

**REMITTANCE ADVICE BUSINESS PROCESSES
UTILITY CONSOLIDATED BILLING MODELS**

This document describes the detailed business processes associated with remitting funds to the non-billing party under Utility consolidated billing models. The scope of this document addresses processes associated with the disposition of customers payments received on consolidated bills, by either the billing or non billing party, utility purchase of an ESCO customer receivable, and payments/payment reversals associated with amounts owed to, or from, an ESCO that are unrelated to a specific customer account.

In developing these business processes, the following documents were reviewed:

- Case 98-M-0667, Report of NY EDI Collaborative, issued June 30, 1999.
- Order approving EDI Test Plans and Data Standards, issued and effective November 8, 2001 in Case 98-M-0667 - In the Matter of Electronic Data Interchange
- Order Approving Electronic Data Interchange Transactions for Utility Bill Ready and Rate Ready Billing, issued and effective June 21, 2002 in Case 98-M-0667.
- Case 98-M-1343, In the Matter of Retail Access Business Rules, Errata Notice, issued August 2, 2004.
- Case 99-M-0631 and Case 03-M-0017, Order Relating to Implementation of Chapter 686 of the Laws of 2003 and Pro-ration of Consolidated Bills, issued and effective June 20, 2003
- Case 98-M-1343, Case 99-M-0631, and Case 03-M-0117, Order on Petitions for Rehearing and Clarification, issued and effective December 5, 2003.
- Case 98-M-1343 and Case 99-M-0631 and Case 03-M-0117, Order on Petitions for Rehearing and Clarification, issued and effective June 22, 2005.
- Order Taking Actions to Improve the Residential and Small Nonresidential Retail Access Markets, issued and effective February 25, 2014 in Case 12-M-0476 et.al.
- Order Resetting Retail Energy Markets and Establishing Further Process, Issued and Effective February 23, 2016 in Case 15-M-0127 et al.

NOTES:

- The source of various Process Rules listed in this document is indicated by the following annotations which precede each rule:
 - UBP = NY Uniform Business Practices
 - CR = Report of the NY EDI Collaborative

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- CWG = Collaborative Work Group or Case 12-M-0476 EDI Working Groups
 - [CWG][UBP (insert Section and paragraph cite)] = Collaborative Work Group clarification, interpretation or comment intended to accommodate Electronic Data Interchange. The following abbreviations are used for UBP Section references:
 - DEF Section 1 Definitions
 - ELIG Section 2 Eligibility Requirements
 - CRED Section 3 Creditworthiness
 - CI Section 4 Customer Information
 - CSP Section 5 Changes in Service Providers
 - CINQ Section 6 Customer Inquiries
 - UI Section 7 Utility Invoices
 - DISP Section 8 Disputes Involving Distribution Utilities, ESCOs or Direct Customers
 - B&PP Section 9 Billing and Payment Processing
 - [HEFPA] = Modifications to the Uniform Business Practices adopted in orders issued in Case 03-M-0117 implementing Part 686 modifications to the Home Energy Fair Practices Act.
- References to the text of the Uniform Business Practices (UBPs) displayed in the Process Rules sections in this document are those UBPs that are relevant to the scope of the business processes being described in this document and incorporated, by reference, into this document. Those UBPs that require elaboration, clarification, or interpretation in light of other EDI standards or modification to accommodate EDI data exchange processes will be displayed in the Process Rules section AND will also be highlighted in the Comments/Recommendations/Issues section.
 - Any item displayed under a Process component (i.e. rules, etc.) is also applicable for its sub-processes, unless otherwise noted.
 - For purposes of validating customer transactions, the customer's utility account number (with check digit, if included) must be included on every transaction.
 - Utilities and ESCOs must demonstrate the technical capability to exchange information electronically for the billing and payment processing options offered by each party and meet the operational time frames that support the billing options used (UBP B&PP B. 8.).

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- The billing party is not responsible for collection of non-billing party funds, unless agreed to in a BSA.
- When a consolidated billing arrangement is in place, an 820 Remittance Advice is used by the billing party to provide details of the payments remitted to the non-billing party and is also used to provide details of payments being reversed. The payments/adjustment detail provided may pertain to customer's payments on consolidated bills (Pay-As-You-Get-Paid Model) or the purchase of an ESCOs current and/or past due receivables (Purchase Receivables Model). The Remittance Advice transaction must always be sent by the billing party to the non-billing party even where the billing party is utilizing a bank to process the remittance of funds to the non-billing party.
- The 820 Remittance Advice may also contain credits and/or adjustments associated with ESCO Pricing Adjustment (EPA) Credits, e.g. Account Program Participant (APP) price guarantees, that reduce the amounts owed to the non-billing party for services provided, including periods during which the ESCO is not the customer's current supplier.
- The 820 Remittance Advice may also contain payments and/or adjustments associated with funds due from, or owed to, the non-billing party for services rendered or fees assessed by the billing party such as billing services fees, additional wire transfer costs, imbalance fees, etc. These payments/adjustments will be identified in the Remittance Advice by a Master Account Number which may be either an account number assigned to the non-billing party by the billing party or a 'dummy' account number of the form 99999xxxx at the discretion of the billing party. Separate 'dummy' account numbers may be established to distinguish between payments/adjustments specific to electric service versus those that pertain to gas service.
- To minimize the administrative costs associated with reconciling the 820 Remittance Advice transactions with the corresponding funds transfers, the 820 Remittance Advice transaction and funds transfer must be initiated on the same business day. When the payment processing method is Pay-As-You-Get-Paid, the billing party must initiate the funds transfer to the non-billing party, within two business days of receipt and posting of the funds by use of Electronic Funds Transfer (EFT), Automated Clearing House (ACH), check or similar means to banks or other locations as agreed to by the parties. For the Purchase Receivables method, the parties shall agree upon, and document in the Billing Service Agreement, the date and method of payment.
 - The total amount indicated in the 820 Remittance Advice transactions, when positive, must be equal to the funds being transferred.
 - Each 820 Remittance Advice may contain multiple accounts for multiple commodities.

