



national fuel

April 7, 2015

Hon. Kathleen H. Burgess,
Secretary
New York State Department of Public Service
3 Empire State Plaza - 19th Floor
Albany, NY 12223

RE: **CASE 12-M-0476** – Proceeding on Motion of the Commission to Assess Certain Aspects of the Residential and Small Non-residential Retail Energy Markets in New York State.

CASE 98-M-1343 – In the Matter of Retail Access Business Rules.

CASE 06-M-0647 – In the Matter of Energy Service Company Price Reporting Requirements.

CASE 98-M-0667 – In the Matter of Electronic Data Interchange.

Dear Secretary Burgess:

On behalf of the New York Electronic Data Interchange (“EDI”) Working Group, an ad hoc working group consisting of personnel from Utilities, Energy Service Companies and EDI Service Providers pursuing development of EDI Standards, National Fuel Gas Distribution Corporation hereby submits a report on EDI standards development in accordance with the Commission’s Order Granting and Denying Petitions for Rehearing in Part issued February 6, 2015 (“Order”) in the above referenced cases.

Please contact the undersigned at (716) 857-7884 if you have any questions regarding this filing.

Respectfully submitted,

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STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 12-M-0476 – Proceeding on Motion of the Commission to Assess Certain Aspects of the Residential and Small Non-residential Retail Energy Markets in New York State.

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APRIL 2015 REPORT ON EDI STANDARDS DEVELOPMENT

On February 6, 2015, the Public Service Commission (“Commission”) issued Commission’s Order Granting and Denying Petitions for Rehearing in Part (“Order”)¹ in the above referenced cases. The Order observes that ESCOs may have to issue credits to Assistance Program Participants (“APP Credits”) if such customers receive ESCO service subject to a price guarantee. The Order includes an instruction to the New York Electronic Data Interchange Working Group (“EDI Working Group”) to develop any Electronic Data Interchange (“EDI”) changes that may be necessary to accommodate bill credits and that these transactions will be effective upon the filing of a compliance filing that includes the appropriate EDI documentation within 60 days from the date of this Order.² The EDI Working Group³ files the instant report (“April 7 Report”) in compliance with the requirements of the Order.

¹ Case 12-M-0476 et al., supra, Order Granting and Denying Petitions for Rehearing in Part (Issued and Effective February 6, 2015).

² Order, p. 8.

³ The EDI Working Group holds regularly scheduled meetings open to interested industry participants. New York State Department of Public Service Staff (“Staff”) provides and supports a web site on which meeting agendas, minutes and workpapers are available.

The April 7 Report includes modifications to Implementation Guides, Testing Plans and Business Process documents (collectively, “EDI Standards Documents” or “EDI Standards”) that will be used by ESCOs to provide APP Credits to customers billed under either of the utility consolidated billing models, namely Utility Bill Ready (“UBR”) or Utility Rate Ready (“URR”). In addition⁴ to the development required by the Order, the EDI Working Group also revised the EDI Standards Documents to:

- Accommodate the use of EDI for Service Portability.
- Facilitate ESCO Contest Period Reinstatement Requests.
- Modify language to reflect accelerated switching changes.
- Clarify language regarding provision of sales tax rates for URR billing model.
- Remove references to specific utility implementations, add references to Utility Maintained EDI Guides and modify/remove outdated language.⁵
- Reflect changes, within the current standards, to utility⁶ implementations anticipated to occur over the next 12 months.
- Address miscellaneous errata.

The EDI Working Group notes that development of EDI transactions to communicate APP Credits to utilities represents only a fraction of the development that will be necessary to effectively provide these credits on bills issued to Assistance Program Participants. Additional

⁴ Based upon input from EDI Working Group participants, other proposals to modify the EDI Standards Documents are addressed in the normal course of business.

⁵ These changes are a continuation of the modifications to EDI Standards Documents in Case 12-M-0476 *et al.*, Report on EDI Standards Development (submitted October 23, 2014) (“October 23 Report”) and include several EDI transactions that were not addressed in the modifications to the EDI Standards Documents in the October 23 Report. The April 7 Report includes analogous modifications to many of the transactions that were not previously addressed as well as to some of the transactions submitted in the October 23 Report.

⁶ National Fuel Gas Distribution Corporation (“National Fuel”) is implementing an upgrade to its business systems that, in part, will impact its EDI Implementation.

systems development impacting both ESCO and utility business systems will be required both within and outside of the context of EDI.

I. Description of Revised EDI Standards Documents

The modified EDI standards, attached to this filing, are organized by EDI transaction:

1	810SR	Invoice Transaction - Single Retailer Model
2	810UBR	Invoice Transaction – Utility Bill Ready
3	810URR	Invoice Transaction – Utility Rate Ready
4	814C	Change (Account Maintenance) Transaction
5	814D	Drop Transaction
6	814E	Enrollment Request & Response Transaction
7	814R	Reinstatement Transaction
8	867MU	Monthly Usage Transaction

Each attachment consists of Clean⁷ and Redlined⁸ versions of Implementation Guides, Data Dictionaries and Business Process documents. There is no Business Process document for the 810SR transaction because the instant report does not include any changes to the existing document.

