Ontario Energy Board
Commission de l'énergie de l'Ontario

Development and Implementation of the Scorecard Billing Accuracy Measure for Electricity Distributors

Industry Operations and Performance

Audit and Performance Assessment

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Agenda - Billing Accuracy Scorecard Measure

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4. Formation of A Stakeholder Working Group
5. Definition for Terms Related to Billing Accuracy Scorecard Measure
6. The Target for the Billing Accuracy Scorecard Measure
7. Implementation Dates for Tracking and Reporting
8. Annual Scorecard Implementation Schedule

Purpose

- The purpose of this webinar is to communicate to the electricity distributors:

1. The development and implementation of a uniform measure for scorecard billing accuracy.
2. An annual scorecard implementation schedule for the electricity distributors' scorecards ("Annual regulatory scorecard calendar").

Background to Billing Accuracy

Background

- In the Report of the Board on Scorecard (EB-2010-0379) March 5, 2014, the Board stated that:
  - Most of the measures included on the Scorecard leverage measures and reporting requirements that are already in place.
  - Five new measures are included to underscore the Board's renewed focus on value to customers and effective planning and asset management.
    - Billing Accuracy;
    - Public Safety;
    - First Contact Resolution;
    - Customer Satisfaction Survey Results; and
    - Distribution System Plan Implementation Progress.

Background

- Billing Accuracy: The Board stated that the Board will develop and implement a uniform scorecard measure for billing accuracy in the summer of 2014 and establish a target for the measure.

- Public Safety: The Board is consulting with the Electrical Safety Authority and will consult with stakeholders to identify a measure that is readily available for use as the Public Safety measure on the Scorecard.

Background

- Distributors will be permitted discretion as to how they implement the following measures:
  - First Contact Resolution – To be reported on annual basis;
  - Customer Satisfaction Survey Results - To be reported on a biennial basis; and
  - Distribution System Plan Implementation Progress -To be reported on annual basis.

- Distributors will be required to describe the three above measures in the management discussion and analysis section of the Scorecard.

- Where the Board has decided to be non-prescriptive as to how the First Contact Resolution, Customer Satisfaction Survey Results and Distribution System Plan Implementation Progress measures are defined and/or implemented, the Board encourages the sector to collaborate to develop the necessary tools for distributors to administer the measure.

Background

- Distributors that have not yet implemented the First Contact Resolution, Customer Satisfaction Survey Results and Distribution System Plan Implementation Progress measures are required to have all new measures in place by July 1, 2014.

- All distributors will be required to report on their performance results against all Scorecard measures with their annual Electricity Reporting and Record Keeping Requirements filings of April 30, 2015.

- The Board intends that the 3 above measures will be uniform no later than 2018 (once at least three years of data is received) so that results will be comparable thereafter.

Why Is Billing Accuracy Measure Important to the Board?

- Billing accuracy was identified as a key concern for customers in the surveys and research reviewed by staff.

- When billing is wrong, disputed bills anger customers, generate unnecessary re-work and erode customer confidence.

Why Is Billing Accuracy Measure Important to the Board?

- In the Report of the Board on Scorecard, the Board stated that:
  - Billing accuracy must be measured and must be comparable across distributors.
  - Billing is an area where customers expect zero-defect delivery.
  - The utility is expected to bill the correct customers at the correct rate and consumption.

Background

- For 2013, 11 distributors filed a billing accuracy measure in RRR 2.1.19.
- 5 different methodologies were identified.
- A survey was sent to distributors to understand the criteria used in their current scorecard measure.

