Ohio Retail Electric Service Market
Case No. 13-3151-EL-COI
November 5, 2013 Workshop Summary

Sub-Committee Review

Customer Data & Billing

Customer Enrollment Panelist:

Jim Williams, Ohio Consumers' Counsel

Michele Jeunelot, American Electric Power

Teresa Ringenbach, Direct Energy

Discussion:

A recap of what the subcommittee worked on was provided by Staff and is included in Appendix A at the bottom of this document. The discussion focused on issues that were addressed during the customer enrollment subcommittees.

- **Pro and Cons of "Enrolling from your Wallet"**
  Currently, customers must have their account number present in order to change suppliers and suppliers can only access account numbers from EDU's if written consent given. This limits suppliers' ability to market to potential customers. Today, enrollment happens by going directly to the customer by mail, phone, or door. Suppliers want the ability to market and sign up customers outside of the home. Concerns were raised about safeguarding a customer's account number in order to prevent against slamming or illegal changing or providers. The account number is currently displayed on the bill, which is a good source of information for customers who are considering changing suppliers.

Contract Portability Panelist:

Tad Berger, Ohio Consumers' Counsel

Dan Jones, Duke Energy Ohio

Sharon Noewer, FirstEnergy Solutions

Dwayne Pickett, Integrys Energy Services

Discussion:

Staff provided a summary and overview on the contract portability workshops which is included in Appendix A. The panelist reiterated what was learned and discussed during the workshops.

- **Seamless Transfers of Customers**
  Currently, customers who move within their service territory cannot automatically stay with the same supplier. The customer will first be moved back to the SSO until the supplier can confirm and re-sign the customer up. Suppliers would like a warm call transfer, which has the EDU transferring the call to the supplier if the customer wants to retain their current suppliers.

- **Consumer protection**
  Customers may not understand portability and the old contract may not fit their new residences needs. One suggestion was "Affirmative Consent" where the customer would be provided a summary of the key terms in the contract.

Electronic Data Interchange Panelist:

Jim Williams, Ohio Consumers' Counsel

Stacey Gabbard, American Electric Power

Sharon Hillman, RESA

Discussion:

Staff provided a summary on the Electronic Data Interchange workshops which is included in Appendix A. The panelist reiterated what was learned and discussed during the workshops.

- **Conformity of Information**
  Everyone involved in the working groups have benefited and learned about the uniqueness of each of the EDU's current systems. Any potential changes are daunting to the EDU's because they have already invested heavily in the current systems, changes would have to also involve capital recovery in the discussion.

- **Web Portals**
  EDU's are preparing web portals to launch next year and they are important for updating customer usage, risk management, product development and other key information for

customers. Both accurate and timely data is important for both current and historical data in order to keep customer satisfaction. Only the commission would have enforcement authority as it pertains to the standards of the web portals.

Bill Formatting, Bill Messaging and CRES Logos Panelist:

Tad Berger, Ohio Consumers' Counsel

Dan Jones, Duke Energy Ohio

Barth Royer, Dominion Retail

Discussion:
Staff provided a brief overview on the Bill Formatting, Bill Messaging and CRES Logo workshops which are included in Appendix A. The Ohio Consumers' Counsel also demonstrated what the proposed new bill could potentially look like. The panelist reiterated what was learned and discussed during the workshops.

- **Standardized Bill Format**
  The idea behind a standardized bill format is to avoid customer confusion and more easily compare one rate to another within the competitive supplier market. The problem is not all Ohio utilities are the same. Each of the EDU's systems is unique; some companies have a combination of both electric and gas on the bill. Most of the utilities bills also serve multiple states in order to achieve cost efficiencies. The price to compare portion of the bill also changes from month to month depending on the season and the riders. Any comparison between prices should be done on a 12 month basis.

- **Logo on the Bill**
  Logo placement is more important to some CRES providers than others. A logo on the bill is a way for suppliers to brand themselves. Logos also remind customers who their electric supplier currently is and who to contact if they have a problem. Adding Logos to the bill can be complicated and expensive for the EDU's because it will require a redesign of the entire bill and parts of their billing system.

