



## North American Energy Standards Board

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**TO:** NAESB Retail Electric Quadrant, Posting for Interested Industry Participants  
**FROM:** Meghan McMillan, NAESB Staff  
**RE:** Final Minutes from the NAESB Retail Electric Quadrant Customer Processes Subcommittee Meeting – January 6-7, 2002  
**DATE:** January 29, 2003

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**Retail Electric Quadrant  
Customer Processes Subcommittee  
Monday - Tuesday, January 6-7, 2003**

**Final Minutes  
Day One**

### **1. Welcome**

Mr. Alston opened the meeting and gave the antitrust guidelines. Mr. Minneman moved, seconded by Mr. Sellers, to adopt the agenda. Upon a procedural vote, the agenda was adopted as written. Mr. Russom moved, seconded by Mr. Muzikar, to adopt the November 7, 2002 draft minutes as final. Upon a procedural vote, the November 7, 2002 draft minutes were adopted as final. The agenda for the second day of the meeting (January 7, 2003) was modified to include a discussion of Yahoo groups under the next steps item.

### **2. Introductions and a brief look ahead into 2003**

Mr. Alston reviewed the Customer Processes Subcommittee (CPS) annual plan items for 2003. He noted the billing and payments section should be completed at the end of first quarter. The group has discussed voting on these standards in February and sending the recommendation to the Executive Committee (EC) in March. Mr. Alston detailed the work for the remainder of 2003, as follows: 1) customer enrollment & switching - second quarter; 2) customer information - third quarter; and 3) customer inquiries - fourth quarter.

Mr. Minneman noted the work papers posted on the web site are drafts that are the product of subcommittee meetings, and he suggested the CPS might want to ask one representative from each segment to do a final screen on the draft before the work papers are distributed. The subcommittee agreed they would work from the second set of work papers distributed by Mr. Alston. The parties agreed copies of the redline work papers would be circulated for comments after the meeting, and submitted comments would be compiled with the work paper in a spreadsheet to be discussed at the next meeting.

### **3. Review of recent Executive Committee Meeting**

Mr. Minneman reviewed the activities at the December EC meeting. He noted the REQ EC's focus should be to support the subcommittees in the development of standards. During the December EC meeting, each subcommittee gave an update on their progress. Additionally, the issue of policy vs. practice was discussed and the conclusion was that NAESB does not create policy, it only develops business practices. Mr. Minneman noted that Mr. Kubler was elected to fill the vacancy in the Distributor segment.



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Ms. Camp requested an update on the RGQ. Mr. Minneman reviewed the RGQ EC meeting. He noted the RGQ does not currently have an annual plan. The RGQ EC elected Mr. Novak as vice-chair of the RGQ EC. Additionally, Mr. Minneman noted some discussion during the RGQ EC meeting of cross-quadrant coordination between the REQ and RGQ.

#### **4. Review of Draft Document**

Mr. Alston began reviewing the redlined document and the compiled comment spreadsheet, both dated December 30, 2002. All changes made during the meeting are reflected in the attached redlined document. Mr. Minneman commented that the issue of must and shall was discussed at the December Executive Committee meeting and it was determined that NAESB's policy was that the words will, shall or must are not used in NAESB standards. Mr. Minneman suggested the CPS might use a notation stating that 'should' means if you choose to implement this standard this is the way it should be done and 'may' means there is an option when implementing that particular standard.

The formation of a glossary was discussed by the group. Three options for the format of the glossary were proposed, and an informal poll was taken to determine which option the CPS favored. The options and the votes in favor for each are recorded below:

#### **Option 1**

One glossary for each section as well as a cumulative glossary with all definitions  
9 in favor

#### **Option 2**

One central glossary  
3 in favor

#### **Option 3**

A short glossary defining terms for the entire billing and payment section and a cumulative glossary for all standards manuals  
8 in favor

It was agreed to pursue option one based on the results of the poll. Volunteers to help create needed definitions were solicited.

Mr. Minneman suggested the CPS include Mr. Alston's five billing models in the model business practices. The difference between Consolidated Billing and Single Retailer was discussed.

