



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

RETAIL GAS QUADRANT

GAS PRACTICES INVENTORY TASK FORCE

Survey

March 27, 2003

SUBCOMMITTEE: Supplier / Utility Interface

CATEGORY: Creditworthiness

1. What entity do you represent?

Conectiv Power Delivery – Gas Delivery Business

2. What is the date of this response?

April 3, 2003

3. What jurisdiction are these responses for?

Delaware

4. How often is the Delivery Service Suppliers' creditworthiness reviewed?

Beginning of gas choice pilot program in 1999, collapsed late 2000 with rise in market prices. If we restarted, creditworthiness would probably be reviewed periodically.

Current practice on the electric side (DE/MD/NJ/VA): creditworthiness can be reviewed monthly.

5. What are the creditworthiness determinants?

Marketers/Suppliers were required to post a, corporate guaranty, LOC or bond for the gas choice pilot program.

Current practice on the electric side is: A supplier must demonstrate that it has, and maintains, Investment Grade bond ratings from any two of the following three rating agencies:

Standard & Poors: BBB-



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

Moody's Investors' Services: Baa3

Duff & Phelps Credit Rating Company: BBB-

6. How do you calculate the security requirement?

Amount of surety set equal to a portion of projected billable revenue for a year for the customers enrolled by the supplier in the gas pilot program.

For third party electric suppliers, the standard varies by state:

NJ: 2 months of usage times the price to compare

MD: Fixed amount of \$25,000

DE: No requirements

VA: 2 months of summer usage times the delivery price

7. What types of security instruments are allowed?

See above; current practice on the electric side is surety bond, letter of credit, or parental guaranty.

8. When may the Local Distribution Company call on the security?

We did call on one LOC following a utility:supplier payment dispute in the gas pilot program.

Current practice on the electric side is the utility can call on the security if the supplier defaults under the terms of the supplier agreements, as follows:

An Event of Default under this Agreement shall occur if either Party ("Defaulting Party") (i) is the subject of a bankruptcy, insolvency or similar proceeding; (ii) makes an assignment for the benefit of its creditors; (iii) applies for, seeks consent to, or acquiesces in the appointment of a receiver, custodian, trustee, liquidator or similar official to manage all or a substantial portion of its assets; (iv) violates any material federal, state or local code, regulation and/or statutes applicable to the supply of energy and fails to cure such violation within ten (10) business days after becoming aware of such violation; or (v) fails to pay the other party ("Non-Defaulting Party") when payment is due and does not cure such failure within ten (10) business days of written notice



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

thereof from the non-Defaulting Party; or, to satisfy any other material obligation under this Agreement, such as fulfilling creditworthiness requirements within the time frames set forth in the Agreement, and fails to cure the failure to satisfy such material obligation within ten (10) business days of receipt of written notice thereof from the non-Defaulting Party. Should Supplier, however, fail to maintain Commission or FERC licensing status, such that the Commission and/or FERC license is actually revoked and, as a result thereof, Supplier is no longer legally permitted to make electric power sales to retail customers, Supplier will immediately be in default of this Agreement.

Charles L. Driggs, Manager, Gas Operations & Planning
Conectiv Power Delivery, Wilmington DE



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

RETAIL GAS QUADRANT

GAS PRACTICES INVENTORY TASK FORCE

Survey

March 27, 2003

SUBCOMMITTEE: Technical Electronic Implementation Subcommittee

CATEGORY: Customer Information

1. What entity do you represent?

Conectiv Power Delivery – Gas Delivery Business

2. What is the date of this response?

April 3, 2003

3. What jurisdiction are these responses for?

Delaware

4. What type of historical customer information is available to the Delivery Service Provider?

Gas choice pilot program offered to provide, upon request by customer, one copy of 12 months of billing history; customer could forward that to the supplier/ marketer / provider if they wished.