Methodology #1: Cancelled and re-issued bills as a percentage of total bills	**Methodology #2:** Estimated Bills (or meter reads) as a percentage of total bills	**Methodology #3:** Bill inaccuracy as the Number of Cancelled/ re-issued bills per 1000 bills	**Methodology#4:** Combination of two metrics- percent of bills cancelled and percent of actual meter reads	**Methodology #5:** Timeliness of bills delivered

Formation of A Stakeholder Working Group for Billing Accuracy

Formation of A Working Group

- A working Group was formed representing large, medium, and small size electricity distributors consisting of:
  - Hydro One,
  - Hydro Ottawa,
  - PowerStream,
  - Thunder Bay Hydro,
  - Waterloo North Hydro Inc.,
  - Canadian Niagara Power/Algoma,
  - Cornerstone Hydro Electric Concepts Association Inc. (CHEC), and
  - Electricity Distributors Association.

What Was Mandate of the Working Group?

- The working group's mandate was to work with the Board's Performance Assessment department to identify and define a uniform measure for billing accuracy that can be consistently calculated, tracked, and reported by Ontario's electricity distributors as a part of the utility's scorecard.

- Met on June 17 and 18 and held a WebEx on July 7 to develop and recommend a scorecard billing accuracy measure and target for the Board's consideration.

The Process for Developing and Recommending The Billing Accuracy Scorecard Measure

1. Analyzed results from responses to the survey questionnaires to 11 distributors,
2. Reviewed current practices from other utilities in Canada for measuring billing accuracy performance,
3. Assessed the capabilities of current billing systems used by Ontario's distributors for implementation of billing accuracy, and
4. Evaluated and rated the alternatives for billing accuracy measure based on design criteria.

Design Criteria for Billing Accuracy Scorecard Measure

- Design criteria from the customer's perspective:
  - Simple to understand and informative
  - Meaningful and relevant
  - Comparable with other LDCs
  - Cost efficient
  - Accurate

Design Criteria for Billing Accuracy Scorecard Measure

- Design criteria from a utility's perspective:
  - Relevant
  - Easy to implement, calculate and track
  - Comparable with other LDCs
  - Cost efficient

Definition of Terms for Billing Accuracy Scorecard Measure

Discussion Points

- Accurate and Inaccurate Bills
- Defining Billing Accuracy Measure
- Calculating The Measure
- Issued Bills
- “Good” Bills
- Cancelled Bills
- Reasons for Inclusion of Cancelled and Re-issued Bills
- Potential issues

What Is An Accurate or Inaccurate Bill?

- An accurate bill be defined as a bill that contains correct meter readings, customer information and rates resulting in an accurately calculated bill.

- A bill is considered inaccurate if the bill had been issued and subsequently cancelled due to a billing error and/or there has been a billing adjustment as a result of a billing error.

Defining the Scorecard Billing Accuracy Measure

- The billing accuracy measure is defined as the accurate bills issued expressed as a percentage of total bills issued.

What Is the Definition for the Scorecard Billing Accuracy Measure?

- For simplicity, relevancy, transparency, cost efficiency and comparability, all cancel and re-bills are to be included in the calculation of billing accuracy measure.

- For the purpose of calculating billing accuracy, all billing adjustments arising from billing errors in lieu of cancelling and rebilling the original bill are to be included in the calculation.

Calculating The Measure

- The basic calculation is simple, but there may need to be some adjustments to get your final count.

$$\frac{\textbf{Total number of bills issued for the year – Number of inaccurate bills issued for the year}}{\textbf{Total number of bills issued for the year}}$$

- Measure = (Number of “Good Bills”)/ (Number of “Issued Bills”)

Calculating The Measure

- The number of cancelled bills must be increased to include miscellaneous adjustments done instead of a cancel and rebill.

- Do not include bills that are cancelled prior to being released to the customer.

When Is A Bill Regarded As Issued?

- Per DSC section 2.6.4, a bill will be deemed to have been issued to a customer:
  a) if sent by mail, on the third day after the date on which the bill was printed by the distributor;
  b) if made available over the internet, on the date on which an e-mail is sent to the customer notifying the customer that the bill is available for viewing over the internet;
  c) if sent by e-mail, on the date on which the e-mail is sent; or
  d) if sent by more than one of the methods listed in paragraphs (a) to (c), on whichever date of deemed issuance occurs last.