#### **5. Break**

#### **6. Continue with review of Draft Document**

Participants agreed on the definitions of Consolidated Billing and Dual Billing. The following definition for the Single Retailer billing model was crafted: "The supplier produces a bill for all energy transmission and distribution related charges. In this market model the supplier purchases energy, transmission and delivery service; therefore all charges on the bill are supplier charges. And a single payment from the customer is expected."



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### 7. Adjourn

The meeting adjourned on Monday, January 06, 2003 at 6:08pm CDT.

#### **Draft Minutes Day Two**

##### **1. Welcome**

Mr. Alston opened the meeting and gave the antitrust guidelines.

##### **2. Continue working on Billing and Payment Document**

Ms. Alexander voiced concerns about section 3.1.1. She stated the only issue CPS should be concerned about is how a supplier who has not executed a billing service agreement before can start executing a billing service agreement. Ms. Hess suggested section 2.5 might cover this issue. It was decided to defer this item for later discussion.

There was discussion about including a list of items typically included in a bill. Ms. Hess suggested CPS develop the business practices first and then go back and develop this list. It was decided to take comments for the next meeting about this list, and defer discussion until then. It was agreed to keep the list in the document pending further discussion.

There was a lengthy discussion concerning acknowledging the receipt of files. New language was drafted for 3.2.2.2 and included in the attached redline document. Comments on this language will be accepted and further discussion was deferred.

There was a lengthy discussion on cancel/re-bills. A new section was created for this item, moving it out of the electronic file section. It was decided to leave this item as it is and take comments to be discussed at the next meeting.

##### **3. Next Steps**

The CPS agreed on the goal of finishing the Billing and Payment section at the next CPS meeting and forwarding that document on to the EC prior to the March EC meeting. In order to facilitate completion of billing and payment, two options were discussed: 1) extend the next meeting to two or three days, or 2) postpone the completion of this item until the second quarter. It was suggested to circulate a completed draft after the next meeting, conduct a conference call to vote on the draft by the end of March, and pass the recommendation on to the NAESB office by April 16 in order to have it ready for the following EC meeting.

The next CPS and SUIS meetings are scheduled for February 25 – 27, 2003 in Ontario, CA. Concerns were voiced about the location of the meeting and possible lack of attendance. Ms. McMillan volunteered to send out a poll to determine who is planning to attend this meeting. It was proposed after further discussion to move the meeting back to the central part of the United States. Additionally, it was noted that the CPS needs to coordinate with the SUIS regarding meeting scheduling. It was decided that an official decision regarding the meeting would be made at the SUIS meeting on January 8, 2003. A tentative decision to move the February meeting to Dallas was



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noted. Mr. Alston volunteered to send an announcement out to the yahoo group about the location change for that meeting.

Ms. Camp asked about the status of the list serve. It was noted that the NAESB office is still in the process of creating the formal list serve.

### 4. Adjourn

The meeting adjourned on Tuesday, January 07, 2003, at 5:00pm CDT.

### 8. Attendees:

Name	Company	In Person/Phone
Alexander, Barbara	Maine Public Advocate	In Person
Alston, Rick	Old Dominion Electric Coop.	In Person
Arroyo, Heidi	Southern California Edison	In Person
Barkas, Bill	Dominion Retail	In Person
Broadrick, Cherie	ERCOT	In Person
Camp, Yvette	Southern Company	In Person
Corbin, Jason	Allegheny Power	In Person
Dodd, Richard	Mississippi Power	In Person
Dorman, Davis	Mississippi Power	In Person
Edwards, Mary	Dominion Virginia Power	In Person
Garrett, Michael	Georgia Power Co.	In Person
Gross, Blake	American Electric Power	In Person
Hess, Theresa	Reliant Energy	In Person
Kilgore, Tom	Gulf Power Co.	In Person
Lokey, Felecia	TXU Energy	In Person
Minneman, James	PPL Solutions	In Person
Moran, Terry	Public Service Electric and Gas	In Person
Muzikar, Richard	Consolidated Edison	In Person
Newbold, Bill	Detroit Edison	In Person
Nishida, Leslie	Wisconsin Public Service	Phone
Overtree, Ed	Calpine	Phone
Pauli, John	Georgia Power	In Person
Prentice, Karen	Savannah Electric	In Person
Ray, Judy	Alabama Power	In Person
Russom, John	Alabama Power	In Person
Shaw, Brenda	Dominion Virginia Power	In Person
Tenorio, Chip	Exelon Energy Delivery	Phone
Thiry, Ken	Wisconsin Public Service	In Person
Wilen, Eric	NYSEG	In Person
Wolf, Bill	Baltimore Gas & Electric	Phone
Yetman, Kathleen	National Grid	In Person
Zollars, Rick	Dominion Retail	In Person



