PAYMENT ADVISEMENT BUSINESS PROCESSES
UTILITY RATE READY PURCHASE RECEIVABLES WITH RECOURSE
CONSOLIDATED BILLING MODEL

Since no utilities currently support this transaction, further development has been suspended as of Version 2.2.

This document describes the detailed business processes associated with billing party communication of customer payment information under the Utility Rate Ready Purchase of Receivables (POR) with Recourse Model. The scope of this document addresses processes associated with the disposition of payments received by the billing party on consolidated bills, including allocation of customer payments and notification of customer payments (or payment reversals) via a 568 Payment Advisement to the non-billing party.

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

- June 30, 1999 Report of the New York EDI Collaborative
- Case 03-M-0117, In the Matter of the Implementation of Chapter 686 of the Laws of 2002, etc., Order on Petitions for Rehearing and Clarification, issued and effective December 5, 2003.
- Case 98-M-1343, In the Matter of Retail Access Business Practices, Order on Petitions for Rehearing and Clarification, issued and effective July 15, 2004.
- Case 98-M-1343, In the Matter of Retail Access Business Rules, Errata Notice, issued August 2, 2004.
- 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.
- NY EDI TS810 Invoice for Utility Rate Ready Billing, version 1.1, published February 23, 2004.
- Consolidated Billing Business Processes – Utility Rate Ready, published June 21, 2002.
- Account Assignment Business Processes for All Consolidated Billing Models, published July 31, 2002.
- NY EDI TS824 Application Advice, published November 7, 2002.
- NY EDI TS824 Positive Notification, published November 7, 2002.
- NY EDI TS814 Change (Account Maintenance), published May 17, 2006.
- 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.

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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
  - [CWG] = Collaborative Work Group or Case 12-M-0476 EDI Working Groups
  - [CWG][UBP (insert paragraph cite)] = Collaborative Work Group clarification, interpretation, comment or recommended modification of the Practices 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

- 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 UBP(s) that the Collaborative believes require elaboration, clarification, interpretation in light of other EDI standards or modification to accommodate EDI data exchange processes will be displayed in the Process Rules section AND/OR will 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 EDI transactions, the customer's utility account number (with check digit, if included) must be included on every transaction.

- A distribution utility and ESCO shall demonstrate the technical capability to exchange information electronically for their billing and payment processing options (UBP B&PP B. 8.).

- In New York State, the 820 Remittance Advice is used as a financial transaction, when a consolidated billing arrangement is in place, to provide details of customer payments and payment reversals remitted to the non-billing party. For the Utility Rate Ready POR with Recourse Model, an 820 Remittance Advice will not be used to communicate customer payment information. For this model, the billing party will remit to the ESCO amounts billed the customer on its behalf irrespective of any payments for those billed amounts received from the customer. Details on receivables purchased from the ESCO will be provided in an 820 Remittance Advice transaction. .

- In the POR with Recourse Model, the 568 Payment Advisement is used by the billing party to provide details to the non-billing party of customer payments and payment reversals received by the billing party for non-billing party charges on consolidated bills.

- The 568 Payment Advisement must be sent within 2 business days of receipt, allocation of a customer's payment (or payment reversal) and posting by the billing party.

- Each 568 Payment Advisement may contain multiple accounts for multiple commodities.

- Where the billing party prepares a consolidated bill consisting of electric and gas charges, adjustments to receivables must be applied to electric and gas charges separately and should be communicated in the 568 accordingly.

- An 824 Application Advice must be sent within 1 business day to reject a 568 Payment Advisement transaction.

- In the POR with Recourse Model, details of customer account payments received by the non-billing party will be communicated to the billing party via a method agreed upon between the parties and documented in the Billing Service Agreement (BSA).

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- A separate business process document describes how account receivables information originating with the non-billing party is to could be communicated via a 568 Account Receivables Advisement transaction when the Pay-As-You-Get-Paid model is in effect.

- Information on customer usage, billing, and credit is confidential. A distribution utility or MDSP may release such information, upon a customer's authorization, in accordance with the Uniform Business Practices [UBP CI.]. 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 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.]. Since a billing party is required to send notification of receipt of customers payments within 2 days, if the payment is received/posted on Day 1 during business hours, the billing party must send the 568 Payment Advisement by close of business on Day 3.

