

## NAESB REQ Glossary Subcommittee - Comparison of REQ Subcommittee Usage of Terms

Term	Glossary Subcommittee	SUIS	CPS	Comments	SUIS Need for July 03
Applicable Regulatory Authority	Applicable Regulatory Authority - The state regulatory agency or other local Governing Body that provides oversight, policy guidance and direction to energy utilities and <b>market participants</b> through regulations and orders.	Applicable Regulatory Authority: The state regulatory agency or other local governing body that provides oversight, policy guidance, and direction to any parties involved in the process of providing energy to retail access Customers through regulations and orders.	<i>Used, not defined.</i>	SUIS eliminated reference to Market Participants to eliminate the additional defined term. Used "parties involved in providing energy to retail access Customers", instead.	Yes
Applicant		Applicant: The party seeking credit from another party. <del>Either the Supplier or the Distribution Company may take on the role of Applicant.</del>	<i>Specific to creditworthiness</i>	Changed 5/15/03	Yes
Billing Party		Billing Party: The party performing billing services for one or more parties.	<i>Used, not defined.</i>		Yes
Cash Deposit		Cash Deposit: Money provided by one party to the other to secure performance of an agreement or compensate for possible loss or damage.	<i>Specific to creditworthiness</i>	Moved to definitions at 5/15/03 SUIS Mtg	Yes
Certificate of Incumbency		Certificate of Incumbency (Secretary Certificate): A document attesting to the name and signature of the officers authorized to sign the Guaranty.	<i>Specific to creditworthiness</i>		Yes
Challenge		Challenge: The Applicant's request for a review of the Creditor's creditworthiness determination made shortly after that determination	<i>Specific to creditworthiness</i>		Yes
Confidential Information		Confidential Information: Nonpublic information concerning the financial condition of the Applicant, or any of the Applicant's affiliates, that is disclosed to the Creditor by the Applicant or Applicant's affiliates.	<i>Specific to creditworthiness</i>		Yes

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Consolidated Billing Option	Consolidated Billing Option - A Customer billing option that combines Utility and Supplier charges on one statement.	Consolidated Billing: The Billing Party renders a Customer bill consolidating the energy, transmission/transportation and distribution charges of the Distribution Company and the Supplier, for which a single payment from the Customer is expected. <i>(CPS 5/13-14/03)</i>	Consolidated Billing: The Billing Party renders a Customer bill consolidating the energy, transmission/transportation and distribution charges of the Distribution Company and the Supplier, for which a single payment from the Customer is expected. <i>(CPS 5/13-14/03)</i>	<i>SUIS will use new CPS definition (SUIS needs to make change in Draft 8)</i>	Yes
Credit Application Form		Credit Application Form: The Creditor's form for obtaining identification and financial data about an Applicant.	<i>Specific to creditworthiness</i>		Yes
Creditor		Creditor: The party granting credit to another party. <del>Either the Supplier or the Distribution Company may take on the role of Creditor.</del>	<i>Specific to creditworthiness</i>	<i>Changed 5/15/03</i>	Yes
Cure Period		Cure Period: A provision in a contract allowing a defaulting party to fix the cause of a default, for example a repayment grace period.	<i>Specific to creditworthiness</i>	<b><i>Proposed definition from Investorwords.com -- not reviewed by SUIS</i></b>	Yes
Distribution Company		Distribution Company: A regulated entity that constructs and maintains the distribution facilities which deliver energy to the Customer.	<b>Not used. Uses Utility instead.</b>	<i>SUIS uses this term rather than "Utility" to narrow scope of Creditworthiness to retail, not wholesale, transactions.</i>	Yes
Event-Driven Reconsideration		Event-driven Reconsideration: A re-evaluation of an Applicant's creditworthiness performed in response to a material change in its credit rating or financial condition.	<i>Specific to creditworthiness</i>		Yes
Governing Documents	Governing Documents - The documents that prevail over the relationship between a Supplier and Utility. These documents include but are not limited to: Supplier Service Agreement, Billing Services Agreement; Trading Partner Agreement, Utility and Supplier tariffs	Governing Documents: Documents that determine the interactions among parties, such as: regulatory documents (e.g., tariffs, rules, regulations), contractual agreements, and Distribution Company operational manuals.	<b><i>Used, not defined.</i></b>	<i>SUIS Word change (5/15/03)--added "e.g." to paranthetical phrase</i>	Yes

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Guarantor	Guarantor - An entity that provides a formal assurance as security that another's debt or obligation will be fulfilled.	Guarantor: The entity <del>who</del> <u>that</u> agrees to guarantee the Applicant's financial obligations, recognizing that such entity will be ultimately obligated to meet the Creditor's creditworthiness requirements.	Specific to creditworthiness	SUIS Word change (5/15/03)--changed "who" to "that"	Yes
Guaranty		Guaranty: A formal assurance of the Guarantor's obligation to pay up to a fixed amount to the beneficiary, upon certain conditions contained in that guaranty being met	Specific to creditworthiness	SUIS revised definition	Yes
Letter of Credit		Letter of Credit: A letter issued by a bank authorizing the bearer to draw a stated amount of money from the issuing bank, its branches, or other associated banks or agencies, provided that the terms of the letter are met.	Specific to creditworthiness	Moved to definitions at 5/15/03 SUIS Mtg	Yes
Material Change		Material Change: Any change in the Applicant's (or Guarantor's) financial or other condition that might reasonably affect the amount of unsecured credit extended to that Applicant or may impact the Applicant's ability to perform on its obligations.	Specific to creditworthiness		Yes
Non-Billing Party		Non-Billing Party: The party whose charges are being combined into a statement (or invoice) prepared and rendered by another party.	<b>Used, not defined.</b>		Yes
Prepayment		Prepayment: Money provided by one party to the other to pay for goods or services not yet rendered, to secure performance of an agreement or compensate for possible loss or damage.	Specific to creditworthiness	Moved to definitions at 5/15/03 SUIS Mtg	Yes
Security Interest in Collateral		Security Interest in Collateral: A right, title, claim, or share in assets that exists by contract as security for payment or performance of an obligation that is acceptable to the creditor.	Specific to creditworthiness	Moved to definitions at 5/15/03 SUIS Mtg	Yes