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### V. BILLING AND PAYMENT PROCESSING

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#### 1.0 INTRODUCTION

This section presents business practices for billing and payments in a Retail Access environment. Billing and payment processing encompass a variety of steps and interactions between the Billing Party and the Non-Billing Party beginning with the receipt of billable units. Steps include calculating billable charges; printing and distributing the bill; posting payments; and, remittance practices. Interactions include the transfer of data necessary to accurately bill and process payments received from the Customer for energy, transmission and distribution related charges.

1.1. There are three general billing models discussed: Consolidated Billing, Dual Billing and Single Retailer.

1.1.1. Consolidated Billing: The Billing Party produces a Customer bill consolidating the energy, transmission and distribution related charges of the Utility and the Supplier, for which a single payment from the customer is expected.

1.1.2. Dual Billing: The Utility and Supplier render separate bills to the Customer, each containing charges by that party for the service provided, for which separate payments from the Customer are expected.

1.1.3. Single Retailer Billing: The Supplier produces a Customer bill for all energy, transmission, and distribution related services. In this market model, a supplier purchases energy, transmission and distribution related services, and therefore all charges on the bill are supplier charges. A single payment from the customer is expected.

1.2. Alternative payment processing models exist for the Consolidated Billing Option based upon various cash posting sequences discussed in the section. The two methods discussed are "Assumption of Receivables" and "Pay as You Get Paid."

1.2.1. Assumption of Receivables: The Billing Party assumes the Non-Billing Party's receivables and sends the Non-Billing Party payment at predetermined intervals for all Non-Billing Party amounts billed that are not In Dispute, regardless of when (or whether) the Customer pays the Billing Party.

1.2.2. Pay as You Get Paid: The Billing Party forwards payment to the Non-Billing Party for the Non-Billing Party charges only after receiving payment from the Customer. The Customer remains responsible for payment to the Non-Billing Party.

#### 2.0 GENERAL BILLING AND PAYMENT PRINCIPLES



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- 2.1. The Utility or Supplier may assume the role of either Billing Party or Non-Billing Party provided that applicable regulatory or legal criteria are met.
  - 2.2. The Supplier may elect to offer its Customers one or more of the billing options that are available in the Utility's territory.
  - 2.3. The Supplier should provide adequate advance notice to the Utility of plans to offer another available, approved billing option that would impact the Utility. The option may not be operational until proof of successful data interchange is demonstrated to the Parties and any additional requirements have been met.
  - 2.4. Either party should provide adequate advance notice to the other party when changing billing and or payment systems that affect electronic data interchange between the parties, to ensure adequate data exchange.
  - 2.5. Both Utility and Supplier should be approved, certified or licensed, to the extent required by the Applicable Regulatory Authority, execute a Billing Service Agreement (BSA), and demonstrate the technical capability to exchange information electronically using the Uniform Electronic Transactions and to meet the operational time frames which have been defined to support the billing options required.
  - 2.6. Required metering data that are necessary to validate and complete all billing should be made available to both the Billing Party and Non-Billing Party via Uniform Electronic Transactions or as otherwise allowed in the Billing Service Agreement.
  - 2.7. Applicable state and local taxes will be calculated, collected, and remitted in accordance with state statutes and local government ordinances.
  - 2.8. The cancel and re-bill process should be clear and reproducible, and be communicated to all affected parties.

### **3.0 CONSOLIDATED BILLING OPTION**

#### **3.1. GENERAL BILLING PRACTICES**

- 3.1.1. The Billing Party and Non-billing Party should execute a Billing Service Agreement.
- 3.1.2. The Billing Party should render a Consolidated Bill in accordance with the applicable legal and consumer disclosure requirements and any mutually agreed-upon standards set forth in the BSA. The Billing Party should issue a bill directly to the Customer. The Customer should pay the Billing Party.
- 3.1.3. The Consolidated Bill format should be within the Billing Party's discretion, subject to the following:



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**3.1.3.1.** The Consolidated Bill should meet the standards set by the Applicable Regulatory Authority.