Appendix A

Summary of Customer Data/Billing Sub-Committee Discussions 12-3151-EL-COI

The Customer Data and Billing Subcommittee was established to discuss topics related to the exchange of customer information between suppliers and EDUs. The objective is to find cost effective ways to improve the customer enrollment process, supplier billing and collection, and continuation of CRES service to a customer who moves within the EDU territory (contract portability). The subcommittee also discussed EDU bill format changes including the placement of supplier logos on EDU consolidated bills and bill messaging. Finally, the Retail Energy Supply Association (RESA) provided a list of EDI (Electronic Data Interface) transactions and a list of EDU web-portal data elements which it would like to see standardized across all EDUs.

The attendees represented consumer groups, CRES suppliers and electric distribution utilities.

Below is Staff's summary of the sub-committee discussions up to the October 23rd meeting.

ENROLLMENT

In order for a CRES provider to enroll a customer, it must provide the EDU with the customer's account number or unique customer number. (For simplicity, we'll refer to this as the account number.) The EDUs, by rule, are not permitted to disclose the customer account number without written or electronic customer consent provided to the EDU. In order to enroll a customer, a CRES provider must request, from the customer, his or her multi-digit account number. RESA estimates that 10-15% of all enrollment requests have account number errors.

Most suppliers would like a process change in this regard, so they can enroll customers without the traditional need for customer provision of account numbers

Reasons for the requested change in practice/rule:

- Most customers do not carry their electric account numbers with them, so requiring customers to provide the account number means that, most likely, customers will be limited to when and where they can enroll with a CRES provider.
- Such a requirement prevents shopping for energy at a mall, shop, or trade fair, as customers generally are not apt to carry their account number with them or to have it memorized. Thus, according to some suppliers, this has placed marketing emphasis on door-to-door solicitation, direct mail, or telemarketing.
- Some suppliers would like a process change so that customers can "enroll from their wallets", a phrase coined to represent an enrollment transaction being done without the traditional need for customer provision of account numbers.

Possible changes to enrollment:

- Direct Energy presented three possible variations of the enrollment process to eliminate the need for account numbers to be provided by the customer to enroll with a CRES:

    - The first option: They would like to add account numbers to customer pre-enrollment list and have suppliers use the list as a reverse look up.
        - Direct Energy noted that this was something that would still only include the customers on the enrollment list. So, if a customer enrolled without an account number but had opted off of the enrollment list, the enrollment process would require another follow-up and delay for that customer to provide their account number.
    - Second option: "enrollment without lookup". The idea is to enroll with the customer account number left blank in the EDI file. Alternatively, a social security number could be inserted as an EDI identifier.
    - Third option: a secure website (web portal) would be accessed whereby suppliers would be able to look up customer account numbers. Supplier would have user agreements with the EDUs and passwords would be required to access the site.

- Other options were also discussed, such as…
    - Using a proxy number instead of an account number, such as a SSN.
    - Using another form of security code which customer would normally carry with them such as a driver's license number.

These options to allow customers to "enroll from their wallets" will require a rule change so that the customer provides the supplier with authorization for the utility to release the account number, rather than the customer giving that authorization directly to the utility first.

Reasons against the requested change in practice/rule:

- Certain stakeholders, including OCC, noted that switching rates are already high – as much as 80% in certain areas. There is no problem enrolling customers now and the rules work fine as they are. There have been minimal occurrences of slamming.
- Consumer groups contend that the bill contains information that customers should have close at hand when they enroll with a marketer such as the price to compare, the tariff schedule, and historical usage information.
    - EDUs like the provision of an account number as a means to ensure the validity of the enrollment.
    - Current PUCO rules indicate that, absent customer provision of account numbers, a letter of authorization is currently required. Making a policy change in this way would require a change of administrative rule.

- There were concerns that slamming would increase without the added protection of customer account number provision. There would be an increased burden and complexity on EDUs and PUCO Staff to investigate allegations of slamming complaints.
- The use of social security numbers was objected to by both consumer groups and EDUs. The EDUs pointed out that social security numbers are not required for provision of utility service now. Consumer groups objected to the potential for identity theft and fraud.
- FE objected to the expense of creating a web portal that was not part of an ESP settlement.
- FES reinforced its view that it does not believe the Commission should mandate one approach, but, instead allow the CRES providers to choose whether or not to participate.

In conclusion, no subcommittee agreement or group conclusion was made in regard to the suppliers' alternative proposals.

CONTRACT PORTABILITY and SEAMLESS MOVES

Currently, when a CRES customer with a supplier contract moves within the same utility territory, a new utility account number is assigned by the EDU. The utility treats this situation as if a new account is being created, whether or not the customer is under contract with a supplier. The customer is switched back to the utility's default service. Having a new account number/unique identifier prevents the continuation of the existing CRES contact. Suppliers believe that if the customer is not changing the underlying utility, then the customer should be able to continue under the existing CRES contract.