II. APP Credit EDI Standards, Issues and Supplemental APP Credit-Oriented EDI Changes

The EDI Standards modifications necessary to accommodate bill credits on utility consolidated bills vary by billing model. Under the Utility Bill Ready model, receipt of the APP Credit is functionally similar to receipt of other ESCO credits or charges. Utility Rate Ready Model implementations differ fundamentally; there is no corresponding means to receive credits of any kind. Further, while UBR amounts are calculated by ESCOs and summed by the utility for presentation, the core of the URR model is multiplication of an ESCO provided rate times the

⁷ The Clean versions of the above documents are the items the EDI Working Group adopts as replacements for the current versions of documents in the New York EDI Data Standards and Test Plans.

⁸ Each Redline document displays a comparison of the Clean version of the EDI standards document to the current version of the same EDI standards document.

customer's usage. In addition to receipt of the APP Credit, URR utilities must significantly modify their business systems in a fundamental manner and develop a "UBR-like" functionality to process the APP Credit as a part of the bill calculation. UBR utilities will also have to modify their business systems but not in a fundamental manner.

1. UBR Approach

The APP Credit will be communicated to the utility via an incoming 810 UBR Invoice transaction in the Segment: SAC Service, Promotion, Allowance, or Charge Information (Charges/Adjustments), using a new code CRE030. If the 810 transaction containing the APP Credit passes the utility's validation tests, the Utility will apply the credit to the customer's next bill and send an 824 Application Advice (Positive) transaction to the ESCO confirming acceptance of the APP Credit.

2. URR Approach

The EDI Working Group investigated the concept of creating an incoming 810 URR Invoice transaction, analogous to that present for the UBR model, but determined that modifications to the 814 Change Request and outgoing 810 URR Invoice transactions were more consistent with the fundamental design of URR billing systems. The preferred URR solution is for the ESCO to send an 814 Change using a new segment AMT*7 (Assistance Program Participation Credit) with Reason for Change AMT7.⁹ If the APP Credit passes the utility's validation tests, the Utility will apply the credit to the customer's next bill and, based on the same code, include the amount in the outgoing 810 URR Invoice transaction.

3. APP Credit Presentation/Billing Window Issues

The EDI Working Group developed the EDI modifications under the assumption that the ESCO issuing the APP Credit will most often be the ESCO serving the customer when the credit

⁹ For example, AMT*7*2.15 indicates that the utility needs to provide a credit of \$2.15 on the customer's bill.

is issued. Under this assumption, the APP Credit should be presented in the same section of the bill as other ESCO charges. In addition to adjusting the amount due from the customer, the utility will reflect the effect of the ESCO's APP Credits in the 820 - Remittance Transaction by reducing the Purchase of Receivables payment to the ESCO from what would otherwise be due.

The EDI Working Group notes that there will be some circumstances under which the utility may not be able to process the APP Credit. For example, if the customer has moved outside the utility's service territory, has switched to an ESCO that issues an ESCO Consolidated Bill ("ECB"),¹⁰ or otherwise closed their utility account, the ESCO should issue the APP Credit directly to the customer.

Another circumstance under which the utility may or may not be able to process the APP Credit is when the customer has switched to another ESCO or to utility full service but the utility is still issuing a bill to the customer. When an 814 Change transaction is received from an ESCO not currently serving the customer ("Former ESCO"), the utility's usual course of action is to reject the transaction. Similarly, UBR utilities will reject inbound 810 Invoice transactions from Former ESCOs. To accommodate this circumstance, utilities will either need to modify the validation rules for their systems to accept 814 Change transactions (or for UBR utilities, inbound 810 Invoice transactions) containing APP Credits or provide a non-EDI means, such as a web portal, under which a Former ESCO can provide APP Credits to the utility.

Absent any of the above circumstances for a utility to not accept and process an APP Credit received from a Former ESCO, such APP Credit will be presented on the customer's bill separate from the current ESCO charges in order to minimize customer confusion. Subject to modifications discussed above and corresponding billing system modifications, utilities should

¹⁰ At present, National Fuel's Single Retailer billing model is the only active ESB implementation.

be able present the APP Credit elsewhere¹¹ on the bill and reduce the amount due from the customer. The EDI Working Group also notes that even when APP Credits from Former ESCOs can be presented on customer bills, 820 – Remittance transactions are limited to reflecting payments for the current ESCO’s customers. Preliminary EDI Working Group discussions of modifications to the 820 – Remittance transaction were not fruitful but other alternatives, including provision of remittance advice to Former ESCOs in a non-EDI format, may yet be identified.

Finally, for some utilities, the billing window is the time period prior to issuance of the utility consolidated bill during which the utility will accept billing items (for UBR) or rate changes (for URR). If an ESCO misses the billing window but continues to serve the customer, the APP Credit will slip to the next bill. If, however, the utility has a pending switch to another ESCO or will no longer be issuing a bill to the customer for one of the reasons discussed above, the utility may reject the APP Credit. Other utilities reject rate changes during the billing window, and therefore would reject the APP Credit also received, even from the current ESCO, during the billing window.