**3.1.2.2.3.1.3.2.** [reinsert the list of bill items](#) For large<sup>1</sup> commercial and industrial Customers, the elements on a Customer's Consolidated Bill and its format will be predetermined and stated in the Billing Service Agreement.

**3.1.3.3.** For residential and small commercial Customers, the Consolidated Bill should itemize Utility and Supplier charges separately, each in enough detail to provide the Customer enough information to determine the accuracy of the bill.

**3.1.4.** The Billing Party should be responsible for delivering to Customers information that is mandated by regulations.

**3.1.5.** When a Consolidated Bill is rendered there should be one Customer payment due date.

### **3.2. BILL READY BILLING METHOD**

**3.2.1.** The Billing Party should receive the Non-Billing Party's billing information within two (2) business days following the meter reading entity's transmission of valid usage information.

#### **3.2.2. Notifications Pertaining to the Receipt Non-Billing Party's Electronic File**

**3.2.2.1.** When the Non-Billing Party files are received, the Billing Party should acknowledge receipt of a file via Uniform Electronic Transaction within one (1) business day of receipt of the file.

**3.2.2.2.** If, upon examination, it is determined that the Non-Billing Party's file cannot be processed then the Billing Party should reject it. Rejection, accompanied by appropriate uniform error code(s), should be communicated via the appropriate Uniform Electronic Transaction within one (1) business day of receipt of the file.

#### **3.2.3. Notifications Pertaining to Individual Transactions within the Non-Billing Party's Electronic File**

**3.2.3.1.** If the Non-Billing Party's transaction is accepted, the Billing Party should bill the Customer(s) within two (2) business days.

**3.2.3.2.** When the Billing Party is able to process the Non-Billing Party's transactions but is unable to issue (render) a significant number of Customer bills within

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<sup>1</sup> Definition of large and small Customers [shall/should](#) be left to the discretion of the Applicable Regulatory Authority.



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two (2) business days the Billing Party should promptly notify the Non-Billing Party.

- 3.2.3.3.** If the Non-Billing Party's transactions are received within the appropriate time frame and a transaction is rejected, then the Billing Party will notify the Non-Billing Party of the rejection via Uniform Electronic Transaction within one (1) business day. The Non-Billing Party may if time permits, submit a file containing corrected transactions for inclusion in the current billing statement.
  - 3.2.3.4.** If the Non-Billing Party transactions are sent to the Billing Party outside the appropriate time frame such that charges could not be included on the bill, then the Billing Party may:
    - 3.2.3.4.1.** Reject the transaction and notify the Non-Billing Party within two (2) business days via Uniform Electronic Transaction that the charges were not billed. In this scenario, the Non-Billing Party should resubmit its charges in the following billing period in accordance with the time requirements outlined above, or
    - 3.2.3.4.2.** Hold the transaction for processing on the next bill and the Billing Party should notify the Non-Billing Party that charges were received too late and will be reflected on the next bill.
  - 3.2.3.5.** If Billing Party errors cause the Non-Billing Party charges to miss the billing window, the Billing Party should cancel and reissue the bill as soon as practicable, unless the Billing Party and Non-Billing Party arrange a mutually agreeable alternative bill correction process.
- 3.2.4.** Whenever a Bill Ready Consolidated Bill is to be canceled, the following practices should be followed:
- 3.2.4.1.** Canceled usage will be by metering period;
  - 3.2.4.2.** The usage sent in the cancel transaction should match the usage sent in the original transaction;
  - 3.2.4.3.** The restated usage should be sent at the same level of detail as the original usage; [\(multiple options under consideration\)](#)
  - 3.2.4.4.** In order to restate usage for a period, the metering entity first should completely cancel all usage for that period and all subsequent periods, if applicable, and then, if appropriate, send the full set of restatement transactions;



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**3.2.4.5.** After receipt of the restated usage transaction, the Non-Billing Party should transmit the corrected charges within two (2) business days.

### **3.3. RATE READY BILLING METHOD**

**3.3.1.** The Non-Billing Party rates should be provided to the Billing Party at least 30 days prior to using a new rate code for billing or as stated in the Billing Service Agreement.