Current practice on the electric side is to provide historical information via the Electronic Data Interchange (EDI) 867hu (historical usage) transaction. This transaction includes monthly usage, monthly demand, rate code, peak load capacity contribution, peak load transmission contribution, etc. The 867hu is available pre-, during, or post-enrollment. See the First Regional EDI (FREDI)



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

- implementation guides for PA/NJ/DE/MD for details at <http://www.firstregionaledi.org/implementation.html>.
5. How is the customers' credit information shared with the Delivery Service Provider?
Gas choice pilot program rules prohibited transfer of credit information or any other personal information from utility to provider; providers were on their own to identify & accept / reject a customer. Several participating providers ran credit checks on all prospects submitting applications.
Current electric side practice: credit information is not shared with suppliers in any of our four jurisdictions.
6. How quickly must the Local Distribution Company respond to the Delivery Service Provider's request?
Was not applicable in case of gas choice pilot program. Current electric practice is to provide usage via EDI. All EDI transactions are responded to by the next business day. EDI files are not processed on weekends or scheduled holidays.
7. How is the customers' meter read data (consumption) shared with the Delivery Service Provider?
Gas choice pilot program offered two options: bill ready and rate ready, with all billing by the utility. Under bill ready, meter data was forwarded to the supplier (after translation) for pricing by supplier; supplier provided a return file with charges to be assessed. Rate ready option had Conectiv pricing the provider's services when bill was created, followed by a summary report of daily billings which was sent to provider.
Electric retail choice suppliers in Conectiv programs receive consumption via the EDI 867 mu (monthly usage) transaction. See the First Regional EDI implementation guides for PA/NJ/DE/MD for details at <http://www.firstregionaledi.org/implementation.html>.



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

8. What are the Delivery Service Provider's limits on the use of the customer information?

Given the rules of the gas choice pilot program, this was not an issue. Provider received no information until customer was confirmed as a program participant. After confirmation, the only additional information received was a verification of utility account number submitted by provider and verification of payments for charges by customer. Customer : provider relationship was sole source for any other customer information.

Under terms of the electric supplier agreements, all information distributed to suppliers is considered confidential unless otherwise authorized by the customer.

9. What are the rules governing the use of customer mailing lists?

Gas choice pilot program did not offer a customer mailing list to providers. Current practice on electric side varies by state jurisdiction: Only Virginia requires the utility to make a customer mailing list available to suppliers, for a fee.

Charles L. Driggs, Manager, Gas Operations & Planning
Conectiv Power Delivery, Wilmington DE



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

RETAIL GAS QUADRANT

GAS PRACTICES INVENTORY TASK FORCE

Survey

March 27, 2003

SUBCOMMITTEE: Customer Processes Subcommittee

CATEGORY: Uniform Utility Billing and Collection Services and Charges

1. What entity do you represent?

Conectiv Power Delivery – Gas Delivery Business

2. What is the date of this response?

April 3, 2003

3. What jurisdiction are these responses for?

Delaware

4. What information must be provided on the Local Distribution Company's invoice to the Delivery Service Provider?

For Rate Ready providers participating in former gas choice pilot program, statement provided sales by customer, charges billed, and outstanding balance

For Bill Ready providers, daily file exchange showed sales by customer and payments received / account balance.

Current practice in Conectiv electric retail choice programs: If invoice refers to customer payments, then payment information is communicated to third party electric suppliers via the EDI 820 transaction. This includes the account number and the amount of the payment. See the First Regional EDI implementation



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

guides for PA/NJ/DE/MD for details at
<http://www.firstregionaledi.org/implementation.html>.

5. What are the invoice payment terms?

Gas choice pilot program: Customers paid the utility, utility forwarded funds to provider, generally within four days. For electric retail choice program suppliers, in DE, MD, and VA utilities must wire funds within four days of receipt of payment from the customer. In NJ, the utilities purchase supplier receivables and payment is made 20 days after the bill is issued.

6. How are billing questions and disputes managed between the Local Distribution Company and the Delivery Service Provider?