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PAYMENT ADVISEMENT BUSINESS PROCESSES
UTILITY RATE READY PURCHASE RECEIVABLES WITH RECOURSE
CONSOLIDATED BILLING MODEL

PROCESS NUMBER:	***PAO***
PROCESS NAME:	***PAYMENT INFORMATION IS PROCESSED UNDER THE UTILITY RATE READY POR WITH RECOURSE CONSOLIDATED BILLING MODEL (PARENT PROCESS)***
PROCESS DEFINITION:	Process by which customer payments received by the billing party (Utility) are allocated and details of payments and reversed payments are provided to the non-billing party (ESCO) when the bill model is Utility Rate Ready POR with Recourse. In this model the billing party sends payments the non-billing party at predetermined intervals, as documented in a Billing Services Agreement (BSA) between the parties, regardless of whether or when the customer pays the billing party. In this model, the non-billing party reimburses the billing party for any amounts not received from the non-billing party's customers. A 568 Payment Advisement transaction is used to communicate details regarding payments and reversed payments in this model. Payments may be reversed under the following scenarios: • Returned check • Misapplied payment • Duplicate payment on individual account The process described in this document does NOT apply to either the Pay-As-You-Get-Paid or the POR without Recourse models.
TRIGGER(S):	Customer payment is received or reversed payment occurs on account where Utility Rate Ready POR with Recourse Consolidated Billing is in effect.
ESTIMATED / PEAK TRANSACTION RATE:	Dependent on the number of customers enrolled in Utility Rate Ready POR with Recourse Consolidated Billing model.
PROCESS INPUTS:	Utility Billing Information; ESCO Billing Information, Customer Information, Payment Information.

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PAYMENT ADVISEMENT BUSINESS PROCESSES
UTILITY RATE READY PURCHASE RECEIVABLES WITH RECOURSE
CONSOLIDATED BILLING MODEL

PROCESS NUMBER:	***PAO***
PROCESS NAME:	***PAYMENT INFORMATION IS PROCESSED UNDER THE UTILITY RATE READY POR WITH RECOURSE CONSOLIDATED BILLING MODEL (PARENT PROCESS)***
PROCESS OUTPUTS:	Communication between the billing party and non-billing party describing payment or payment reversal on non-billing party customer's account.
SUB OR PRECEDING PROCESSES:	• Customer is established on consolidated billing model. • Billing party issues consolidated bill. • Billing party transmits payment (purchases the ESCO receivable) in the manner agreed upon by the parties in the BSA. • Billing party receives customer's payment on consolidated bill. • Billing party allocates payment according to payment allocation rules [UBP B&BP J.4.a.]. • Where allocation results in an amount that should be remitted to the non-billing party, the billing party credits the customer's account and sends a 568 Payment Advisement to the non-billing party. Or • The billing party determines that a customer's payment should be reversed. • The billing party debits the account and sends a 568 Payment Advisement to the non-billing party to identify the amount of the customer's payment being reversed. 1.0 Utility Processes 568 Payment Advisement
PROCESS RULES:	[UBPs B&PP.B.1., B&PP B.3., B&PP D.1., B&PP F.4., B&PP J.1., B&PP J.2.a., B&PP.J.2.c. Footnote 1., B&PP J.4., B&PP J.5., B&PP J.6a. and B&PP J.8.]

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PROCESS NUMBER:	***PAO***
PROCESS NAME:	***PAYMENT INFORMATION IS PROCESSED UNDER THE UTILITY RATE READY POR WITH RECOURSE CONSOLIDATED BILLING MODEL (PARENT PROCESS)***
	[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. [CWG] [Regarding UBP B&PP.J.4.d.] When a customer contacts 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. [CWG] [Regarding UBP B&PP.J.4.d.] When a payment from the customer is received by the billing or non-billing party without sufficient information to identify the payer, the payment should be handled as follows in the Utility Consolidated Billing POR with Recourse Model. • Billing Party is the Recipient of the Payment 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 credit the account and send a 568 Payment Advisement. • Non-billing Party is the Recipient of the Payment When the non-billing party identifies the payer, the non-billing party will process as determined in the BSA. [CWG] A customer payment must be posted to the receiver's system(s) on the same date it is received. [CWG] When Utility Rate Ready POR with Recourse is in place, the Utility is responsible for administration of the ESCO account balance including maintenance of the ESCO balance, allocation of payments to the ESCO balance, and notification to the ESCO of payments and payment reversals received by the billing party for non-billing party charges on consolidated bills. [CWG] In the Utility Rate Ready POR with Recourse model, a 568 Payment Advisement is used by the billing party to provide details to the non-billing party of payments and payment reversals received by the billing party for non-billing party charges on consolidated bills.