**3.3.2.** When elements of an existing rate code are to be changed, the Non-Billing Party should provide the new rates to the Billing Party at least 10 days prior to the next billing date to allow sufficient time for the Billing Party to implement the change.

**3.3.3.** The Billing Party will send a Uniform Electronic Transaction when accounts of the Non-Billing Party are billed thus notifying the Non-Billing Party that its customers have been billed and will indicate the usage and amount so billed for each customer account.

**3.3.4.** Whenever a Rate Ready Consolidated Bill is to be canceled, the following practices should be followed:

**3.3.4.1.** The Billing Party should re-bill the Customer by applying the proper usage and proper Billing and Non-Billing Party service rates as necessary to correct the previously issued bill.

**3.3.4.2.** After the cancel/re-bill event has taken place, the Billing Party should transmit notice of the credit, debit, or the net amount, to the Non-Billing Party so that the accounts receivable of the Customer will be properly stated.

**3.3.4.3.** Canceled usage will be by metering period;

**3.3.4.4.** The usage sent in the cancel transaction should match the usage sent in the original transaction;

**3.2.4.3.** The restated usage should be sent at the same level of detail as the original usage;(mutple options under consideration)

**3.2.4.4.** In order to restate usage for a period, the metering entity first should completely cancel all usage for that period and all subsequent periods, if applicable, and then, if appropriate, send the full set of restatement transactions;



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### 3.4. PAYMENT PROCESSING AND REMITTANCE PRACTICES

#### 3.4.1. Payment Processing Methods

3.4.1.1. The responsibilities of the parties, performance parameters, financial arrangements and other details associated with payment processing and remittance should be set forth in the Billing Service Agreement.

#### 3.4.1.2. "Assumption of Receivables" Option

3.4.1.2.1. The Billing Services Agreement should specify any level of uncollectible revenues to be reflected in the amount due to the Non-Billing Party.

3.4.1.2.2. The Billing Service Agreement should specify any creditworthiness criteria that the Non-billing Parties Customers would have to satisfy to be eligible for a Consolidated Bill.

3.4.1.2.3. Within five business days of making a payment to the Non-Billing Parties account, the Billing Party should send a Uniform Electronic Transaction notifying the Non-Billing Party of account-specific payments to be made.

3.4.1.2.4. The Billing Party forwards payment for all undisputed charges to the Non-Billing Party five (5) days after the due date stated on the Customer's bill. The Billing Party Remittance of funds should be made by electronic means to a bank designated by the Non-Billing Party. By mutual agreement between the parties the Billing Party may send account-specific information with the remittance of funds in an electronic certification to the bank in lieu of or in addition to direct notification to the Non-Billing Party.



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3.4.1.2.3. In the circumstance where the Utility is doing Consolidated Billing, and assumes the receivables of the Non-Billing Party, the Utility may initiate conversion of a Customer to Dual Billing where a threshold of overdue payments or identified delinquencies as specified in the Billing Service Agreement is reached. In addition to the notice that is provided to the customer, the Billing Party should notify the Non-Billing Party via Uniform Electronic Transaction. The account should revert to Dual Billing for the next Billing Cycle provided notification is received before the next scheduled meter read cycle pursuant to the Billing Service Agreement. Return of the Customer to Consolidated Billing should be at the discretion of the Billing Party and subject to the creditworthiness criteria set forth in the Billing Service Agreement.

### 3.4.1.3. “Pay as You Get Paid” Option

3.3.4.4.1.3.4.1.2.5. The Billing Party forwards payment to the Non-Billing Party (within a time frame specified in the Billing Services Agreement) when it receives payment from the Customer and the payment is processed in accordance with an agreed-upon priority order of payments.

3.3.4.4.2.3.4.1.2.6. Payment Notification and Remittance

3.3.4.4.3.3.4.1.2.7. Within one business day after posting the payment to the Customer account, the Billing Party ~~shall~~ should send a Uniform Electronic Transaction notifying the Non-Billing Party of account-specific payments received for the Non-Billing Party’s charges from Customers.