In the gas choice pilot program, this proved to be a larger problem than expected. Program manager acted as go-between with providers and corporate revenue & accounting teams.

Subsequent electric retail choice programs were set up with a person designated as a supplier liaison, with dispute resolution procedures defined at the beginning of the programs. A supplier hotline including phone and email was established as the primary mechanism to receive and respond to supplier questions.

7. How are overpayments managed between the Local Distribution Company and the Delivery Service Provider?

In the gas choice pilot program, overpayments from customer were credited against their utility account and providers were paid the amounts billed.

Overpayments by the utility to the supplier were dealt with as they arose in most cases. Dispute arising from over-payments to one supplier resulted in a lawsuit,



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

which goes to trial in April 2003. Had EDM been in place, dispute probably would not have persisted.

In the electric choice programs, overpayments will be held in the billing entity's account for the Customer for distribution in the following billing cycle or will be refunded to the Customer at the Customer's request.

Charles L. Driggs, Manager, Gas Operations & Planning
Conectiv Power Delivery, Wilmington DE



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

RETAIL GAS QUADRANT

GAS PRACTICES INVENTORY TASK FORCE

Survey

March 27, 2003

SUBCOMMITTEE: Customer Processes Subcommittee

CATEGORY: Billing Agency Arrangements

1. What entity do you represent?
Conectiv Power Delivery – Gas Delivery Business
2. What is the date of this response?
April 3, 2003
3. What jurisdiction are these responses for?
Delaware
4. What are the Delivery Service Provider's obligations as the customers' billing agent?
Former gas choice pilot program did not use third party billing. Current electric programs also have no third party billing.
5. What are the Local Distribution Company's obligations in administering the billing agency arrangement?
Not applicable
6. What are the provisions for the use of a "lock box" payment mechanism?
Not applicable.
7. What are the provisions for terminating the billing agency arrangement?
Not applicable.

Charles L. Driggs, Manager, Gas Operations & Planning
Conectiv Power Delivery, Wilmington DE



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

RETAIL GAS QUADRANT

GAS PRACTICES INVENTORY TASK FORCE

Survey

March 27, 2003

SUBCOMMITTEE: Customer Processes Subcommittee

CATEGORY: Dispute Resolution Process – Suppliers and LDCs

1. What entity do you represent?

Conectiv Power Delivery – Gas Delivery Business

2. What is the date of this response?

April 3, 2003

3. What jurisdiction are these responses for?

Delaware

4. What is the initial notification process for a dispute between a Delivery Service Provider and a Local Distribution Company?

Former gas choice pilot program: minor disputes handled by telephone, if not resolved, followed by meeting to resolve issue or an exchange of letters. One dispute was never resolved and is going to trial in April 2003.

Our electric programs include multiple mechanisms for informal dispute resolution, including email and phone. Supplier and utility contacts are established in the third party electric supplier agreements. In all four jurisdictions, electric suppliers have the option of filing an official complaint with the state regulatory agency.



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

5. What is the hierarchy of payments between the Local Distribution Company and the Delivery Service Provider?

Gas pilot program: per DE PSC Order on payment posting, 1 utility delivery charges in arrears, 2 provider charges in arrears, 3 utility current charges, 4 provider current charges

Current practice with electric choice programs depends upon state (DE/MD/VA/NJ) jurisdiction:

DE: Application of Payment. The billing entity will conduct all payment processing of current Customer charges. In the event of a partial payment of a bill by a Customer, the Customer's remittance will be applied in the following order: (i) arrears for Company's Electric Supply and Delivery or Delivery Service; (ii) arrears for Company's Gas Utility Sales Service or Gas Delivery Service, where applicable; (iii) by vintage of arrearage, arrears for Electric Supplier charges, where applicable and then same-vintaged arrears for Gas Supplier charges, where applicable; (iv) current charges for Company's Electric Supply and Delivery or Delivery Service; (v) current charges for Company's Gas Utility Sales Service or Gas Delivery Service, where applicable; (vi) current charges for Electric Supplier charges, where applicable; (vii) current charges for Gas Supplier charges, where applicable; (viii) arrears for Company's "Value Added Services", where applicable; and (ix) current charges for Company's "Value Added Services", where applicable. Any amounts in excess of the totality of these charges will be held in the billing entity's account for the Customer for distribution in the following billing cycle or will be refunded to the Customer at the Customer's request.