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- Where the billing party has prepared a consolidated bill consisting of electric and gas charges, payments may be remitted either for combined electric and gas charges or for electric and gas charges separately.
- The 820 Remittance Advice will contain payments (or reversed payments) detailed by individual customer account (or master account number) as well as the total amount of all payments/reversals contained in the transaction.
- Parties must document in their Billing Services Agreements the process to be used when the total amount in the Remittance Advice is a negative amount.
- The non-billing party should not use an 820 Remittance Advice to communicate the posting of payments or credits.
- Customer usage, billing, and credit data is to be considered confidential and may not be shared with anyone without the express authorization of the customer, unless disclosure is required by appropriate legal or regulatory authority or is authorized in accordance with the Uniform Business Practices to facilitate the customer's retail access or billing and payment choice. The same level of accountability for data confidentiality will apply to any third party data service providers engaged by an ESCO or Utility. Parties utilizing third party data service providers must ensure that such providers adhere to this confidentiality policy, for example, by incorporating express terms regarding data confidentiality in a Billing Service Agreement and/or Trading Partner Agreement. Delivery service billing data for customers with negotiated delivery contracts may not be disclosed without the utility's consent, except as otherwise required by appropriate regulatory and other legal authorities.
- Although transactions may be sent at any time, they will be processed during normal business days and hours. Business days are Monday through Friday, except for national holidays and for days for which business cannot be performed due to force majeure events [see UBP definition for 'Business Day' and paragraph B&PP D.1.j.]. Related to the 820 Remittance, since the Billing Party is required to send payments to the non billing party within 2 days of receipt from the customer, if the payment is received/posted on Day 1 during business hours, the billing party must send payment and the 820 Remittance Advice by close of business on Day 3.

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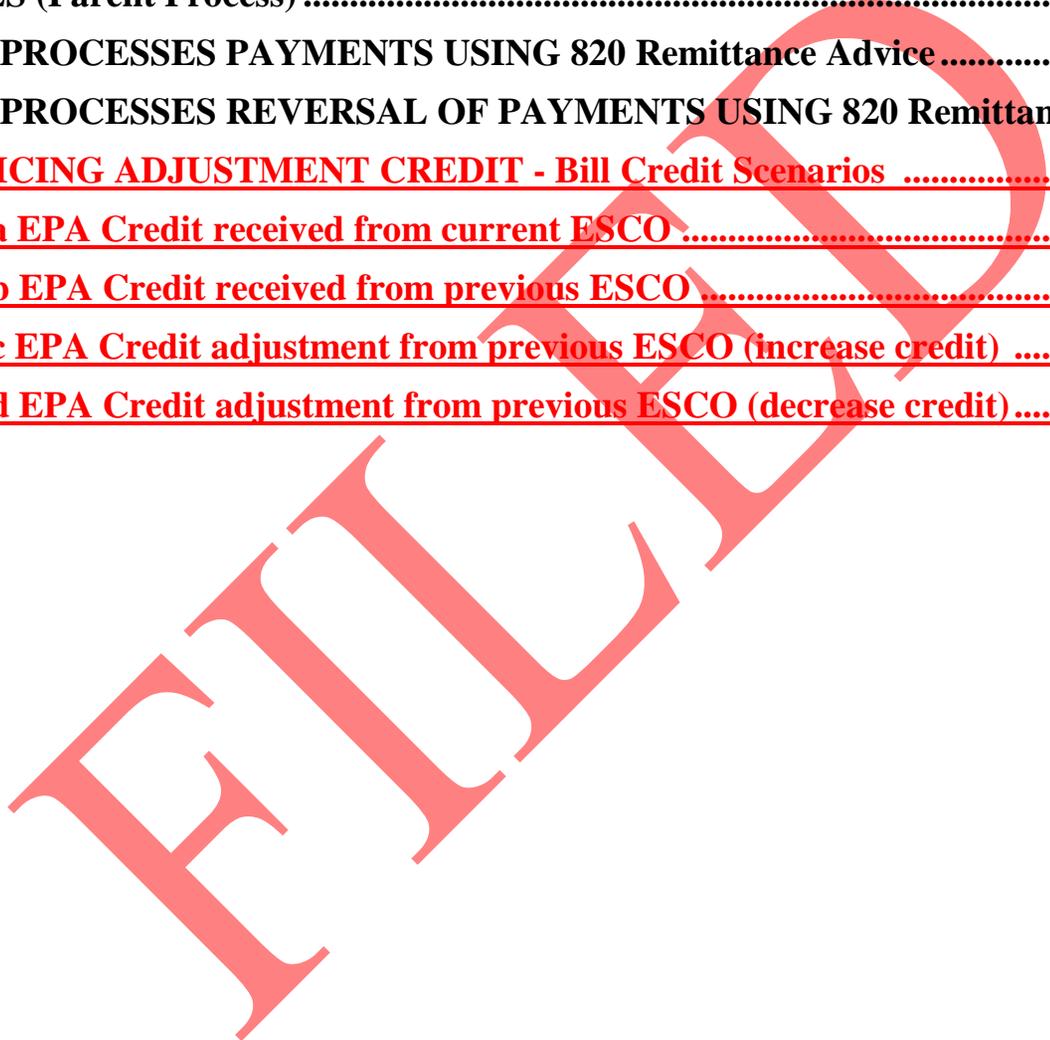
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PROCESS NUMBER:	<i>RAUO</i>
PROCESS NAME:	<i>PAYMENTS OR PAYMENT REVERSALS ARE PROCESSED UNDER UTILITY CONSOLIDATED BILLING MODELS (PARENT PROCESS)</i>
PROCESS DEFINITION:	<p>Process by which customer payments made on consolidated bills are allocated, payments are transmitted and details of payments and payment reversals are communicated. Payments may be reversed under the following scenarios:</p> <ul style="list-style-type: none"> • Returned check • Misapplied payment • Duplicate payment on an individual account • Payment remittance is rejected • Bill is cancelled (Not used with Bill Ready Pay-As-You-Get-Paid Method) • Errors in payment calculation (for master account amounts). <p>Depending on the scenario, the method for processing payment reversals via EDI will be detailed in the Billing Services Agreement (BSA).</p>
TRIGGER(S):	ESCO customers receive consolidated bills and a customer payment is received on account (Pay-As-You-Get-Paid), the billing party is purchasing the ESCO customer receivable, or the billing party is collecting or crediting amounts owed by or to the non-billing party.
ESTIMATED / PEAK TRANSACTION RATE:	Dependent on the number of customers enrolled in Consolidated billing models.
PROCESS INPUTS:	Utility Billing Information; ESCO Billing Information, Payment Information, Receivables Information.