3.3.4.4.4.3.4.1.2.8. The Billing Party ~~shall~~ should remit to the Non-Billing Party funds associated with Customer payments posted<sup>2</sup> for all undisputed Non-Billing Party Charges within two (2) business days [?] of the posting of the Customer’s payment to the Billing Party’s system. Remittance of funds ~~shall~~ should be made by electronic means ~~[e.g., EFT (Electronic Funds Transfer) or ACH (Automated Clearing House)]~~ to a bank designated by the Non-Billing Party. By mutual agreement between the parties the Billing Party may send account-specific information with the remittance of funds in an electronic certification to the bank in lieu of or in addition to direct notification to the Non-Billing Party.

<sup>2</sup> It is assumed that the Billing Party will process and post funds received each business day.



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### 3.3.5.3.4.2. General Payment Processing Practices

#### 3.3.5.2.3.4.2.2. Payment

3.3.5.2.1.3.4.2.2.1. ~~The Billing Party shall pay the Non-Billing Party in accordance with the payment terms described in the Billing Services Agreement between the parties. The Billing Party shall make payment notification to the Non-Billing Party via the appropriate Uniform Electronic Transaction. Payments shall be made in a standard time frame by electronic means [e.g., EFT (Electronic Funds Transfer) or ACH (Automated Clearing House)] to a bank designated by the Non-Billing Party. Remittance advice by account shall be sent to a bank designated by the Non-Billing Party and/or directly to the Non-Billing Party.~~

#### 3.3.5.3.3.4.2.3. Notification of Payment

3.3.5.3.1.3.4.2.3.1. ~~In the circumstance where the Pay-as-You-Get-Paid option is being used, the Billing Party shall send a Uniform Electronic Transaction notifying the Non-Billing Party of the payments received for the Non-Billing Party's charges from Customers, in account detail, in accordance with appropriate payment priority standards.~~

#### 3.3.5.4.3.4.2.4. Conversion to Dual Billing upon request of the Customer or the Non-Billing Party

3.3.5.4.1.3.4.2.4.1. ~~In the circumstance where the Utility is doing Consolidated Billing and the customer requests a change to Dual Billing, the Utility may initiate conversion of a Customer to Dual Billing for the next Billing Cycle provided notification is received by the Non-Billing Party before the next scheduled meter read cycle pursuant to the Billing Service Agreement. Return of the Customer to Consolidated Billing should be at the discretion of the party initiating the conversion to Dual Billing.~~

#### 3.3.5.5.3.4.2.5. Conversion to Dual Billing for Overdue Payments

3.3.5.5.1. ~~In the circumstance where the Utility is doing Consolidated Billing, and assumes the receivables of the Non-Billing Party, the Utility may initiate conversion of a Customer to Dual Billing where a threshold of overdue payments or identified delinquencies as specified in the Billing Service Agreement is reached.~~

3.3.5.5.2.3.4.2.5.1. ~~Under this circumstance, adequate notice must be provided to the Customer and the Non-Billing Party, the latter via Uniform Electronic Transaction. The account shall revert to Dual Billing for the next Billing Cycle provided notification is received before the next scheduled meter~~



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~~read cycle pursuant to the Billing Service Agreement. Return of the Customer to Consolidated Billing should be at the discretion of the party initiating the conversion to Dual Billing.~~

### 3.3.5.6.3.4.2.6. Payment Not Received by Non-Billing Party

3.3.5.6.1.3.4.2.6.1. If the Non-Billing Party does not receive payment from the Billing Party for undisputed charges within the appropriate time frame, then the Billing Party mustshould pay interest on the un-remitted amount calculated in accordance with applicable regulations or the relevant provisions of the Billing Services Agreement between the two parties. The rights and remedies associated with breach of contract are not modified by these rules. The Non-Billing Party has the right to convert all Customers to Dual Billing if the Billing Party is in material breach of contract or for the reasons specified in the Billing Services Agreement.

### 3.3.5.7.3.4.2.7. Placing Billing Amounts In Dispute

#### 3.3.5.7.1.3.4.2.7.1. Ability To Initiate a Bill Complaint

3.3.5.7.1.1.3.4.2.7.1.1. Only a Customer can initiate a dispute regarding some or all of the charges on their bill. Generally, the Customer will make an inquiry about the item(s) in question. ~~If the dispute is not resolved the problem becomes a Complaint.~~

3.3.5.7.1.2.3.4.2.7.1.2. When a Complaint dispute arises that impacts the entire bill because the customer questions the usage amount or is specific to only the Billing Party's charges, the Billing Party will ~~recognize the Complaint and~~ place the Customer's account In Dispute. In the event of an inquiry regarding only the Non-Billing Party's charges, the Billing Party will note the inquiry and refer the Customer to the Non-Billing Party.