MD: When the Company provides consolidated billing for the Company's combined Electric Supply & Delivery Service, or when the Company provides consolidated billing for Delivery Service and the Customer's Electricity Supplier services, or when the Company provides separate billing for Delivery Service, and the Customer remits a partial payment to the Company, the payment shall be applied as follows:

1. Arrears for the Company's combined Electric Supply & Delivery Service or Delivery Service.
2. Arrears for the Electricity Supplier charges, where applicable.



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

3. Current charges for the Company's combined Electric Supply & Delivery Service or Delivery Service.
4. Current charges for Electricity Supplier charges, where applicable.
5. Value-added service charges.

VA: Application of Payment. The billing entity will conduct all payment processing of current Customer charges. In the event of a partial payment of a bill by a Customer, the Customer's remittance will be applied in the following order, in absence of Customer's designation: (i) arrears for Company's Electric Supply and Delivery or Delivery Service; (ii) arrears for Electricity Supplier(s) charges; (iii) current charges for Company's Electric Supply and Delivery or Delivery Service; (iv) current charges for Electric Supplier charges, where applicable; (v) arrears for Company's "Value Added Services", where applicable; and (vi) current charges for Company's "Value Added Services", where applicable. Any amounts in excess of the totality of these charges will be held in the billing entity's account for the Customer for distribution in the following billing cycle or will be refunded to the Customer at the Customer's request.

NJ: Payment posting not applicable due to purchase of receivables.

6. What is their requirement to meet to resolve a dispute?

See response to #4.

For electric choice, not aware of any requirement to meet. The bulk of communications are handled via email, phone, fax, and mail due to the fact that the bulk of the electric suppliers are not located in close proximity to the utility.

7. When does the Public Service Commission become involved during dispute resolution?

Gas choice pilot program: disputes were between utility & provider. Unless customer was disadvantaged and contacted the PSC, PSC would not get involved.



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

In the current electric retail choice programs, the state regulatory agency becomes involved when any party (utility, supplier, or customer) files a formal complaint with the state regulatory agency.

8. What alternate methods are available to resolve disputes?

Gas choice pilot program: lawsuit goes to trial next month. Don't recommend this approach.

Electric suppliers have the option of filing a complaint with FERC or with the applicable state or federal legal authority.

Charles L. Driggs, Manager, Gas Operations & Planning
Conectiv Power Delivery, Wilmington DE



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

RETAIL GAS QUADRANT

GAS PRACTICES INVENTORY TASK FORCE

Survey

March 27, 2003

SUBCOMMITTEE: Customer Processes Subcommittee

CATEGORY: Dispute Resolution Process – Suppliers and Customers

1. What entity do you represent?

Conectiv Power Delivery – Gas Delivery Business

2. What is the date of this response?

April 3, 2003

3. What jurisdiction are these responses for?

Delaware

4. What is the process for resolving a dispute between a Delivery Service Provider and a customer?

Gas choice pilot program: if customer did not get satisfaction, they often called the utility for assistance. We referred them to the PSC, who did intervene in most instances. Some of these disputes resulted in customers leaving the program and returning to traditional bundled service.

In electric choice programs, customers are advised to contact the supplier directly.

The utility does not intervene. The customer has the option of filing a complaint with the state regulatory agency if they are not satisfied.

5. What is the hierarchy of payments between the Local Distribution Company and the Delivery Service Provider?



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

Gas pilot program: per DE PSC Order on payment posting -- 1 utility delivery charges in arrears, 2 provider charges in arrears, 3 utility current charges, 4 provider current charges.