- The total number of bills issued for the year include original and re-issued bills that are issued in the calendar year.

Issued Bill

- A bill that has been mailed to a customer.
- A bill that has been emailed to a customer.
- A bill that has been made available on your web site for a customer to see.

Issued Bill

- The key is that the distributor has released the bill with the intent that it will be received by the customer.
- Original bill.
- Re-issued bill after it has been cancelled.

“Good Bill”

- A bill that has been released to the customer, and does not need to be cancelled.
- This can be an Original Bill or a Re-issued Bill.
- “Good Bills” = Issued Bills– Cancelled Bills.

Cancelled Bill

- A bill released to a customer by mail, email or web access that is cancelled due to a billing error.

- A miscellaneous adjustment to a customer account that has been done in lieu of a cancellation due to a billing error.

Reasons for Bill Cancellations

- Incorrect consumption.
- Incorrect rate assigned to the customer.
- Rate calculation error.
- Wrong meter has been associated with the customer.

Reasons for Bill Cancellations

- Incorrect move in/out date provided by the customer.
- Customer move did not occur.
- Problem with retailer information.

Why Should All Cancel and Re-bills Be Included in the Calculation?

1. All inclusive
2. Transparent
3. Responsive to customer needs
4. Meaningful and relevant
5. Simple and easy to understand
6. Not subjective
7. Comparable with other distributors
8. Easy, simple, cost effective to implement and maintain
9. Cost efficient for ongoing operation
10. Relevant to management and distributor's business processes (focus management's attention on abnormalities)

Potential Issues

- Customer Information Systems (“CIS”) may require modifications to provide the reporting for the count of bills.
  - Ability to track separately billing accuracy for electricity services vs. billing accuracy for other services such as water
- Distributor may find tracking and internal statistics for reasons beyond cancellation and re-issuance of bills is important for ongoing improvement.
- Manual tracking of adjustments that impact on the calculations may be needed.
- Staff training is important.

The Target for Billing Accuracy Measure

Target for the Scorecard Billing Accuracy Measure

- Per recommendation made by Working Group, the Board has set a minimum performance target of 98% for billing accuracy.

- This target level will be reviewed in the future
  - as the Board monitors distributors' performance and data, and
  - as distributors learn from each other and enhance their billing operations and business practices.

Target for the Scorecard Billing Accuracy Measure

- Reasons for why 98% was recommended as the target for billing accuracy:
  1. 98% is a high level of accuracy.
  2. Reasonable target from a customer perspective. Customers expect zero-defect in delivery of bills.
  3. Most distributors that are currently tracking billing accuracy have internal targets of 98% or more.
  4. Having a target will encourage distributors to consistently improve on their performance.

The Key Implementation Dates for Tracking and Reporting

Implementation of Billing Accuracy Measure

- Distributors are required to implement and track the billing accuracy measure effective on **October 1, 2014**.

- The measure needs to be reported on an annual basis under Section RRR 2.1.19 b) Billing Accuracy (i.e. due by April 30 of the preceding calendar year).

- The first reporting period (October to December 2014) of the measure will be due on **April 30, 2015**.

- The Board will be amending the Distribution System Code and Section RRR 2.1.19 b) to include the definitions for the billing accuracy measure and its set performance target of 98%.

Questions and Answers

- **Q1. Can you please clarify whether the scorecard billing accuracy measure is to include all types of customers or is this being confined to low volume consumers (i.e. smart meter customers)?**

- **A1.** As the Board stated in the Board Report on Scorecard ("Board Report"), billing is an area where customers expect zero-defect delivery. Furthermore, billing accuracy was identified in the Board Report as a key concern for customers in the surveys and research reviewed by staff. When billing is wrong, disputed bills anger customers, generate unnecessary re-work, delay payment and erode customer confidence regardless of customer type. Thus, it is appropriate for the electricity distributors to consider establishing billing accuracy measures for all customer classes. The scorecard billing accuracy measure should include all customer classes when a meter exists to record meter reads.