The suppliers provided the following alternatives so their CRES customers could continue their contracts (not all suppliers agreed with every alternative):

- Have the utility track the move and if the customer stays within the service area, continue to use the contract.
- When a shopping customer calls the EDU to terminate service, have the EDU call center with customer's consent, transfer the customer to the CRES supplier ("warm transfer"). Variations include putting customer into CRES voicemail specific to transfers, providing supplier contact info to the customer so the customer may reach out directly to the customer.
- Via EDI, a CRES supplier can inform the EDU at enrollment that a contract is portable. The EDU receives the EDI indicator, which marks the account as having a portable contract. If a customer calls to disconnect an account, the EDU call center representative will ask if the customer needs a new account set up. If the answer is no, the EDU will send the normal drop. If the answer is yes, that the customer does want a new account, the EDU will inform the customer that the CRES supplier has listed the contract as "portable". If the customer does not want the contract to follow them to the new address the customer should call the supplier. Otherwise, the EDU will then provide the CRES the new account information.

- There were discussions regarding whether or not a rescission letter would be sent, allowing customers to opt out of the otherwise ported contract within 7 days.
- Also discussed was the issue of attribute changes (change in ownership, etc.) for medium and large customers, which can result in a creation of a new utility service account number, thus, effectively cancelling the contract. Some suppliers recommend that a process be created that would document the customer's consent to continue with the CRES provider despite the attribute change. Others recognized that "Warm Transfers" conveniently create situation which allows Suppliers to provide alternative and customers to provide consent.

Stakeholder responses to the suppliers' options followed. In short:

- Overlapping service of a customer at the current service address and the new service address would prevent porting the contract from one address to another.
- Contracts cannot be ported when the customer does not have a date for a new service address at the time he or she terminates the current service address.
- Contracts cannot be ported if there is a lengthy (undetermined) interruption of service between the current service address and the new service address.
- Contract portability puts the utility in a difficult situation when the customer changes tariffs or rate schedules. Customers may be moving from very small homes to very large homes, or from combined utility homes to all-electric.
- EDUs do not believe that they should be put in the middle of supplier and their customer's contract discussion.
- There are significant costs to make EDI changes, including adding a contract portability indicator.
- EDUs want assurance of recovery prior to spending any money on making EDI changes.
- There are cost and resource issues related to the EDU customer service reps transferring customers to supplier call centers for customers to discuss contract portability.
- OCC proposed a contract portability procedure that ensures customers affirmatively consent to the transfer of supplier service when the customer discontinues service at one address and at the same time initiates service at a new address in the same service territory.
- The OCC proposal includes consumer protections such as a supplier-provided cover letter with a copy of the contract and specification in the cover letter of key terms of the contract, including price, duration, terms for renewal, cancellation fees, and 12-month history of supplier charges compared to charges on SSO service, and providing the customer with an opportunity to rescind the enrollment without penalty. The EDU is also to send a copy of customer rights and obligations at the time supplier seeks to port the contract.
- OAC rules would have to be changed to allow disclosure of customer account numbers once new service has been set up at new location.

- There is an issue with the transfer of PJM PLC values for the customer's usage. Customer would need to return to EDU for at least one billing cycle. According to FES, this settlement issue effectively prevents a true seamless move. Since suppliers receive the payments, they will have additional processes and associated costs to create and maintain this settlement process.
- EDUs offered the possibility of a bill message on the final bill that would notify the customer that they were with a supplier and to contact such supplier to continue service. EDUs currently provide suppliers with the final bill mailing address provided by customers. This is provided by EDUs through EDI. This provides the suppliers an indicator of where the customer may be moving and opening a new account.
- FES reinforced its view that it does not believe the Commission should mandate one approach, but, instead allow the CRES providers to choose whether or not to participate.

In conclusion, no subcommittee agreement or group conclusion was made in regard to contract portability or seamless move proposals.

BILLING

There were many topics discussed regarding possible changes to EDU consolidated bills.

Bill Ready and Rate Ready Billing

Bill Ready is a form of consolidated billing where the EDU calculates the usage and communicates it to the supplier. The supplier then calculates their own charges and sends these line items back to the EDU to be presented on the bill portion for the Supplier.