Current practice with electric choice programs depends upon state

(DE/MD/VA/NJ) jurisdiction:

DE: Application of Payment. The billing entity will conduct all payment processing of current Customer charges. In the event of a partial payment of a bill by a Customer, the Customer's remittance will be applied in the following order: (i) arrears for Company's Electric Supply and Delivery or Delivery Service; (ii) arrears for Company's Gas Utility Sales Service or Gas Delivery Service, where applicable; (iii) by vintage of arrearage, arrears for Electric Supplier charges, where applicable and then same-vintaged arrears for Gas Supplier charges, where applicable; (iv) current charges for Company's Electric Supply and Delivery or Delivery Service; (v) current charges for Company's Gas Utility Sales Service or Gas Delivery Service, where applicable; (vi) current charges for Electric Supplier charges, where applicable; (vii) current charges for Gas Supplier charges, where applicable; (viii) arrears for Company's "Value Added Services", where applicable; and (ix) current charges for Company's "Value Added Services", where applicable. Any amounts in excess of the totality of these charges will be held in the billing entity's account for the Customer for distribution in the following billing cycle or will be refunded to the Customer at the Customer's request.

MD: When the Company provides consolidated billing for the Company's combined Electric Supply & Delivery Service, or when the Company provides consolidated billing for Delivery Service and the Customer's Electricity Supplier services, or when the Company provides separate billing for Delivery Service, and the Customer remits a partial payment to the Company, the payment shall be applied as follows:

1. Arrears for the Company's combined Electric Supply & Delivery Service or Delivery Service.
2. Arrears for the Electricity Supplier charges, where applicable.
3. Current charges for the Company's combined Electric Supply & Delivery Service or Delivery Service.
4. Current charges for Electricity Supplier charges, where applicable.



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

5. Value-added service charges.

VA: Application of Payment. The billing entity will conduct all payment processing of current Customer charges. In the event of a partial payment of a bill by a Customer, the Customer's remittance will be applied in the following order, in absence of Customer's designation: (i) arrears for Company's Electric Supply and Delivery or Delivery Service; (ii) arrears for Electricity Supplier(s) charges; (iii) current charges for Company's Electric Supply and Delivery or Delivery Service; (iv) current charges for Electric Supplier charges, where applicable; (v) arrears for Company's "Value Added Services", where applicable; and (vi) current charges for Company's "Value Added Services", where applicable. Any amounts in excess of the totality of these charges will be held in the billing entity's account for the Customer for distribution in the following billing cycle or will be refunded to the Customer at the Customer's request.

NJ: Payment posting not applicable due to purchase of receivables.

6. What is the requirement for a Delivery Service Provider to resolve a dispute?

DE gas choice pilot program: PSC imposed rules and wielded power to suspend a provider, but found the rules were inadequate and staff resources were inadequate to deal with any wide-spread complaints. Rewrote the rules prior to startup of DE electric choice program, and would use those rules for gas choice if gas choice was reinstated in the future.

Electric choice rules do not require utilities to become involved in disputes between customers and suppliers.

7. What is the requirement for a Delivery Service Provider and a Local Distribution Company to work together to resolve a dispute between a Delivery Service Provider and a customer?

None in gas choice pilot program. Customer had option of returning to traditional bundled utility service at any time, and could not switch to another provider under



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

the terms of the pilot program. Provided an incentive for provider to spend some resources to satisfy the customer to the point where it was more economical to dump the customer back to the utility.

Current practice for electric choice programs is the utilities do not get involved in supplier / customer issues.

Charles L. Driggs, Manager, Gas Operations & Planning
Conectiv Power Delivery, Wilmington DE



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

RETAIL GAS QUADRANT

GAS PRACTICES INVENTORY TASK FORCE

Survey

March 27, 2003

SUBCOMMITTEE: Customer Processes Subcommittee

CATEGORY: Billing and Payment Processing - Dual Billing

1. What entity do you represent?

Conectiv Power Delivery – Gas Delivery Business

2. What is the date of this response?

April 3, 2003

3. What jurisdiction are these responses for?

Delaware

4. What are the billing options?

Gas choice pilot program: utility consolidated billing was the only option

Electric choice program: the rules state three options: utility consolidated, dual,
and supplier consolidated.