3.3.5.7.1.3.3.4.2.7.1.3. The Non-Billing Party may recognize Complaints related to its charges only. All other inquiries should be noted and the Customer referred to the Billing Party.

#### 3.3.5.7.2.3.4.2.7.2. Notification

3.3.5.7.2.1.3.4.2.7.2.1. The Billing Party, upon determining that a Complaint exists that will impact the entire bill, mustshould notify the Non-Billing Party of the subject and amount In Dispute, if known.



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Home Page: www.naesb.org

3.3.5.7.2.2-3.4.2.7.2.2. Once such a Complaint is resolved and the billed amount is no longer In Dispute, the Billing Party mustshould notify the Non-Billing Party.

3.3.5.7.2.3-3.4.2.7.2.3. The Non-Billing Party mustshould inform the Billing Party when Non-Billing Party charges are placed In Dispute.

### 3.3.5.7.3-3.4.2.7.3. Application of Payment

3.3.5.7.3.1-3.4.2.7.3.1. Where charges have been placed In Dispute, payments should be applied against charges that are not In Dispute first. In all cases, payment is expected within normal time frames on all undisputed charges for either party.

### 3.3.6.3.4.3. Multiple Account Payment Processing

3.3.6.2.3.4.3.2. Processing of a single Customer payment for multiple accounts requires proactive action on the part of the Billing Party and Non-Billing Party to apply payments correctly. When multiple account Customers choose a competitive Supplier or Suppliers the following are options to avoid problems with application of a single payment on the multiple accounts:

3.3.6.2.1-3.4.3.2.1. The Billing Party could establish a "summary account" for all accounts that the Customer chooses a competitive Supplier. If the Customer chooses more than one Supplier, a summary account would be established for each competitive Supplier that the Customer chooses. For payment application purposes, each summary bill would be treated individually or the same as a single location account; or

3.3.6.2.2-3.4.3.2.2. The Billing Party and Non-Billing Party will instruct a multi-account Customer that chooses a competitive Supplier that payment application advice mustshould be provided on an individual account basis when a single payment method is used. If the Customer fails to comply, that Customer may be converted to Dual Billing.

### 3.3.7.3.4.4. Non-Billing Party's Balance

3.3.7.2-3.4.4.2. In the Pay-As-You-Get-Paid method, the Billing Party shallshould maintain a current and past due balance for each active account of the Non-Billing Party for partial payment allocation purposes.

3.3.7.3-3.4.4.3. In the Pay-As-You-Get-Paid method, following a switch, the Billing Party will carry forward any inactive Non-Billing Party arrears on a bill, consistent with requirements outlined in the Billing Services Agreement or Utility-Supplier tariffs. If amounts remain unpaid, after 90 days, the Billing Party



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will forward a Uniform Electronic Transaction to the Non-Billing Party to return any outstanding arrears.

### 3.3.8.3.4.5. Past Due Balance Prior to Switching

3.3.8.2.3.4.5.2. Outstanding prior balances are not transferred unless mutually agreed upon by both parties. The Non-Billing Party will continue to bill the Customer separately for any outstanding balances until such balances are fully paid. If Assuming the Receivables, the Billing Party can reject an enrollment transaction that specifies Consolidated Billing if the customer does not satisfy the creditworthiness criteria specified in the appropriate governing document. In such a case, the Non-Billing Party may resubmit the enrollment transaction and specify Dual Billing.