Rate Ready is a form of consolidated billing where the supplier has previously supplied the utility with their rates and/or prices. Then as usage is calculated, the EDU calculates the supply portion to be displayed on the bill portion for the supplier.

Suppliers would like all EDUs in Ohio to offer both options. As Duke just began offering the bill ready option on September 30, the issue the suppliers had with the lack of options is no longer relevant.

Supplier Logos

Suppliers would like the option of having their company logos displayed at the top of consolidated bills. Some suppliers are willing to pay a fee for the option to include their logo on the bill. However, if a fee is required to place a logo on the bill, some suppliers want to make sure that it remains an option and not a requirement.

Response from EDUs and Consumer Groups included concerns with

- Lack of space availability
- Disagreement that logo inclusion would promote the electric retail market in any way
- Logistical concerns with a lack of color printing, etc.
- Costs in terms of any real benefit
- Customer confusion --- supplier logos should be on supplier bills
- OCC is open to logos if the supplier pays. Whoever is sending out the bill should have their name at the top of the bill.
- FE estimates costs would be $25,000 per supplier upfront. FE believes this issue should be addressed in an SSO proceeding. They did not have an estimate of ongoing costs.
- AEP estimated a total IT cost of $40-$50K. Also, there would a one-time initiation fee, followed by a 1 cent per-bill fee going forward.
- FES reinforced its view that it does not believe the Commission should mandate one approach, but, instead allow the CRES providers to choose whether or not to participate.

No consensus was reached on this issue.

<u>Supplier Messages</u>

Suppliers would like all EDUs to allow them to have the option to place a bill message, or preferably a separate billing page, on consolidated bills. Direct Energy would like additional lines to put messages on and would like EDUs to consider that there may be a need, in the future, for supplier messaging regarding different pricing structures other than the traditional kWh

The EDUs responded by pointing out that the EDI process does support bill messages under bill ready, which all suppliers now have access to since Duke began offering it September 30. OCC has no opposition to supplier messages but states that questions regarding cost and space remain outstanding.

With the availability of bill ready billing, bill messaging should be available to all suppliers. No other consensus was reached.

<u>Standardized Bill Format</u>

In addition to the placement of supplier logos on EDU consolidated bills, at the request of Chairman Snitchler, the subcommittee also discussed an EDU standardized bill format. Chairman Snitchler referenced Dominion East Ohio’s gas bill format as his recommended model. Some of the concerns expressed by the parties are, as follows:

- Concern with the cost of bill format redesign as most EDUs operate in many states and have one standardized bill format for all their territories.
- EDUs state that they have conducted focus groups to help design their current bill format and currently have no complaints which would lead them to believe its bill format should be changed.

- FES specifically stated that reference to term "generation" in the EDU riders is confusing when the customer is provided generation from a supplier.
- Generally speaking, suppliers prefer the terms "supply" and "delivery" rather than the terms "generation, transmission", and "distribution".
- OCC proposed a bill format that simplifies the first page of the bill, clearly delineates the difference between the delivery and supply charges, provides the current supplier price and duration of such price, and provides the Price to Compare immediately adjacent to (above/below) the supplier rate. OCC's position is that, on succeeding page or pages of the bill, there should be a detailed breakdown of all charges (including all riders) so that customers are informed about all of the charges they are paying and can recalculate their bill for accuracy.
- FES reinforced its view that it does not believe the Commission should mandate one approach, but, instead allow the CRES providers to choose whether or not to participate.
- Price-to-Compare
    - Location on the bills was discussed. No consensus was reached.
    - The manner of calculation varies from EDU to EDU.

This topic is still under discussion.

RESA's EDI and WEB PORTAL PRIORITIES

RESA provided a list of items as priorities. RESA would like the following

1. A non-recourse Purchase of Receivables (POR) program for all EDUs. In the absence of POR, EDI transactions should be implemented to provide information regarding customer payment status and utility payment plan.

    - EDUs and suppliers in disagreement, with only Duke offering a POR, which is optional for suppliers.
    - Payment plan info discussed in POR subcommittee.

2. Web portals which can access historic customer usage and other account attribute information for free. RESA has provided a 21-item list of desired web portal information.
    - Duke has a web portal that has summary usage information that is largely consistent with the RESA list.
    - AEP is building a web portal. It contains most but not all of the items on the RESA list.
    - DP&L will be implementing a web portal. FE has no portal and currently has no plan to build one in Ohio, believing that such a proposal is more appropriate for an ESP proceeding. FE has no portal in any of its states.