Questions and Answers

- **Q2. Is there a definition of estimate bill?**

- **A2.** Estimated bill is defined when a start or end index values are not based on actual meter reads. A bill that uses an estimated start or end index read is deemed as an estimated bill. Any estimation that is performed between the start and end index needs to conform to the VEE Standard for the Ontario Smart Metering System Issue 4.3, dated January 16, 2013 that applies to residential or small general service consumers less than 50 kW.

- In addition, a bill is deemed as an estimated bill in a situation where no meter exists. For example, bills are estimated for streetlights and Unmetered Scattered Loads (USL), as these accounts are not metered and are intrinsically estimated. The estimated bills for streetlights and USLs are not considered “inaccurate”.

- For the purpose of this measure and further clarity, in situations where the meter data does not exist or meter is unable to record consumption data for future readings (e.g. due to damage, destroyed meters, faulty / failed meters), bills are considered “inaccurate”. Inaccurate bills also include estimates that will be replaced with accurate readings in future.

Questions and Answers

- **Q3: Are all estimated bills regarded as inaccurate bills and should be included in the calculation of the billing accuracy measure?**

- **A3:** Yes. Until such time when further guidance is provided from the Board with respect to the policy review of the distributors' billing practices and performance including billing estimation, all estimated bills should be considered as inaccurate or incorrect since they were not prepared based on actual meter readings.

- On June 27, 2014 the Board issued a letter informing both electricity and natural gas distributors that, with the Board's increasing focus on ensuring customers are served well by their distributors and receive appropriate value for the price they pay, the Board will conduct a policy review of billing timeliness and accuracy. The letter indicated that, ultimately, the goal is to give customers a better understanding of their energy consumption in a timely and accurate manner so they can better manage their consumption and control their costs.

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Questions and Answers

- The Board also indicated that the billing practices policy review will be completed in a series of stages. The Board's July 18, 2014 billing practices survey sought input with respect to a number of billing elements, including: how many customers receive monthly bills, are customers able to choose a billing cycle option, can customers receive e-bills, do customers receive estimated bills, what is the length of time between meter readings and billing cycle, etc.

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Questions and Answers

- Board staff notes that there is also some inconsistency in distributors' billing practices regarding estimated bills from one distributor to another. Some Ontario's electricity distributors, for example, may treat a subsequent bill based on an actual meter reading which is lower than the prior estimated bill differently than a subsequent bill with an actual meter reading that is higher than the prior estimated bill.

  - Some distributors may cancel / rebill the previous estimated bill(s) where an actual meter read is lower than the amount estimated on the prior bill while a reading that is higher than the amount estimated will be trued-up on the actual bill issued.

  - Other distributors may not cancel / rebill any prior estimated bills, regardless of whether the actual read was lower or higher than the estimated bill.

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Questions and Answers

- For the purpose of the billing accuracy measure calculation, in a situation where a meter exists and where a bill is prepared based on estimates and not based on actual meter reads, all estimated bills and associated adjustments need to be included in the calculation billing accuracy as inaccurate bills regardless of being cancelled/re-issued/re-billed or not. To clarify,

  - the estimated bills for streetlights and USLs are not considered inaccurate and should not be included in the calculation of billing accuracy measure.

  - in situations where the meter data does not exist or meter is unable to record consumption data for future readings (e.g. due to damage, destroyed meters, faulty / failed meters), bills are considered inaccurate and should be included in the calculation as inaccurate bills since they were not prepared based on actual meter reads. Inaccurate bills also include estimates that will be replaced with accurate readings in future. In addition, the number of cancelled bills must be increased to include miscellaneous adjustments done instead of a cancel and rebill.

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Questions and Answers

- Distributors are encouraged to calculate and track billing accuracy performance measure with and without figures for the estimated bills.

- Distributors are also encouraged to further explain their billing accuracy performance in their MD&A section of the scorecard with and without estimated bills included in the calculation.