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PROCESS OUTPUTS:	Communication between the billing party and non-billing party describing payment or payment reversal on customer account.
SUB OR PRECEDING PROCESSES:	<ul style="list-style-type: none"> • Customer is established on consolidated billing model. • The billing party issues consolidated bills. • Billing party receives a payment on a consolidated bill. • Billing party allocates payment according to payment allocation rules. • Where allocation results in an amount that should be remitted to the non-billing party, funds are transferred and the 820 Remittance Advice is sent. <p style="text-align: center;">Or</p> <ul style="list-style-type: none"> • The billing party determines that a payment on account previously remitted should be reversed. • The billing party debits funds being remitted equal to the amount of the payment being reversed and includes the debit information in the 820 Remittance Advice identifying the amount of the payment being reversed. <p style="text-align: center;">Or</p> <ul style="list-style-type: none"> • The billing party determines the amount due the ESCO for purchase of the current period receivable for each ESCO account in a billing cycle. • Funds are transferred and the 820 Remittance Advice is sent on the date agreed upon and documented in the BSA between the parties. <p style="text-align: center;">Or</p> <ul style="list-style-type: none"> • The billing party determines that a purchase of the ESCO receivable previously remitted should be

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	<p>reversed or adjusted.</p> <ul style="list-style-type: none"> • The billing party debits (or credits) funds being remitted equal to the amount of the payment being reversed or adjusted and includes the adjustment information in the Remittance Advice. <p style="text-align: center;">Or</p> <ul style="list-style-type: none"> • The billing party determines the amount of charges (or credits) due from, or to, the non-billing party for services or fees that are unrelated to an individual customer account. • The billing party debits (or credits) funds being remitted equal to the amount of the charge (or credit) on the date agreed upon in the BSA between the parties and includes the charge (or credit) detail in the Remittance Advice under a master account number. <p>1.0 Utility Processes Payment Using 820 Remittance 2.0 Utility Processes Reversal of Payment Using 820 Remittance</p>
<p>PROCESS RULES:</p>	<p>[UBPs B&PP D.1., B&PP D.3., B&PP D.4., B&PP G.13., B&PP J.1., B&PP J.2. and B&PP J.8.] [HEFPA-UBPs B&PP J. 4. and B&PP J.5.]</p> <p>[CWG] Regarding UBP B&PP D.1.k – n.: When consolidated billing is in effect, the billing party is responsible for administration of the non-billing party account balance including maintenance of the non-billing party balance, presentation of the non-billing party balance on the consolidated bill, and allocation of payments to the non-billing party balance.</p> <p>[CWG]Regarding UBP B&PP J.2.a.: This paragraph of the Practices describes information to be provided to the non-billing party related to customer payment activity in account detail including: the date payments were posted, the date payments were transferred and payment amounts allocated to the non-billing party. The Remittance Advice will contain this information as well as either a payment or an adjustment indicator and an adjustment reason, if applicable. Information on the total amount of the customer’s payment received by the billing party will be made available in the manner described in UBP</p>

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	<p>B&PP J.2.c. Footnote 16 until an EDI standard has been modified to incorporate this information.</p> <p>[CWG] For Utility consolidated billing models the following process should be used when payments are received by the non-billing party:</p> <ul style="list-style-type: none"> • The non-billing party should apply the entire payment to the customer’s account with the non-billing party; • The non-billing party must notify the billing party of receipt of the customers’ payment as follows: <ul style="list-style-type: none"> ➤ <u>Bill Ready</u> -- Via the PAM segment in the EDI 810 ➤ <u>Rate Ready</u> -- Via EDI 568 Accounts Receivable Advisement • Upon receipt of notification from the non-billing party, the billing party must adjust the customer's receivables balance with the non-billing party to reflect the payment amount and determine the allocation of the payment between the billing and non-billing party in accordance with pro-ration procedures established in B&PP J.4.a. The receivables balances of the parties may subsequently be adjusted to reflect the pro-rata share of the payment applicable to each party. • In addition, the BSA between the parties should specify additional actions the non-billing party is expected to take regarding notification to the billing party when funds are received. The BSA should identify the method(s) that will be used to notify the non-billing party and the customer of the pro-rata share of the payment allocated to each party. <p>[CWG] [UBP B&PP J.4.d.] When payments are received without enough information for the billing party to identify the customer account, this paragraph advises that customer’s should contact the billing party to inquire about any late charges or the lack of payment credit. This process should apply only to Utility Rate Ready consolidated billing.</p>

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<p>[CWG] Regarding UBP B&PP J.4.d.: When a payment from the customer is received by either the billing or non-billing party without an account number or enough information for the recipient to identify the payer, the payment will be held and processed when sufficient information is obtained to identify the account.</p> <p>[CWG] Regarding UBP B&PP J.4.d.: When a customer contacts either the billing or non-billing party to inquire about a payment that may not have been identified, the party that received the unidentifiable payment, which may be either the billing or non-billing party, will investigate the payment.</p> <p>[CWG] Regarding UBP B&PP J.4.d.: When a payment from the customer is received by either the billing or non-billing party without sufficient information to identify the payer, the payment should be handled as follows:</p> <ul style="list-style-type: none"> • <u>Billing Party is the Recipient of the Payment – Utility Consolidated Billing Models</u> When the billing party identifies the payer, the payment will be allocated, and where allocation results in an amount that should be remitted to the non-billing party, the billing party will initiate an 820 Remittance Advice and a funds transfer to the non-billing party. • <u>Non-billing Party is the Recipient of the Payment – Utility Consolidated Billing Models</u> When the non-billing party identifies the payer, the entire payment will be applied to the customer’s account with the non-billing party. In the Bill Ready model, the billing party will be notified via the PAM segment in an 810 Invoice. In the Rate Ready model the billing party will be notified of payment via the EDI 568 Accounts Receivable Advisement transaction. In addition, the BSA between the parties should specify additional actions the non-billing party is expected to take regarding notification to the billing party when funds are received. The BSA should identify the method(s) that will be used to notify the non-billing party and the customer of the pro-rata share of the payment allocated to each party. 	