5. Who are the billing parties?

Gas choice: N/A

Electric choice: Utilities and suppliers

6. What billing format is used and how is it determined?

Gas choice: N/A



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

Electric choice: the bill format was developed through Public Service Commission run working groups including suppliers, utilities, customer groups, etc. The format varies by state.

7. What are the minimum elements on a Delivery Service Provider's bill?

Gas Choice: N/A

Electric Choice: Varies by state.

8. How are billing determinants communicated between the Delivery Service Provider and the Local Distribution Company or other billing party?

Gas Choice: N/A

Electric Choice: Utilities send information through the EDI 867 mu transaction.

See the First Regional EDI implementation guides for PA/NJ/DE/MD for details at <http://www.firstregionaledi.org/implementation.html>.

Charles L. Driggs, Manager, Gas Operations & Planning
Conectiv Power Delivery, Wilmington DE



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

RETAIL GAS QUADRANT

GAS PRACTICES INVENTORY TASK FORCE

Survey

March 27, 2003

SUBCOMMITTEE: Customer Processes Subcommittee

CATEGORY: Billing and Payment Processing – Utility Consolidated Billing

1. What entity do you represent?

Conectiv Power Delivery – Gas Delivery Business

2. What is the date of this response?

April 3, 2003

3. What jurisdiction are these responses for?

Delaware

4. What are the billing options?

Former gas choice pilot program offered Bill Ready and Rate Ready option to providers.

Electric Choice: Bill ready only.

5. What are the requirements for the Local Distribution Company to provide a consolidated bill?

That was the only option for billing offered in the gas choice pilot program.

Electric choice: Utility consolidated billing must be made available to any third party supplier who has executed the applicable agreements.

6. What is the hierarchy of payments between the Local Distribution Company and the Delivery Service Provider?



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

DE gas choice pilot program: per DE PSC Order on payment posting -- 1 utility delivery charges in arrears, 2 provider charges in arrears, 3 utility current charges, 4 provider current charges

Current practice with electric choice programs depends upon state

(DE/MD/VA/NJ) jurisdiction:

DE: Application of Payment. The billing entity will conduct all payment processing of current Customer charges. In the event of a partial payment of a bill by a Customer, the Customer's remittance will be applied in the following order: (i) arrears for Company's Electric Supply and Delivery or Delivery Service; (ii) arrears for Company's Gas Utility Sales Service or Gas Delivery Service, where applicable; (iii) by vintage of arrearage, arrears for Electric Supplier charges, where applicable and then same-vintaged arrears for Gas Supplier charges, where applicable; (iv) current charges for Company's Electric Supply and Delivery or Delivery Service; (v) current charges for Company's Gas Utility Sales Service or Gas Delivery Service, where applicable; (vi) current charges for Electric Supplier charges, where applicable; (vii) current charges for Gas Supplier charges, where applicable; (viii) arrears for Company's "Value Added Services", where applicable; and (ix) current charges for Company's "Value Added Services", where applicable. Any amounts in excess of the totality of these charges will be held in the billing entity's account for the Customer for distribution in the following billing cycle or will be refunded to the Customer at the Customer's request.

MD: When the Company provides consolidated billing for the Company's combined Electric Supply & Delivery Service, or when the Company provides consolidated billing for Delivery Service and the Customer's Electricity Supplier services, or when the Company provides separate billing for Delivery Service, and the Customer remits a partial payment to the Company, the payment shall be applied as follows:

1. Arrears for the Company's combined Electric Supply & Delivery Service or Delivery Service.
2. Arrears for the Electricity Supplier charges, where applicable.
3. Current charges for the Company's combined Electric Supply & Delivery Service or Delivery Service.
4. Current charges for Electricity Supplier charges, where applicable.