- As the Board concludes its policy review of billing practices, it is expected that the Board will provide further guidance to the distributors regarding estimated bills.

Questions and Answers

- **Q4. Please confirm that "Inaccurate Bills" are to be tracked on a calendar year basis, rather than linked to the timing of the originally issued bill (i.e. is it correct to assume that if a bill issued in 2014 is corrected in 2015, the corrected bills would count as "inaccurate" in the 2015 statistics, even though the original bills would count as "issued" in the 2014 statistics?). This approach would lead to "incorrect bills" being misaligned with the "issued bills", but since bills can be corrected up to 2 years after they are issued, the alternative (of tying "incorrect bills" to the year in which they were originally issued) would require constant updates to the data for up to 2 years.**

- **A4.** That is correct. If a bill issued in 2014 is corrected in 2015, the corrected bills would count as "inaccurate" in the 2015 statistics.

Questions and Answers

- **Q5. How are bills based on estimated meter readings expected to be treated if they do not require cancellation and rebilling, for example the subsequent bill is based on an actual meter reading that is higher than the prior billed estimate?**

- **A5.** Please see response to Q3.

Questions and Answers

- **Q6. If a bill is estimated but it is NOT adjusted, does it still count as an incorrect bill?**

- **A6.** Please see response to Q3.

Questions and Answers

- **Q7. If a bill is estimated because of lack of access to the meter (eg. schools are closed in summer), does that count as an inaccurate bill?**

- **A7.** Please see response to Q3.

Questions and Answers

- **Q8. For the rate class, Unmetered Scattered Load, due to the fact that these accounts are not metered and are intrinsically estimated, any account that falls into this category would be seen as an Incorrect Bill. Please advise.**

- **A8.** Please see response to Q3.

Questions and Answers

- **Q9. Would you also be able to expand on the USL problem as it relates to streetlights? It is not reasonable that streetlights are individually metered.**

- **A9.** Please see response to Q3.

Questions and Answers

- **Q10. Estimated readings resulting from stopped, damaged or fire destroyed meters have estimated readings. Should this be counted against the utility's billing accuracy record?**

- **A10.** Please see response to Q3.

Questions and Answers

- **Q11. Mainly, the estimated readings occur when the access to the meter is not possible: e.g. inside meter and the customer did not provide a key. How should we treat these cases?**

- **A11.** Please see response to Q3.

Questions and Answers

- **Q12.** The July 17th letter states that "Accurate bills that need to be cancelled in order to correct another bill should not be counted." Can you provide an example of such a scenario?

- **A12.** Please see example in the following slide.

Example for question

- Example: Customer is greater than 50 kw and readings are obtained manually by a meter reader. Readings were entered and billed as follows:

  Bill #1
  for period of April 1 - May 1/2014.
  kwhs used 3150 kwhs
  peak kw 245.48
  peak kva 525.00

  Bill #2
  Customer billed for period May 1 - June 1/2014
  kwhs used 3200 kwhs
  peak kw 250.00
  peak kva 325.00

  Bill #3
  Customer billed for period of June 1 - July1/2014
  kwhs used 2900 kwhs
  peak kw 260.00
  peak kva 300.00

  It is determined that there was a data entry error on the kva read on Bill #1. Kw entered as and billed as 525.00 should have been 325.00.

  LDC would need to cancel Bills #3, #2, and #1 to correct the error on Bill #1. It is the only way to access and correct Bill #1.

  Bill #2 and #3 would rebill with the exact same values and charges.

  LDC's would count this is only 1 inaccurate bill.

Questions and Answers

- **Q13. If we count all estimated bills as inaccurate to begin with, can I assume that if we cancel them later we shouldn't recount them as inaccurate on the subsequent cancel?**

- **A13.** An estimated bill is regarded as an inaccurate bill. You should not double count them as they were regarded as an inaccurate to start if they are replaced with bills that were prepared based on actual meter reads. However, if these estimated bills are cancelled or re-billed and replaced with subsequent estimated bills, the new bills are also counted as inaccurate bills because they are also estimated bills.