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<p>[CWG] A customer payment must be posted to the receiver’s system(s) on the same date as it is received.</p> <p>[CWG] To minimize the administrative costs associated with reconciling the 820 Remittance Advice transaction with the corresponding funds transfer the Remittance transaction and funds transfer must be initiated on the same business day.</p> <p>[CWG] Where the billing party has prepared a consolidated bill consisting of electric and gas charges, payments may be remitted in the 820 Remittance Advice either separately or combined.</p> <p>[CWG] The 820 Remittance Advice will contain payments (or reversed payments) detailed by individual customer account (or master account number) as well as the total amount of all payments/reversals contained in the transaction.</p> <p>[CWG] In cases where an item on the 820 Remittance Advice or the entire 820 Remittance Advice is rejected by the non-billing party, for example when a duplicate 820 Remittance Advice was sent in error, the funds will have already been transmitted and will be retained by the non-billing party. It is the responsibility of the billing party to initiate a process to recover the funds transferred and provide account detail either via a payment reversal (adjustment) in an 820 Remittance Advice (if feasible) or another process acceptable to the parties which must be documented in the BSA.</p> <p>[CWG] An 820 Remittance Advice is always transmitted when the sum of the payments and payment reversals included in the Remittance Advice is a positive remittance amount. Parties must document in their BSAs which process is to be used when the sum of the amounts in an 820 Remittance Advice is zero or a negative amount. Processes that may be used include: holding the 820 Remittance for one day or more to allow for payments and reversals included in the 820 Remittance of the following day(s) to offset the negative remittance amount; sending a Remittance Advice where the summary amount for the transaction equals “zero” but the sum of the detail amounts is a negative number; sending a Remittance Advice where the summary amount is a negative number; and/or taking other actions to allow for resolution of the negative 820 Remittance Advice, etc.</p>	

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<p>COMMENTS/ RECOMMENDATION S/ISSUES</p>	<p>[CWG] [B&PP J.4.d.] When payments are received without enough information for the billing party to identify the customer account, this paragraph indicates that the customer should contact the billing party to inquire about any subsequent late charges or the lack of payment credit. The billing party is expected to resolve the matter and reverse the late payment charges. It should be clarified that these provisions are limited to Utility Rate Ready consolidated billing. In the Utility Bill Ready model it is the non-billing party who calculates all charges and makes all adjustments to past charges including the reversal of LPCs.</p> <p>The Collaborative considered a number of methods in developing a process for handling payments received by a non-billing party and identified a <i>best practice</i> based on the criteria described below.</p> <p><u>Frequency</u> – It is expected that the instances in which customers would make payments to a non-billing party will be low; therefore, the extensive efforts needed to develop an elaborate method for handling such payments appear unwarranted.</p> <p><u>Customer Intention</u> – In the consolidated billing model, the billing party provides the customer with payment instructions, a payment stub and a mailing envelope or some other method for payment remittance (instructions for payment on Web site, etc.). Based on this, when the customer remits their payment to the non-billing party, the customer is making a clear choice as to which party the payment should be applied to. In such a case, the customer has made special efforts to make payment to the non-billing party; rather than use the means (envelope, etc.) provided by the billing party, the customer is making a decision to use another means, such as writing out an envelope and mailing it to the non – billing party. Payments sent by the customer to the non-billing party may be payments for dual bill(s) outstanding at the time the consolidated billing relationship became effective or for amounts that were charged back to the ESCO because they were deemed uncollectible by the billing party.</p> <p><u>Processing Methods</u> – The processing method developed by the Collaborative is fully automated and avoids the use of manual processing routines that are prone to error. The method is also streamlined and</p>

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	<p>avoids the need to process payments more than once. In the method recommended the total payment is applied by the non-billing party to its receivable balance for the customer, pending determination by the billing party of the proper pro-rata share of the payment that should be allocated to each party. In comparison, methods that involve transmission of the payment from the non billing party to the billing party are more complex. For example, in the method where the entire payment is sent to the billing party for processing the following steps must be followed:</p> <ul style="list-style-type: none"> • The non-billing party receives the payment, • The non-billing party posts it to their Customer Service System (CSS), • The non-billing party reverses the payment on their CSS • The non-billing party notes the customer account indicating that payment has been made. • The non-billing party transmits the payment to the billing party (would require modified processing protocols) • The billing party allocates the payment. • The billing party processes the payment. • Where an amount is due to the non-billing party, the billing party transmits payment and an 820 Remittance Advice to the non-billing party. • The non-billing party receives the payment. • The non-billing party posts it to their Customer Service System (CSS). <p>Using this method, a customer's payment is essentially processed a total of three times which would substantially increase the likelihood of processing errors. In most instances where the Utility is the non-billing party these extensive efforts will only result in the entire payment being returned to the Utility, albeit after a delay, according to the wishes of the customer.</p>

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	<p><u>Reallocation of Payment</u> – The method recommended by the Collaborative provides an efficient means for the reallocation of the payment. Notification of the payment by the non-billing party to the billing party provides the parties with the opportunity to review the payment and take actions as necessary for its reallocation. It is expected that instances in which reallocation will be necessary will be extremely infrequent.</p>