### 3.3.9.3.4.6. Late Payment Charges and Other Penalties

3.3.9.2.3.4.6.2. Late Payment Charges (LPC) may be imposed on the Customer by the Billing Party and in the case of Pay-as-You-Get Paid model, the Non-Billing Party. Each party should be responsible for the calculation of its LPC charges unless directed otherwise by the Regulatory Authority. LPC for amounts not In Dispute will be applied in accordance with the Utility's tariff or Supplier's contract. This does not preclude the Billing Party from offering to apply and collect LPC for the Non-Billing Party as mutually agreed to in the Billing Services Agreement;

3.3.9.3.3.4.6.3. In the Pay-As-You-Get-Paid method, The Non-Billing Party will include the LPCs where applicable as a line item in its Bill Ready information supplied to the Billing Party at the time the next bill is rendered to the Customer;

3.3.9.4.3.4.6.4. If the Customer's check is returned for any reason, the Billing Party may charge the Customer's account for the check plus any administrative fees. In the Pay As You Get Paid method, the Billing Party will notify the Non-Billing Party via the appropriate Uniform Electronic Transaction and update the Non-Billing Party account balance.

3.3.9.5.3.4.6.5. Activities related to the collection of funds shall/should be the responsibility of the Billing Party unless otherwise agreed to in the Billing Services Agreement.

### 3.3.10.3.4.7. Payment Arrangement

3.3.10.2.3.4.7.2. ~~When a A~~ Customer may enters into a multi-month payment arrangement for all or a portion of the bill, It is the responsibility of the Party entering into the such agreement with the Customer must notify the other Party of such action to maintain proper accounting for such transaction. Neither the



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Billing Party nor the Non-Billing Party may enter into such an agreement on behalf of the other Party.

#### 4. **DUAL UTILITY AND SUPPLIER BILLING MODEL AND PAYMENT OPTION**

4.2.4.4. Dual ~~Utility and Supplier~~ Billing ~~are is~~ the billing processes whereby the Utility and the Supplier independently produce and render bills directly to the Customer. The Customer receives two bills and makes two separate payments: one to the Utility and one to the Supplier. This section contains recommended practices where Dual Billing is to be implemented.

4.2.4.4.4.1. The Utility and the Supplier, each when acting as a Billing Party, ~~shall~~should render individual bills directly to the Customer ~~or the Customer's agent~~ in accordance with applicable legal requirements. The Customer ~~or its agent~~ ~~shall~~should pay the Utility and the Supplier separately.

4.2.5.4.4.2. The Utility's bill ~~shall~~should conform to the standards set by the Applicable Regulatory Authority.

4.2.6.4.4.3. The Supplier's bill format ~~shall~~should be at the Supplier's discretion, subject only to legal and regulatory requirements.

4.2.7.4.4.4. For large commercial and industrial Customers, the elements on a Customer's bill and its format may be negotiated between each Billing Party and its Customer, subject only to legal and regulatory requirements. [?]

4.2.8.4.4.5. For residential and small commercial Customers, the bill ~~shall~~should itemize charges, each in enough detail to provide the Customer enough information to calculate the accuracy of the bill. The required elements on the Customer dual bill ~~shall~~should be the same as those elements specified for Consolidated Bills in Section D.1.b.(3), with the following exceptions, unless the Customer agrees to other billing arrangements: [?]

4.2.9.4.4.6. Customer Information:

4.2.9.2.4.4.6.2. Non-Billing Party account number does not apply;

4.2.9.3.4.4.6.3. Utility rate identifier does not apply for the Supplier bill;

4.2.9.4.4.4.6.4. Utility special pay plans or riders do not apply for the Supplier bill;

4.2.10.4.4.7. **Non-Billing Party Information:**

4.2.10.2.4.4.7.2. No elements are applicable; and



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### 4.2.10.3.4.4.7.3. Miscellaneous Information;

4.2.10.4.4.4.7.4. Space for bill message by the Non-Billing Party does not apply.

4.2.10.4.1.4.4.7.4.1. Whenever a Dual Bill is to be canceled, the following practices ~~shall~~should be followed:

4.2.10.4.1.1.4.4.7.4.1.1. Canceled usage will be by metering period;

4.2.10.4.1.2.4.4.7.4.1.2. The consumption sent in the cancel transaction ~~must~~should match the consumption sent in the original transaction;

4.2.10.4.1.3.4.4.7.4.1.3. Canceled usage ~~must~~should be sent at the same level of detail as the original usage.

4.2.10.4.1.4.4.4.7.4.1.4. In order to restate usage for a period, the metering entity first ~~must~~should completely cancel all usage for that period and then send the full set of restatement transactions.