Questions and Answers

- **Q14. We needed to cancel 3 bills to get to 1 incorrect billing. How many Good and Issued Bills should be counted?**

- **A14.** In this case, the total count would be 2 Issued Bills and 1 Cancelled Bill. Do not include the other "Good" bills that were cancelled and reissued.

Questions and Answers

- **Q15. We did a miscellaneous adjustment to fix 3 bills instead of cancelling and rebilling them.**

- **A15.** Your count should be the same as if you cancelled and rebilled.

  Issued Bills = 3 Original plus 3 Reissued.

  Cancelled Bills = 3.

Questions and Answers

- **Q16. We bill for multiple services. How does this affect the count?**

- **A16.** Do not include cancellations in the calculation of the billing accuracy measure that are the result of services other than electricity, e.g., water services.

Questions and Answers

- **Q17. We have to cancel a bill that was issued in a prior year. How does this affect the count?**

- **A17.** The Original Issued Bill is included in the prior year. The Cancelled Bill and the Re-issued Bill are included in the current year.

Questions and Answers

- **Q18. Please clarify whether billing errors that are a direct result of customer error are to be included in the statistics (e.g. incorrect move-out dates provided requiring revisions to the meter read dates, incorrect account holder information provided requiring bill reprints, incorrect meter reads submitted by customer requiring corrections, etc.)**

- **A18.** Yes, regardless of whom is responsible for the incorrect bill and subsequent need for a corrected bill to be issued (LDC error, customer providing incorrect information about move in/out dates etc.) that it would still be included in the count of "incorrect bills".

Questions and Answers

- **Q19. If we have a bill print issue where the total dollar figure is correct but a line is missing from the bill print would this be considered a billing error?**

- **A19.** In this case, the total amount billed to the customer is correct, and the billing system contains accurate information. However, the customer has received an inaccurate bill, as the individual line items do not add up to the total. Thus, this bill should be included as an inaccurate bill in the calculation of billing accuracy measure.

Questions and Answers

- **Q20. The distributor was not responsible for the cancellation of the bill. Why should this count against our measure?**

- **A20.** For simplicity, relevancy, transparency, cost efficiency and comparability, among other reasons, it has been decided, to include all cancellations regardless of responsibility. All distributors will be equally affected.

Questions and Answers

- **Q21. We found a problem with a bill (or a batch of bills). Our CIS had been updated, but the bill(s) had not been released. How is this reported?**

- **A21.** Do not include the Original or Cancelled Bills in your calculation. The bills had not been released to the customers.

Questions and Answers

- **Q22. If there is more than one error on a bill is each error counted separately (i.e. two errors on one bill equals two adjustments).**

- **A22.** This would be counted as one corrected bill. Although there are multiple errors on the bill, there was one incorrect bill that went out to the customer that had to be corrected using either a "cancel/rebill" process or an "adjustment process".

Questions and Answers

- **Q23.** What happens if the bills are cancelled twice and re-issued three times due to multiple errors or multiple adjustments, what would be the counts for accurate and inaccurate bills in the calculation of the measure?

- **A23.** The customer has received three bills, two of which have been cancelled. The count is three issued bills, two inaccurate bills, and one accurate bill.

Questions and Answers

- **Q24. For TOU bills, should utilities be using a common threshold as to when a bill is considered estimated? (i.e. less than x% of intervals estimated?)**

- **A24.** The number of estimated TOU intervals does not have any bearing on whether the bill is deemed as an accurate bill. A TOU bill is deemed as accurate as long as the start and end index reads for the billing period are based on actual reads. It is understood and accepted that estimation of some of the interval data is an acceptable practice in support of billing of TOU customers. However, as noted earlier, any estimation that is performed between the start and end index needs to conform to the VEE Standard for the Ontario Smart Metering System Issue 4.3, dated January 16, 2013 that applies to residential or small general service consumers less than 50 kW.