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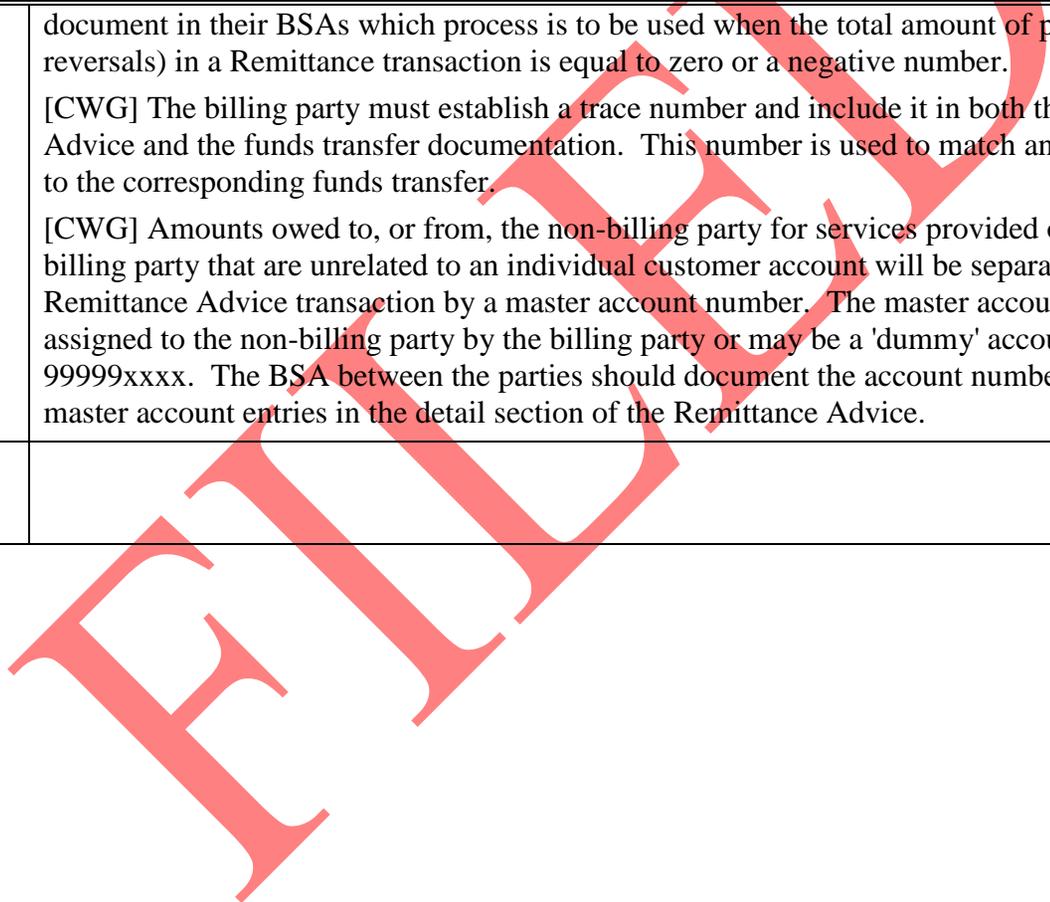
PROCESS NUMBER:	<i>RAU 1.0</i>
PROCESS NAME:	<i>UTILITY PROCESSES PAYMENTS USING 820 REMITTANCE ADVICE</i>
PROCESS DEFINITION:	Process by which the Billing Party provides detail of payments being transmitted to the non-billing party.
TRIGGER(S):	Customer payment is allocated and results in a payment that should be sent to the non-billing party or a consolidated bill is issued and the billing party will purchase the non-billing party's receivable.
ESTIMATED / PEAK TRANSACTION RATE:	Dependent on the number of customers enrolled in Consolidated billing models.
PROCESS INPUTS:	Utility Information; ESCO Information, Customer Information, Payment Information, Receivables Information.
PROCESS OUTPUTS:	<p>Positive Response: This response is not applicable to receipt of an 820 Remittance Advice</p> <p>Negative Response: The sender of the Advice may be notified of errors in a Remittance transaction via an 824 Application Advice transaction or may be contacted directly through other means. A negative response may pertain to payment information for an individual account in the Remittance transaction or to the entire Remittance transaction.</p> <p>Negative Responses At Individual Customer Account Level:</p> <ul style="list-style-type: none"> • Account Number Not Valid (A76) • Account Does Not Have Service Requested (A91) • Invalid Relationship (A84)

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PROCESS NUMBER:	<i>RAU 1.0</i>
PROCESS NAME:	<i>UTILITY PROCESSES PAYMENTS USING 820 REMITTANCE ADVICE</i>
	<ul style="list-style-type: none"> • Invoice Number Invalid or Missing (I76) • Other (A13) <p>Negative Responses At Transaction Level: (Use of Specific Codes Documented in BSA)</p> <ul style="list-style-type: none"> • Duplicate Remittance (ABN) • ID # (Payer or Payee) Invalid or Missing (D76) • Sum of Individual Payments Not Equal to Transaction Total (SUM) • Invalid Relationship (A84) • Total Charges Negative (TCN) • Other (A13)
SUB OR PRECEDING PROCESSES:	See parent.
PROCESS RULES:	<p>[CWG] The funds transfer method to be used by the billing party will be documented in the Billing Services Agreement executed between the billing and non-billing parties.</p> <p>[CWG] To minimize the administrative costs associated with reconciling the 820 Remittance Advice transactions with the corresponding funds transfer, the Remittance transaction and funds transfer must be initiated on the same business day and must contain the same trace id.</p> <p>[CWG] The non-billing party will use both the funds received and the corresponding 820 Remittance Advice to process the funds.</p> <p>[CWG] When the total amount of payments (and payment reversals) sent in a Remittance transaction is a positive number, the Remittance total must be equal to the corresponding funds transfer. Parties must</p>

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PROCESS NAME:	<i>UTILITY PROCESSES PAYMENTS USING 820 REMITTANCE ADVICE</i>
	<p>document in their BSAs which process is to be used when the total amount of payments (and payment reversals) in a Remittance transaction is equal to zero or a negative number.</p> <p>[CWG] The billing party must establish a trace number and include it in both the 820 Remittance Advice and the funds transfer documentation. This number is used to match an 820 Remittance Advice to the corresponding funds transfer.</p> <p>[CWG] Amounts owed to, or from, the non-billing party for services provided or fees assessed by the billing party that are unrelated to an individual customer account will be separately identified in the Remittance Advice transaction by a master account number. The master account number may be assigned to the non-billing party by the billing party or may be a 'dummy' account number of the type 99999xxxx. The BSA between the parties should document the account number(s) to be used in the master account entries in the detail section of the Remittance Advice.</p>
COMMENTS:	



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PROCESS NUMBER:	<i>RAU 2.0</i>
PROCESS NAME:	<i>UTILITY PROCESSES REVERSAL OF PAYMENTS USING 820 REMITTANCE ADVICE</i>
PROCESS DEFINITION:	Process by which the billing party will communicate the reversal of, and/or adjustments to, amounts previously sent to the non-billing party.
TRIGGER(S):	A remittance item previously sent by the billing party to the non-billing party now requires action to resolve a debit or credit arising from the application of that item to the non-billing party's customer or other receivables.
ESTIMATED / PEAK TRANSACTION RATE:	Dependent on the number of customers enrolled in Consolidated billing models.
PROCESS INPUTS:	Utility Information; ESCO Information, Customer Information; Payment Information, Receivables Information.
PROCESS OUTPUTS:	<p>Positive Response: For processing of accepted <u>APP-EPA</u> Credits:</p> <p>a) Rate Ready - Customer still active with ESCO</p> <ul style="list-style-type: none"> • Utility includes credit on the next bill to the customer. • Utility sends 820 to the ESCO with PO/PR code for the original amount billed. • Utility sends 820 to the ESCO with GR code. <p>b) Bill Ready - Customer still active with ESCO</p> <ul style="list-style-type: none"> • ESCO includes a charge line item for SAC04 = CRE030 for the <u>APP-EPA</u> Credit. • Utility sends 820 to the ESCO with PO/PR code for the regular charges. • Utility sends 820 to the ESCO with GR code.