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

5. Value-added service charges.

VA: Application of Payment. The billing entity will conduct all payment processing of current Customer charges. In the event of a partial payment of a bill by a Customer, the Customer's remittance will be applied in the following order, in absence of Customer's designation: (i) arrears for Company's Electric Supply and Delivery or Delivery Service; (ii) arrears for Electricity Supplier(s) charges; (iii) current charges for Company's Electric Supply and Delivery or Delivery Service; (iv) current charges for Electric Supplier charges, where applicable; (v) arrears for Company's "Value Added Services", where applicable; and (vi) current charges for Company's "Value Added Services", where applicable. Any amounts in excess of the totality of these charges will be held in the billing entity's account for the Customer for distribution in the following billing cycle or will be refunded to the Customer at the Customer's request.

NJ: Payment posting not applicable due to purchase of receivables.

7. What are the functions and responsibilities of the Local Distribution Company and the Delivery Service Provider?

DE Gas Pilot: LDC was responsible for reading meter, billing, posting payments, transferring funds and providing reports of account balance / status.

Current practice in electric programs depends upon jurisdiction. Generally, the utility is still responsible for reading the meter. The rest is based on the billing option being utilized. For utility consolidated billing, there are a defined set of EDI transactions: The utility sends the usage via the 867mu, the supplier returns the 810 which specifies the charges to print on the bill, the utility sends the 820 to notify the supplier of payment. All transactions also receive a FA-functional acknowledgment which is a way to verify that each transaction was received by either party (utility or supplier).



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

8. What are the minimum elements on a consolidated bill?

Former gas pilot program: conventional utility bill, plus commodity portion of bill was revised to be supplier portion of bill, with a note to customer on bill providing phone number of their supplier in the event of a dispute.
Requirements for our electric choice programs vary by jurisdiction, but the following is the basic format. All supplier charges must be submitted to the utility using the EDI 810 transaction as defined by the First Regional EDI (FREDI) guidelines.

Sample Format

Electric Supply Summary - TPS NAME

	Billing Period:	!-----!
	From: xxx xx, xxxx	! !
Account number 12345678901234567890	to: yyy yy, yyyy	! !
Current charges for 29 days - Residential Service		!-----!
nnn kwh Used		
Previous Balance last bill		\$0.00
Payment zzz zz, Thank You		\$0.00
Remaining balance as of yyy yy, yyyy		\$0.00
ON PEAK: 1000 KWH * \$0.0660		\$66.00
OFF PEAK: 1000 KWH * \$0.0535		\$53.00
Up to 25 lines (combination of SAC and PID06=R1 can be printed here		
SAC Line can have text of 48 characters		
PID line can have text of 60 characters		
Total Current charges:		\$119.00
Supplier charges prior month:		\$84.00

Total Energy Charge:		\$203.00

If there are any problems with this part of your bill, please call your Energy Supplier at 1-800-555-5555



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

WE VALUE YOUR BUSINESS

UP TO 4 LINES of 80 CHARACTERS CAN BE PRINTED HERE
(PID06=R2)

9. How are payments processed between the Local Distribution Company and the Delivery Service Provider?

Former gas pilot program: payments made to LDC, posted to account, any funds due supplier were forwarded electronically to a specified account; reporting provided to allow provider to balance accounts against payments.

Electric Choice: In DE, MD, VA: Payments posted to account according to payment posting rules. ACH wire payment sent to supplier twice a week with the total payments received. EDI 820 transactions sent to suppliers daily (except weekends/holidays) to provide suppliers record of account level payments.

Charles L. Driggs, Manager, Gas Operations & Planning
Conectiv Power Delivery, Wilmington DE



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

RETAIL GAS QUADRANT

GAS PRACTICES INVENTORY TASK FORCE

Survey

March 27, 2003

SUBCOMMITTEE: Customer Processes Subcommittee

CATEGORY: Billing and Payment Processing – Supplier Consolidated Billing

1. What entity do you represent?

Conectiv Power Delivery – Gas Delivery Business

2. What is the date of this response?

April 3, 2003

3. What jurisdiction are these responses for?

Delaware

4. What are the billing options?

Gas choice pilot program: only option offered was utility consolidated billing.

