

**Minutes of the Retail Settlements Code Development Task Force
Fifth Meeting, June 10, 1999, 9:00am - 3:00pm**

Agenda Items

1. Housekeeping

- Minutes of May 11th approved.
- Due to extensive workload additional assistance (coordinating + writing) forthcoming through greater involvement by PHB(S. George) and board staff(Paula Conboy)
- Documents should be saved in RTF format in that this helps in file conversion
 - between Word/Wordperfect.
- Issue sheets minutes, recommendations should be dated and the version noted and pages numbered.
- Subgroup reports and Issue Sheets/Recommendations should contain enough detail so that they are understandable by others outside work-group; also may serve as background, reference for future deliberations.

2. Updates/future events

- Sub groups have made some progress in reviewing/deciding issues
- Completed issues will be tabled today for discussion/clarification
- Final draft "Issues summaries" will be sent out for written comment by June 21st; comments to be submitted by June 28th. (**no comment means acceptance**)
- Significant comment feed back may require sub-group re-visiting the issue and recommendation.
- When commenting, ensure that "dissent level" is clear ie: cannot live with recommendation; also provide constructive alternative.
- Next Task Force meeting(s): July 14th to table/review new and re-submitted issue/recommendation sheets and August 11th, 12th to consider and address outstanding issues.
- Very tentative date for draft code to Board -mid/late August
- If not able to attend meetings, comments/concerns to be forwarded in writing to chairs Richard Crouch or Don Thorne.

3. Sub group reports

3.1 Sub group #3/IMO settlement

I. (see individual handout for Issue description and recommendation; final changes/updates will be reflected therein)

II. Discussion major points regarding specific Issue/Recommendations

A.3. Retail Settlements time line

- Is the bill issued to the retailer or customer after 20 days?
- Time-line to address how LDC to answer customer question “ how much do I owe you” within a reasonable time frame eg. “I’ll get back to you in (x) days”; a practical option would be to provide an estimate at the time of the call.
- Change to recommendation; tracking of errors to include non interval meters.
- Recommendation re: RTP rec. 3.16 to be addressed by sub group 2.
- Issue will be re-drafted - E-mail Gerry with your comments.

C.1. Determining Losses

- Combined losses (network loss, and unaccounted for energy)factors should apply to all customers, not just NSLS ones.

C.2. Determining Network Losses and UFE

- Inter-action with PBR methodology important.
- can easily become a source of net gain/loss for the shareholder.
- Recommendation should go to PBR Task Force for their consideration.
- flag how it affects PBR.
- Remove “lower” from the phrase “ ...to reflect the lower transformer losses” ie. customers who are primary metered should not pay for secondary meter losses, transformer losses.

D. Calculating NSLS

- Question as to what will be incorporated in the Daily IMO statement.
- Treatment of embedded generation will be sorted out in another sub group.
- NSLS calculation must accommodate “actual” to “actual” meter reads.
- Off-cycle meter reads to be accommodated.
- Cycle reading problematic ... may not accommodate different rates and number of days in cycle may vary.

D.1. Are there Customer/Load restrictions?

- Requirement is a way of improving integrity of NSLS.
- Does this “issue’ have to be codified.
- Application of requirement to be the non discriminatory.
- Once customer is on an interval meter, should they allowed to revert back to a non interval one?

D.2. Is there reconciliation to NSLS customers?

- No comments

D.3. TOU Net System load shape

-No comments.

D.4. How do we handle street lights

- Recommendation to read “estimate and treat as if interval metered load.”

3.2 Sub Group # 2/Billing + Receivables

I. (see handout for issue description and recommendation; final changes/updates will be reflected therein therein)

II. Discussion major points regarding specific issues/recommendations

- “LDC may offer equal billing option” recommendation
 - * Show stopper for retailers; takes away a value added offering.
 - * Should be addressed by SSS Task Force
 - * Masks price variability albeit customer is ultimately subject to “spot” price.
 - * Budget billing is a long standing customer expectation.
 - * Question: is customer payment method a matter internal to the LDC or is it a “rates” or “regulatory” matter requiring OEB approval.
 - * Are LDC “Pre-authorized” and “internet to banking” billing options inappropriate? ie. competitive service, and should only be offered by retailers.
 - * Issue deferred to July 14 or August 11-12 meeting; also need to determine whether it is a “settlement code” issue.
- Split billing
 - * No comments
 - * It is the default option in California
- Risk Mitigation State prices
 - * No comments
- Reconnect/Disconnect
 - * No comments
- Notice of Disconnection Procedures
 - * No comments
- Deposit Treatment
 - * No comments

- LDC Consolidated Billing
 - * Leaving the decision to offer the service to a “good faith” effort is too subjective; however there is a trade off which balances requiring all LDCs to provide and the serious administrative problems that may be caused for some LDCs
 - * “Good Faith” could be indicated if an LDC gave a requesting Retailer an estimate of what it would cost to provide the service and the timing thereof.
 - * What is meant/included in the term “Consolidated” should be detailed. ie. what specific information would the retailer expect to see on the LDC bill e.g. units and rate per unit.
 - * Retailer may be faced with about 200 different “prices” and bill formats for the service.
 - * Remove “cost” calculation references from the recommendation; the latter is rates issue; also add “...not to impose additional costs another market participants” to the recommendation.
- Retailer Non Payment and Responsibility (Retailer Consolidated Billing)
 - * Consider whether the retailer, in the customer contract can include assignment(to LDC) of right/responsibility for bad debt collection. This is a possible way of exercising power to disconnect within the constrains of the Electricity Act. Would the LDC want this kind of responsibility since they really don’t have an ongoing relationship with the end use consumer.
 - * Far too much discussion on “disconnection” as a bad debt remediation tool.
- Split Bill Option
 - * Investigate treatment in other jurisdictions.
- Sub Group still to report re: billing disputes, payment schedule, mandatory requirements for communicating settlement information to retailers.

3.3 Sub Group #1/Customer Choice

- Amount and nature of Prudentiary Requirements by LDC
 - * “Property lien” not actionable post LDC incorporation.
 - * Amount for which the LDC will seek retailer non payment protection should be based on history of retailers customers.
 - * All similarly situated retailers should be treated the same.
 - * There should be some flexibility in the mix of options (of Deposit, Letter of Credit, Credit Rating).

- * Not clear what is meant by '30 day cycle' for period for LDC to bill retailer.
- * Third parties other than OEMA or MEA should be allowed to pursue Clearing House service; also not for Settlement Task Force to direct retailers what to do regarding this service.
- * Need a recommendation also what to do about difficult meter read situations where more than estimated read is the standard: many have to be special arrangement between Retailer and LDC.

4. Other

- a) Stephen George will refine/update issue/recomendation sheets reflecting the comments made today and they will be re-issued for the next sub-group meetings.
- b) Meeting adjourned at 3:00pm after a very productive day.

R. Battista
(16-06-99)