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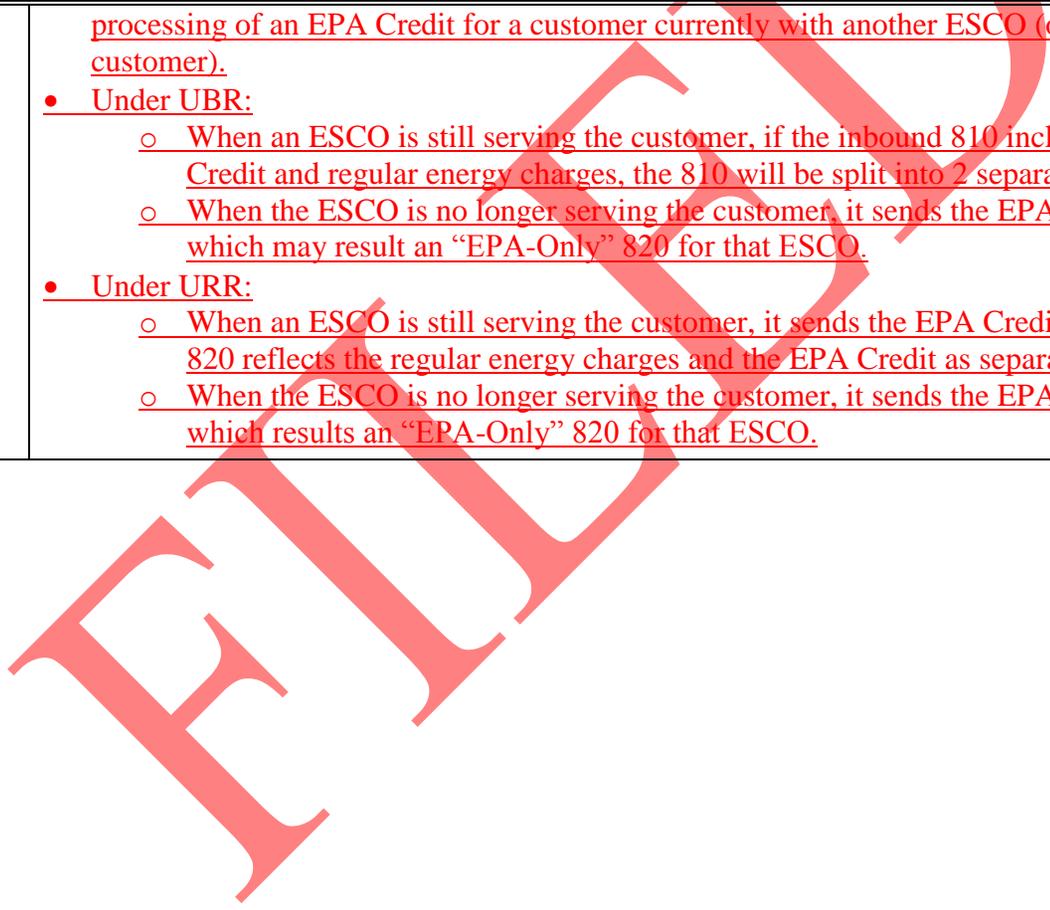
PROCESS NUMBER:	<i>RAU 2.0</i>
PROCESS NAME:	<i>UTILITY PROCESSES REVERSAL OF PAYMENTS USING 820 REMITTANCE ADVICE</i>
	<p>c) All Bill Options (including Bill Ready) - Customer no longer active with ESCO</p> <ul style="list-style-type: none"> • Utility includes credit on the next bill to the customer. • Utility sends 820 to the ESCO with GR code. <p>Otherwise, this response is not applicable to receipt of an 820 Remittance Advice</p> <p>Negative Response: The sender of the Advice may be notified of errors in a Remittance transaction via an 824 Application Advice transaction or may be contacted directly through other means. A negative response may pertain to payment information for an individual customer account in the Remittance transaction or to the entire Remittance transaction.</p> <p>Negative Responses At Individual Customer Account Level:</p> <ul style="list-style-type: none"> • Account Number Not Valid (A76) • Account Does Not Have Service Requested (A91) <p>Negative Responses At Individual Customer Account Level (cont.):</p> <ul style="list-style-type: none"> • Invalid Relationship (A84) • Invoice Number Invalid or Missing (I76) <p>Negative Responses At Transaction Level:</p> <ul style="list-style-type: none"> • Duplicate Remittance (ABN) • ID # (Payer or Payee) Invalid or Missing (D76) • Sum of Individual Payments Not Equal to Transaction Total (SUM) • Invalid Relationship (A84)

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PROCESS NAME:	<i>UTILITY PROCESSES REVERSAL OF PAYMENTS USING 820 REMITTANCE ADVICE</i>
	<ul style="list-style-type: none"> • Total Charges Negative (TCN) • Other (A13)
SUB OR PRECEDING PROCESSES:	See parent.
PROCESS RULES:	<p>[CWG] This transaction will be used to reverse a customer payment previously sent, to reverse or adjust funds transmitted to purchase an ESCO customer receivable, or to adjust items previously transmitted by the billing party that pertain to amounts owed by (or to be credited to) the ESCO for fees due to, or services performed by, the billing party such as billing services, balancing charges, late fees, etc.</p> <p>[CWG] The adjustment reason code for all adjustments associated with a master account number should be CS (Adjustment).</p> <p>[CWG] The adjustment reason code for all adjustments associated with <u>APPEPA</u> Credits should be GR (Guarantee).</p> <p>[CWG] The adjustment reason code for adjustments, other than <u>APPEPA</u> Credits, associated with billing party purchase of an ESCO customer receivable that are unrelated to current period charges/credits should be 16 (Non-invoice Related Allowance/Charge).</p>
COMMENTS:	<ul style="list-style-type: none"> • <u>At a high level, EPA Credits are a reversal of an amount that was previously billed and paid to the ESCO. Since EPA Credits can be adjusted, depending upon whether the adjustment increases or decreases the total amount to be credit, it is either a supplemental reversal or a “partial reversal of a reversal”.</u> • <u>A typical combined bill consists of utility delivery charges and the service charges for one ESCO. Bills containing EPA Credits are potentially atypical because they may contain charges and credits from more than one ESCO. As a result, an ESCO may receive an 820 transaction that reflect</u>