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PROCESS NUMBER:	***PAO***
PROCESS NAME:	***PAYMENT INFORMATION IS PROCESSED UNDER THE UTILITY RATE READY POR WITH RECOURSE CONSOLIDATED BILLING MODEL (PARENT PROCESS)***
	[CWG] The 568 Payment Advisement will contain customer payments (or reversed payments) detailed by individual customer account as well as the total amount of all payments/reversals contained in the transaction. [CWG] The 568 Payment Advisement must be sent within 2 business days of receipt, allocation of a customer's payment (or payment reversal) and posting by the billing party. [CWG] Each 568 Payment Advisement may contain multiple accounts for multiple commodities. [CWG] Where the billing party has prepared a consolidated bill consisting of electric and gas charges, payments or payment reversals must be applied to electric and gas charges separately and will be communicated via the 568 accordingly. [CWG] In the POR with Recourse model, details of customer account payments received by the non-billing party will be communicated to the billing party via a method agreed upon between the parties and documented in the BSA. [CWG] When the non-billing party rejects an account entry in a 568 Payment Advisement transaction, it is the responsibility of the billing party to initiate a process to recover the funds from the receivables purchased. [CWG] In the Purchased Receivables with Recourse model, Utility purchase of ESCO receivables is unaffected by customer payments or payment reversals because amounts remitted to the ESCO are based on amounts billed on an account regardless of a customer's actual payment history. Where customer's checks are returned unpaid, the Utility would communicate the payment reversal in a 568 Payment Advisement transaction. Should the amount of the returned item remain unpaid for a period defined in the BSA, the Utility would take action for recourse at that time and by the method agreed to in the BSA. [CWG] For customers enrolled in budget bill plans the amount of the receivable purchased from the ESCO will be based on the customer's actual charges and not the budget installment amount. Therefore, a 568 Payment Advisement transaction may not be sent to the non-billing party when the customer pays installments in accordance with a budget plan. The non-billing party is notified of a customer's budget bill

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PROCESS NUMBER:	***PAO***
PROCESS NAME:	***PAYMENT INFORMATION IS PROCESSED UNDER THE UTILITY RATE READY POR WITH RECOURSE CONSOLIDATED BILLING MODEL (PARENT PROCESS)***
	status via an 814 Change transaction (REF*NR segment); when a customer defaults on a budget plan or chooses to no longer participate in budget billing the Utility will resume transmitting 568 Payment Advisement transactions. The procedures for handling payments and payment reversals when customers are on budget billing plans must be mutually agreeable to the parties and documented in the BSA.
COMMENTS:	[CWG] [Regarding UBP B&PP.J.2.] This section establishes the timing and content of the notification to the non-billing party regarding billing party receipt of customer payments. The August 2, 2004 Errata Notice at page 49 [J.1.], however, makes it clear that the ESCO and distribution utility may establish payment procedures applicable to the Purchased Receivables payment processing method in a BSA that are different than the practices described in §B&PP.J.2. For the Purchased Accounts Receivable with Recourse Model, the information related to payment activity on an account to be provided in a 568 Payment Advisement transaction will include: payment amounts allocated to electric or gas charges for the ESCO account, the date payments (or reversals) were posted, and a customer's payment agreement status (short term payment plan or long term payment plan), where applicable.

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PAYMENT ADVISEMENT BUSINESS PROCESSES
UTILITY RATE READY PURCHASE RECEIVABLES WITH RECOURSE
CONSOLIDATED BILLING MODEL

PROCESS NUMBER:	***PA 1.0***
PROCESS NAME:	***UTILITY PROCESSES 568 PAYMENT ADVISEMENT***
PROCESS DEFINITION:	Process by which the Utility provides detail to the ESCO of customer payments or payment reversals received on the ESCO account.
TRIGGER(S):	See parent.
ESTIMATED / PEAK TRANSACTION RATE:	Dependent on the number of customers enrolled in Utility Rate Ready POR with Recourse Consolidated Billing.
PROCESS INPUTS:	Utility Information; ESCO Information, Customer Information; Payment Information.
PROCESS OUTPUTS:	**Positive Response:** Not Applicable **Negative Responses:** A 568 Payment Advisement transaction may be rejected, via an 824 Application Advice transaction for the following reasons: • Account Number Not Valid (A76) • Account Does Not Have Service Requested (A91) • Billing Option Discrepancy (A13) • Duplicate Received (ABN) • Other (A13)
SUB OR PRECEDING PROCESSES:	See Parent

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UTILITY RATE READY PURCHASE RECEIVABLES WITH RECOURSE
CONSOLIDATED BILLING MODEL

PROCESS NUMBER:	***PA 1.0***
PROCESS NAME:	***UTILITY PROCESSES 568 PAYMENT ADVISEMENT***
PROCESS RULES:	See Parent for General Rules [CWG] A 568 Payment Advisement transaction is only used to communicate a payment reversal when payment information was previously sent by the Utility. [CWG] When a 568 Payment Advisement is rejected, an 824 Application Advice must be sent within 1 business day.
COMMENTS:	

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