4. Supplemental APP Credit-Oriented EDI Changes

While the EDI Working Group has developed EDI Transactions necessary to accommodate bill credits, there are other potential EDI transactions that may help ESCOs to calculate customer APP Credits. For example, the EDI Working Group plans to discuss whether a new transaction to provide customer Utility Full Service billing amounts to the ESCO should be provided to improve accuracy and calculation efficiency. Additionally, further EDI Standards

¹¹ APP Credits should be relatively infrequent; perhaps a once per year event. While some utility billing systems may be able to present APP Credits from a Former ESCO as a separate line item, use of bill message capabilities may also be an effective means to present and explain the APP Credit to the customer.

development to address the above-mentioned issues associated with APP Credits from Former ESCOs may narrow differences¹² in utility APP Credit implementations.

5. APP Credit Implementation and Testing Timeline Observations

With respect to EDI changes necessary to accommodate APP Credits, the Order states that any required testing by utilities and ESCOs must be completed, and the EDI transactions must be operational, within 120 days from the date of the compliance filing,¹³ i.e., in early August 2015. In isolation, this timeline is aggressive, particularly for URR utilities. Beginning in September 2015, utilities and ESCOs will be testing EDI changes¹⁴ to be implemented by November 2, 2015. Prior to September, ESCOs and utilities will be modifying business systems to support these EDI changes. Rather than diverting resources to test APP Credit EDI changes, the Working Group observes that from a technical perspective it may be more cost effective for and place less stress on both ESCOs and utility technical resources to coordinate APP Credit EDI transaction testing with the November EDI changes.

III. Other April 7 Report EDI Standards Modifications

The EDI Working Group has developed modifications to the 814 Drop transaction to accommodate EDI Contest Period Reinstatement Request.¹⁵ Initially proposed in 2009,¹⁶ use of EDI for the Contest Period reinstatement request is voluntary and to date, most utilities have been able to process such requests manually due to the low volume of requests in their territories.

¹² At some point, the principle of diminishing returns applies to EDI Standards development for APP Credits because EDI-based solutions are better suited for higher volume transactions. Based upon differences in utility business system capabilities, some utilities will be able to take EDI-based solutions further than others who may necessarily rely upon non-EDI means.

¹³ Order, p. 8.

¹⁴ Case 12-M-0476 et al., Order Approving Modifications to the Electronic Data Interchange Standards (Issued and Effective March 2, 2015).

¹⁵ The Uniform Business Practices (“UBPs”) permit an Incumbent ESCO to contest their customer’s pending switch to another ESCO.

¹⁶ By its Order Granting Petition, issued September 22, 2009, in Cases 98-M-1343 and 98-M-0667, the Commission approved, with modifications, a petition filed by U.S. Energy Savings Corporation to establish a “contest period” and directed Consolidated Edison Company of New York, Inc. (“Con Edison”) to file “proposed revisions to the New York EDI standards and any other related documents necessary to implement a contest period.”

The EDI Working Group's modifications are designed to address technical conflicts present in some utility EDI implementations that may, in part, have prevented a wider implementation of EDI-based processing of Contest Period reinstatement requests. By including the instant EDI modifications, the EDI Working Group is not proposing that use of EDI for contest period reinstatement requests be mandatory; where requests can adequately be processed manually there is no technical reason for a change in current practice.

Consistent with Con Edison's current EDI Implementation, the EDI Working Group is also including modifications to the 814 Enrollment to accommodate Service Portability, i.e. retention of a customer's ESCO service across accounts when the customer relocates within the same service territory. While the practice of service portability is addressed within the UBPs, most utilities have been able to process such requests manually due to the low volume of requests in their territories. By including these modifications, the EDI Working Group is not proposing that use of EDI for service portability requests be mandatory; where requests can adequately be processed manually there is no technical reason for a change in current practice.

With regard to ESCO provision of sales tax rates provided for URR billing, the EDI Working Group has also modified the 814 Change and 814 Enrollment EDI Standards Documents to clarify use and interaction of various EDI Segments. Support of these segments is voluntary; i.e., at the utility's discretion. Because the modifications reflect existing URR implementations, they do not require further testing or have an associated implementation date. By including these modifications, the EDI Working Group is not proposing that use of EDI for sales tax rates be mandatory; where requests can adequately be processed manually or other non-EDI means, there is no technical reason for a change in current practice.

For each of these changes referenced within this section of the report, as well as for other clarifying or conforming changes, corrections addressing errata and accelerated switching oriented modifications, there is no specific implementation timeline.

IV. Summary

The EDI Working Group plans to continue its meeting schedule to address issues identified above and continue the process of updating and/or refreshing EDI standards documents. Additionally, the EDI Working Group will address other EDI development to the extent ordered by the Commission.

Respectfully submitted,

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