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<p>PROCESS NUMBER:</p>	<p><i>RAU 2.0</i></p>
<p>PROCESS NAME:</p>	<p><i>UTILITY PROCESSES REVERSAL OF PAYMENTS USING 820 REMITTANCE ADVICE</i></p>
	<p><u>processing of an EPA Credit for a customer currently with another ESCO (or a utility full service customer).</u></p> <ul style="list-style-type: none"> • <u>Under UBR:</u> <ul style="list-style-type: none"> ○ <u>When an ESCO is still serving the customer, if the inbound 810 includes both the EPA Credit and regular energy charges, the 810 will be split into 2 separate pieces for the 820.</u> ○ <u>When the ESCO is no longer serving the customer, it sends the EPA Credit in on an 814C which may result an “EPA-Only” 820 for that ESCO.</u> • <u>Under URR:</u> <ul style="list-style-type: none"> ○ <u>When an ESCO is still serving the customer, it sends the EPA Credit in on an 814C. The 820 reflects the regular energy charges and the EPA Credit as separate pieces for the 820.</u> ○ <u>When the ESCO is no longer serving the customer, it sends the EPA Credit in on an 814C which results an “EPA-Only” 820 for that ESCO.</u>



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<u>PROCESS NUMBER:</u>	<u>RAU 3.0</u>		
<u>PROCESS NAME:</u>	<u>ESCO PRICING ADJUSTMENT CREDIT - BILL CREDIT SCENARIOS</u> <u>A. EPA CREDIT RECEIVED FROM CURRENT ESCO</u>		
<u>CURRENT ESCO BILLING STATUS</u>	<u>DESCRIPTION/SPECIAL CIRCUMSTANCES</u>	<u>CREDIT FUNDED</u>	<u>ACTION</u>
<u>UCB</u>	<u>None [Default Response]</u>	<u>Yes</u>	<u>Utility puts credit on next customer bill.</u>
<u>UCB</u>	<u>None [Default Response]</u>	<u>No</u>	<u>Reject Credit; instruct ESCO to fund credit and resubmit.</u>
<u>ECB</u>	<u>None [Default Response]</u>	<u>N/A</u>	<u>Reject credit; instruct ESCO to provide credit directly to customer.</u>
<u>ECB</u>	<u>Utility Option in response to ESCO request.</u>	<u>Yes</u>	<u>Utility sends check to customer.</u>
<u>ECB</u>	<u>Utility Option in response to ESCO request.</u>	<u>No</u>	<u>Reject Credit; instruct ESCO to fund credit and resubmit.</u>
<u>DUAL</u>	<u>None [Default Response]</u>	<u>N/A</u>	<u>Reject credit; instruct ESCO to provide credit directly to customer.</u>
<u>DUAL</u>	<u>Utility Option in response to ESCO request.</u>	<u>Yes</u>	<u>Utility puts credit on next customer bill; provide bill message to identify ESCO is providing the credit.</u>
<u>DUAL</u>	<u>Utility Option in response to ESCO request.</u>	<u>No</u>	<u>Reject Credit; instruct ESCO to fund credit and resubmit.</u>
<u>UCB</u>	<u>ESCO billed customer directly for Commodity (Dual or ECB) but is now utilizing UCB</u>	<u>Yes</u>	<u>Utility puts credit on next customer bill.</u>
<u>UCB</u>	<u>ESCO billed customer directly for Commodity (Dual or ECB) but is now utilizing UCB</u>	<u>No</u>	<u>Reject Credit; instruct ESCO to fund credit and resubmit.</u>

**REMITTANCE ADVICE BUSINESS PROCESSES
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<u>PROCESS NUMBER:</u>	<u>RAU 3.0</u>		
<u>PROCESS NAME:</u>	<u>ESCO PRICING ADJUSTMENT CREDIT - BILL CREDIT SCENARIOS</u> <u>B. EPA CREDIT RECEIVED FROM PREVIOUS ESCO</u>		
<u>CURRENT ESCO BILLING STATUS</u>	<u>PREVIOUS ESCO BILLING STATUS</u>	<u>CREDIT FUNDED</u>	<u>ACTION</u>
<u>ECB</u>	<u>UCB, Dual or ECB [Default Response]</u>	<u>N/A</u>	<u>Reject credit; ESCO must provide the credit directly to the customer</u>
<u>ECB</u>	<u>UCB, Dual or ECB - Utility Option in response to ESCO request.</u>	<u>Yes</u>	<u>Utility sends check to customer</u>
<u>ECB</u>	<u>UCB, Dual or ECB - Utility Option in response to ESCO request.</u>	<u>No</u>	<u>Reject Credit; instruct ESCO to fund credit and resubmit</u>
<u>UCB/ FULL SERVICE</u>	<u>UCB [Default Response]</u>	<u>Yes</u>	<u>Utility puts credit on next customer bill; previous ESCO distinguished from current supplier</u>
<u>UCB/ FULL SERVICE</u>	<u>UCB [Default Response]</u>	<u>No</u>	<u>Reject Credit; instruct ESCO to fund credit and resubmit</u>
<u>UCB/ FULL SERVICE</u>	<u>Dual or ECB [Default Response]</u>	<u>N/A</u>	<u>Reject credit; instruct ESCO to provide credit directly to customer</u>
<u>UCB/ FULL SERVICE</u>	<u>Dual or ECB - Utility Option in response to ESCO request.</u>	<u>Yes</u>	<u>Utility puts credit on next customer bill; previous ESCO distinguished from current supplier</u>
<u>UCB/ FULL SERVICE</u>	<u>Dual or ECB - Utility Option in response to ESCO request.</u>	<u>No</u>	<u>Reject Credit; instruct ESCO to fund credit and resubmit</u>
<u>DUAL</u>	<u>UCB [Default Response]</u>	<u>Yes</u>	<u>Utility puts credit on next customer delivery bill; previous ESCO distinguished from current supplier</u>
<u>DUAL</u>	<u>UCB [Default Response]</u>	<u>No</u>	<u>Reject Credit; instruct ESCO to fund credit and resubmit</u>
<u>DUAL</u>	<u>Dual or ECB - Utility Option in response to ESCO request.</u>	<u>Yes</u>	<u>Utility puts credit on next customer bill; previous ESCO distinguished from current supplier</u>
<u>DUAL</u>	<u>Dual or ECB - Utility Option in response to ESCO request.</u>	<u>No</u>	<u>Reject Credit; instruct ESCO to fund credit and resubmit</u>