Questions and Answers

- **Q25. The register reads are actual for the start and end dates but a small portion of interval data is estimated, is that considered an estimated bill?**

- **A25.** A TOU bill is deemed accurate as long as the start and end index values for the billing period are based on actual reads. It is understood and accepted that estimation of some of the interval data is an acceptable practice in support of billing of TOU customers. However, as noted earlier, any estimation that is performed between the start and end index needs to conform to the VEE Standard for the Ontario Smart Metering System Issue 4.3, dated January 16, 2013 that applies to residential or small general service consumers less than 50 kW.

Questions and Answers

- **Q26. TOU bills sometimes do not have all buckets so we will bill all the usage as Off Peak. Is this considered inaccurate?**

- **A26.** It is understood that due to extenuating circumstances (missing data) that interval data may need to be estimated including allocation to TOU buckets, in these situations as long as the start and end index values for the billing period are based on actual reads the bill is not considered inaccurate. As noted earlier, a bill that uses an estimated start or end index read is deemed an estimated bill. Any estimation that is performed between the start and end index needs to conform to the VEE Standard for the Ontario Smart Metering System Issue 4.3, dated January 16, 2013 that applies to residential or small general service consumers less than 50 kW.

Questions and Answers

- **Q27. With estimated bills are we specifically talking about estimated METER READS or are we also considering estimated intervals?**

- **A27.** The need to estimate intervals does not make a bill inaccurate as long as the start and end index reads are based on actual meter reads. However, as noted earlier, any estimation that is performed between the start and end index needs to conform to the VEE Standard for the Ontario Smart Metering System Issue 4.3, dated January 16, 2013 that applies to residential or small general service consumers less than 50 kW.

Questions and Answers

- **Q28. Is an estimated peak demand value considered an estimate?**

- **A28.** The point in time nature of this bill determinant requires that this it be estimated occasionally, and does not render the bill inaccurate as long as the bill is not cancelled or adjusted at a later date.

Questions and Answers

- **Q29. Do micro fit generation bills count?**

- **A29.** Micro fit generation payment statements should not be included in the billing accuracy measure. Load side invoices should be included in the calculation of billing accuracy measure. To the extent that load side invoice calculations do not require the use of metered values, they should be treated in the same manner as scattered loads. If load side invoices are based on metered quantities, the invoice is deemed inaccurate if metered quantities are estimated.

Questions and Answers

- **Q30. Why wouldn't a FIT or micro fit count---it is a settlement to a customer using a read? If we are not going to include FIT, are we not including net metered customers?**

- **A30.** Fit generation payment statements should not be included in the billing accuracy measure. Load side invoices should be included in the calculation of billing accuracy measure. To the extent that load side invoice calculations do not require the use of metered values they should be treated in the same manner as scattered loads. If load side invoices are based on metered quantities, the invoice is deemed inaccurate if metered quantities are estimated.

Questions and Answers

- **Q31. What about load displacement generation?**

- **A31.** Load displacement generation invoices should be included in the billing accuracy measure. To the extent that load side invoice calculations do not require the use of metered values they should be treated in the same manner as scattered loads. If load side invoices are based on metered quantities, the invoice is deemed inaccurate if metered quantities are estimated.

Questions and Answers

- **Q32. Is the target level of 98% only for the reporting year of 2015 (to be reported on an annual basis under Section RRR 2.1.19 b) or can the target be changed by the Board in the future?**

- **A32.** The Board will review the target level of 98% in the future, as the Board monitors distributors' performance and data, and as distributors learn from each other and enhance their billing operational and business practices.

Questions and Answers

- **Q33. It seems that there is an incentive for distributors to wait for correct readings before billing instead of estimating? This does not seem to benefit the customer if they have to wait longer to get their bill.**

- **A33.** It is expected that distributors will continue with their existing billing practices. Delaying billing in order to improve the billing accuracy measure may cause other problems, such as customer complaints, and/or a possible impact on the distributor's cash flow.