3. Cancel / Re-bill enhancements, including concurrent cancel / re-bills.
    - AEP is putting auto cancel for bill ready in EDI instead of waiting for supplier to cancel. Implementation of this begins in December. AEP cancel/re-bills usually go out on the same day. Where there is dual billing, AEP is "at the mercy of the suppliers".
    - DP&L's rate ready bills currently have auto cancel. They will be implementing bill ready auto cancel.
    - Duke said there is a wrong assumption being made that for every cancellation there will be a rebill. Duke will have auto cancel for bill ready available Sept 2013. 90% of its cancel/re-bills goes out on the same day. There are instances when there are cancels with no re-bill. Suppliers should get a drop transaction. Bill ready will begin the first week of November for Duke. It would work similar to rate ready: when the distribution charges are cancelled, the supplier charges will be automatically cancelled too.
    - Dominion said a pending indicator is needed to show that a pending action or investigation is associated with the account.
    - FE's rate ready bill has same day cancel/re-bill. Bill ready bills require three days for supplier to respond before FE sends out a re-bill. With dual billing, FE will pass on the new usage.
4. Interval Usage via EDI: All utilities should provide historic interval usage data via standard EDI transactions, with no fee, except for requests requiring manual processing. Absent EDI capability, manual requests should be free.
    - Duke said it is necessary to discuss how granular the data regarding interval meters should be. Duke is rolling out hourly interval data in June and that their fees are tariffed. Said supplier should get what they really need and will use now.
    - Con Ed Solutions wants hourly interval information for free.
    - Direct Energy wants EDUs to not preclude the possibilities of future needs which might include 15 minute interval information.
    - Suppliers understand that the EDUs currently charge for interval meter data for customers and are not proposing a change to those tariffs at the moment for large customers. At the residential level, however, where smart meters are being installed, there should be no cost for the interval data. RESA believes that costs at the residential and small commercial level for interval data are a barrier to competitive offers of TOU and other smart meter-related products.
    - FES reiterated its view that participation should be optional.

5. Consistent processing for obtaining PLC and NSPL values via EDI transactions.
    - The EDI group is discussing modification of the current system, with a goal to put future PLC and NSPL values in EDI transactions. Each utility would commit to doing so.

- RESA prefers this information be in a web portal once all utilities have web portals with all of the items on the RESA list.
- Duke offers both current and future values in its web portal.
- ConEd Solutions and RESA wants consistency across the utilities.

6. Add necessary data elements to EDI transactions and web portal:

- Budget Billing flag/ indictor:
    - AEP is planning an indicator for their web portal. This info is currently on their EDI.
    - Duke has this info on their pre-enrollment list. It will be on the new web portal.
    - FE and DPL have the information on their pre-enrollment list.
    - RESA suggests this be on all utility web portals.
    - Some Suppliers expressed a preference to have the utility handle budget billing for all charges.
- Interval meter flag/indicator:
    - The EDUs said if the supplier gets the customer's historical usage, the supplier can determine from that whether the customer has an interval meter.
    - The customer lists also indicate whether or not the customer has an interval meter.
    - DP&L's EDI includes a load profile code that indicates whether or not an account has an interval meter.
    - Duke provides and indicator on their customer list and on their web portal.
- Net metering flag/indicator:
    - FE provides a interval meter flag on the eligibility list.
    - AEP says that net metering is a rider, not a tariff. It is difficult to pass such an indicator through the EDI portal.
    - In addition to net metering indicator, other operational protocols need to be in place to support net metering (e.g., net-metered consumption, including negative values when net excess generation occurs, via EDI and reported for EDU RTO settlement).. This topic was removed from the discussion due to possible pending rule changes.

- 24 months of historical usage data on web portal and 12 months of historic usage data via EDI.

    - Data for 24 months is already kept for purposes of cancellation/re-bills.

- A monthly update to the customer list with tagging of which customers are on the standard service offer.
    - Duke's pre-enrollment list has a "switched" indicator.

General Comments about the EDI working group

Some suppliers also indicated the Ohio EDI working group (OEWG), needs "marching orders" from the PUCO. When there is a lack of consensus, things just fall off and nothing gets done except for documentation of exceptions to the standards that are agreed to.

AEP stated that we should focus on the process, and not what an end state should look like. Other deregulated markets have established structured processes for process change we should consider.

FES reinforced its view that it does not believe the Commission should mandate one approach, but, instead allow the CRES providers to choose whether or not to participate.