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<u>PROCESS NUMBER:</u>	<u>RAU 3.0</u>		
<u>PROCESS NAME:</u>	<u>ESCO PRICING ADJUSTMENT CREDIT - BILL CREDIT SCENARIOS</u> <u>C. EPA CREDIT ADJUSTMENT FROM PREVIOUS ESCO (INCREASE CREDIT)</u>		
<u>CURRENT ESCO BILLING STATUS</u>	<u>PREVIOUS ESCO BILLING STATUS</u>	<u>CREDIT FUNDED</u>	<u>ACTION</u>
<u>UCB/ FULL SERVICE</u>	<u>UCB [Default Response]</u>	<u>Yes</u>	<u>Utility puts credit adjustment on next customer bill; previous ESCO distinguished from current supplier.</u>
<u>UCB/ FULL SERVICE</u>	<u>UCB [Default Response]</u>	<u>No</u>	<u>Reject credit adjustment; instruct ESCO to fund credit and resubmit.</u>
<u>DUAL</u>	<u>UCB [Default Response]</u>	<u>Yes</u>	<u>Utility puts credit adjustment on next customer delivery bill; previous ESCO distinguished from current supplier.</u>
<u>DUAL</u>	<u>UCB [Default Response]</u>	<u>No</u>	<u>Reject credit adjustment; instruct ESCO to fund credit and resubmit.</u>
<u>ECB</u>	<u>UCB [Default Response]</u>	<u>N/A</u>	<u>Reject credit adjustment; ESCO must provide the credit directly to the customer.</u>
<u>ECB</u>	<u>UCB - Utility Option in response to ESCO request.</u>	<u>Yes</u>	<u>Utility sends check to customer.</u>
<u>ECB</u>	<u>UCB - Utility Option in response to ESCO request.</u>	<u>No</u>	<u>Reject credit adjustment; instruct ESCO to fund credit and resubmit.</u>

Continuity with the means by which the credit was previously issued is important; to the extent the same bill credit process can be maintained, it should be. For example, if the utility issued the credit, it should issue the credit adjustment unless it cannot because the customer billing relationship has terminated; if the ESCO issued the credit, it should issue the credit adjustment.

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<u>PROCESS NUMBER:</u>	<u>RAU 3.0</u>		
<u>PROCESS NAME:</u>	<u>ESCO PRICING ADJUSTMENT CREDIT - BILL CREDIT SCENARIOS D. EPA CREDIT ADJUSTMENT FROM PREVIOUS ESCO (INCREASE CREDIT)</u>		
<u>CURRENT ESCO BILLING STATUS</u>	<u>PREVIOUS ESCO BILLING STATUS</u>	<u>CREDIT FUNDED</u>	<u>ACTION</u>
<u>UCB/ FULL SERVICE</u>	<u>UCB [Default Response]</u>	<u>Yes</u>	<u>Utility puts credit adjustment on next customer bill; previous ESCO distinguished from current supplier; adjust POR balance.</u>
<u>UCB/ FULL SERVICE</u>	<u>UCB [Default Response]</u>	<u>No</u>	<u>Reject credit adjustment; instruct ESCO to bill customer directly.</u>
<u>UCB/ FULL SERVICE</u>	<u>UCB - Utility Option in response to ESCO request.</u>	<u>No</u>	<u>Utility puts credit adjustment on next customer bill; previous ESCO distinguished from current supplier; pay ESCO when Utility gets paid.</u>
<u>DUAL</u>	<u>UCB [Default Response]</u>	<u>Yes</u>	<u>Utility puts credit adjustment on next customer delivery bill; previous ESCO distinguished from current supplier; adjust POR balance.</u>
<u>DUAL</u>	<u>UCB [Default Response]</u>	<u>No</u>	<u>Reject credit adjustment; instruct ESCO to bill customer directly.</u>
<u>DUAL</u>	<u>UCB - Utility Option in response to ESCO request.</u>	<u>No</u>	<u>Utility puts credit adjustment on next customer bill; previous ESCO distinguished from current supplier; pay ESCO when Utility gets paid.</u>
<u>ECB</u>	<u>UCB [Default Response]</u>	<u>N/A</u>	<u>Reject credit adjustment; ESCO must bill customer directly.</u>

Continuity with the means by which the credit was previously issued is important; to the extent the same bill credit process can be maintained, it should be. For example, if the utility issued the credit, it should issue the credit adjustment unless it cannot because the customer billing relationship has terminated; if the ESCO issued the credit, it should issue the credit adjustment.

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PROCESS NUMBER: RAU 3.0 ESCO PRICING ADJUSTMENT CREDIT - BILL CREDIT SCENARIOS

Notes:

1. The general rule is for credit bill processing responsibility is that the party who issues the commodity bill is responsible for providing the bill credit to the customer. When the utility cannot fulfill that role, responsibility to provide the credit to the customer falls to the ESCO.
2. While the general presumption has been that the Utility would fund the credits by offsetting the credit amount from the POR payment to the ESCO, as a general matter the Utility and ESCO may mutually agree to other means, e.g. invoicing, wire transfers, etc. to fund the credit on customer bills issued by the utility.
3. If the ESCO cannot fund the credit, that funding becomes a ESCO Performance Guarantee matter.