considerably.

According to the federal Energy Information Administration, fuel oil #2 is currently priced at an average of \$28.31 per million Btu, while natural gas is currently priced at an average of \$11.05 per million Btu. New York households consume an average of 103 million Btu per year. By these figures, in New York, the average natural gas bill each year comes to \$1,138.15, while the average oil heating bill comes to \$2,915.93 – a difference of \$1,777.78.

The Wall Street Journal reports increasing interest in oil-to-gas conversions. However, given that the cost of such conversions can range from \$4,000 – \$8,000 for a single family home, it is much more convenient and cost effective for customers to bundle the cost of such conversions into a long-term fixed-rate natural gas supply contract.

ESCOs can help ensure that natural gas prices stay low for particular customers by hedging commodity risk through fixed price products. Therefore, a customer could sign up with an ESCO for a five-year fixed rate plan during which the cost of the conversion could be broken out over five years and paid back as part of the customer's bill. Over the course of the five-year fixed rate, at current prices, a customer could be guaranteed to save money with natural gas over oil heating, even with the cost of the conversion rolled into the price.

- <http://online.wsj.com/news/articles/SB121857947223634747>

Purchase of Distributed Generation

Reliant, TXU, and Green Mountain Energy all offer purchase of distributed generation plans, which often include fixed rates for both the customer's and supplier's respective energy purchases and payment plans for installation of distributed generation (typically solar or wind, although new technology is constantly emerging).

- www.reliant.com/en/residential/my-reliant/save-energy/smart-energy-solutions/smart-plans/solar-sell-back.jsp
- www.txu.com/residential/plans-offers/drg-product-detail.aspx
- www.greenmountainenergy.com/for-home/renewable-rewards-buy-back-program/

Green Energy, Carbon Offsets, & Renewable Energy Credits

While programs that allow customers to purchase a percentage of certified green or renewable energy, renewable energy credits, or carbon offsets do not fall under the Commission's proposed definition of "energy-related value-added services which are designed to reduce the customer's overall energy bill" but they should be considered value added services within the scope of these proceedings. Several providers – no less than a dozen in Texas alone – offer plans which are 100% renewable, with many more offers in different percentile ranges.

- www.greenmountainenergy.com/for-home/carbon-offsets-and-renewable-energy-certificates/
- www.choosetexaspower.org

Affiliate and Perk Programs

Provision of energy is often paired with other products, services, or even charities. In addition to the protection plans offered above, providers have found innovative ways to pair their product offerings with other products or services. Particularly notable is Veteran Energy's "The Power to Give Back™" Program, in which customers can select one of any number of affiliate veteran and active-duty military service organizations. Other programs include bundling services such as cable, internet, phone, electric, natural gas, home or renter's insurance, and appliance maintenance.

- www.veteranenergy.us/the-power-to-give-back/