Other options are in use in our electric choice programs. Those rules state three options: utility consolidated, dual, and supplier consolidated.

5. What are the requirements for the Delivery Service Provider to provide a consolidated bill?

N/A for gas choice.

Electric Choice: Option is included in rules, but is not technically supported yet.

EDI discussions to establish supplier consolidated billing transactions have been delayed due to low interest.



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

6. What is the hierarchy of payments between the Local Distribution Company and the Delivery Service Provider?

N/A with former gas choice program.

Electric Choice: Follows same payment posting rules as other billing options:

DE: Application of Payment. The billing entity will conduct all payment processing of current Customer charges. In the event of a partial payment of a bill by a Customer, the Customer's remittance will be applied in the following order: (i) arrears for Company's Electric Supply and Delivery or Delivery Service; (ii) arrears for Company's Gas Utility Sales Service or Gas Delivery Service, where applicable; (iii) by vintage of arrearage, arrears for Electric Supplier charges, where applicable and then same-vintaged arrears for Gas Supplier charges, where applicable; (iv) current charges for Company's Electric Supply and Delivery or Delivery Service; (v) current charges for Company's Gas Utility Sales Service or Gas Delivery Service, where applicable; (vi) current charges for Electric Supplier charges, where applicable; (vii) current charges for Gas Supplier charges, where applicable; (viii) arrears for Company's "Value Added Services", where applicable; and (ix) current charges for Company's "Value Added Services", where applicable. Any amounts in excess of the totality of these charges will be held in the billing entity's account for the Customer for distribution in the following billing cycle or will be refunded to the Customer at the Customer's request.

MD: When the Company provides consolidated billing for the Company's combined Electric Supply & Delivery Service, or when the Company provides consolidated billing for Delivery Service and the Customer's Electricity Supplier services, or when the Company provides separate billing for Delivery Service, and the Customer remits a partial payment to the Company, the payment shall be applied as follows:

1. Arrears for the Company's combined Electric Supply & Delivery Service or Delivery Service.
2. Arrears for the Electricity Supplier charges, where applicable.
3. Current charges for the Company's combined Electric Supply & Delivery Service or Delivery Service.
4. Current charges for Electricity Supplier charges, where applicable.



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

5. Value-added service charges.

VA: Application of Payment. The billing entity will conduct all payment processing of current Customer charges. In the event of a partial payment of a bill by a Customer, the Customer's remittance will be applied in the following order, in absence of Customer's designation: (i) arrears for Company's Electric Supply and Delivery or Delivery Service; (ii) arrears for Electricity Supplier(s) charges; (iii) current charges for Company's Electric Supply and Delivery or Delivery Service; (iv) current charges for Electric Supplier charges, where applicable; (v) arrears for Company's "Value Added Services", where applicable; and (vi) current charges for Company's "Value Added Services", where applicable. Any amounts in excess of the totality of these charges will be held in the billing entity's account for the Customer for distribution in the following billing cycle or will be refunded to the Customer at the Customer's request.

NJ: Payment posting not applicable due to purchase of receivables. If supplier wants to offer supplier consolidated bill, they must purchase utility receivables.

7. What are the functions and responsibilities of the Local Distribution Company and the Delivery Service Provider?

N/A in gas choice.

To be determined for electric choice.

8. What are the minimum elements on a consolidated bill?

N/A in gas choice.

To be determined for electric choice.

9. How are payments processed between the Local Distribution Company and the Delivery Service Provider?

N/A in gas choice.

Current rules for electric choice indicate wire payments will be required.

Charles L. Driggs, Manager, Gas Operations & Planning
Conectiv Power Delivery, Wilmington DE