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Single Retailer Supplier Billing		Single Retail Supplier Billing: 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. <i>(prior SUIS definition, new name for defined term 5/15/03 meeting)</i>	Single Retail Supplier Billing: The Supplier renders a Customer bill for all energy, transmission/transportation, and distribution related charges. The Supplier purchases or otherwise acquires energy, transmission/transportation and distribution related services, and therefore all charges on the bill are supplier charges. A single payment from the Customer is expected. <i>(New name for defined term and revised definition, 5/13-14/03 Meeting)</i>	Replaces Single Retailer <i>(SUIS should use new CPS definition)</i>	Yes
Supplier	Supplier - Any entity that sells energy to Customers using the transmission and/or distribution system of a Utility.	Supplier: Persons engaged in the competitive sale of energy to end-users.	<b>Used, not defined.</b>	SUIS definition attempts to differentiate between a Distribution Company selling under bundled rates and a competitive supplier	Yes
Surety Bond		Surety Bonds: An insurance policy that covers payments to the principle in the event that the other party does not perform under the contract.		Moved to definitions at 5/15/03 SUIS Mtg	Yes
Switch Request	Switch Request - A request from a Supplier to switch a Customer to begin receiving service from that <del>supply</del> Supplier.	Switch Request - A request from a Supplier to switch a Customer to begin receiving service from that Supplier.		Added as defined term 5/15/03 SUIS Mtg, used UBP glossary definition	Yes

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Default Provider		Default Provider: The provider of energy supply service to Customers in a competitive energy market who are not being served by a competitive energy Supplier. This service is provided pursuant to rules established by the Applicable Regulatory Authority.		<i>At 5/15/03 SUIS meeting references to this dter were re-written so it is no longer needed as a defined term.</i>	No-- Deleted
Periodic Reconsideration		Periodic Reconsideration: A routine review of an Applicant's creditworthiness.	<i>Specific to creditworthiness</i>	<i>Defined Term eliminated at 5/15/03 SUIS meeting</i>	No-- Deleted
Affiliate	Affiliate - Another person or organization, which controls, is controlled by, or is under common control with such person or organization. The term "control" (including "controlling" or "controlled by") includes the possession, directly or indirectly, whether acting alone or in conjunction with others, of the authority to direct or cause the direction of the management or policies of a company. A voting interest of 10 percent or more creates a rebuttable presumption of control.	<i>No longer used as a defined term. Lowercase "affiliate" is used.</i>			No
Alternative Dispute Resolution	Alternative Dispute Resolution - A process using a neutral facilitator, where parties meet and negotiate a binding settlement to resolve a dispute. This process should be used as soon as it is apparent that the parties cannot settle the dispute amongst themselves. Forms of mediation, arbitration, settlement conferences and mini-trials may be used.				No

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Assumption of Receivables			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. The Customer remains responsible for payment to the Billing Party.		No
Bill Ready	Bill Ready - A consolidated billing practice in which the billing party receives the calculated charge amount(s) directly from the non-billing party in lieu of the billing party calculating it directly from the rate.		<i>Used, not defined.</i>		No
Billing Cycle	Billing Cycle - The period of days for which a Utility or Supplier produces the Customer's bill.		<i>Used, not defined.</i>		No
Billing Service Agreement	Billing Service Agreement - A legally binding agreement between the Utility and the Supplier used when one of the parties is performing consolidated billing for the other party. The agreement details expectations and responsibilities of each party.	<i>Used, not defined.</i>	Sample BSA Included.		No
Budget Billing	Budget Billing - Calculation of uniform monthly payments over a set period of time, typically 12 months, by estimating a customer's future bill amounts and dividing by a time period, which allows for equal monthly payments, not counting a final "true-up" at the end of the period to account for actual customer usage and bill amounts.				No
Commercially Reasonable	Commercially Reasonable - Reasonable to a knowledgeable person in the industry or business.				No

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Complaint	Complaint - A complaint is when a customer contacts a market participant to protest, criticize or find fault with service, billing or procedures and is dissatisfied with the initial response.				No
Cramming	Cramming - The process of placing charges for unordered and unwanted services on the Customer's electricity bill.				No
Customer	Customer - Any entity that takes service for their own consumption over the transmission and/or distribution facilities of a Utility.		<i>Used, not defined.</i>		No
Customer Class	Customer Class - A classification used for Load Profiling. Customers are typically grouped into residential, commercial, and industrial categories, based on their demand characteristics. These classes can have sub-classes, e.g., large industrial vs. small industrial or residential with electric heating vs. residential without electric heating.				No
Customer Class Segment	Customer Class Segment - A classification used for Load Profiling. Customers can be grouped within the customer class or sub-class based on more similar demand characteristics.				No
Customer Service Representative (CSR)	Customer Service Representative (CSR) - Staffed position within a Utility or Supplier organization that handles initial Customer contacts, normally by telephone, for purposes of providing information or resolving problems.				No

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Default Service	Default Service - Energy supply service provided, pursuant to rules established by the Applicable Regulatory Authority, to Customers in a competitive energy market who are not being served by a competitive energy Supplier for any number of reasons, including the following: 1. The Customer's chosen Supplier no longer provides service for the Customer's account; 2. The Customer is unable to locate a Supplier to service their account; or 3. The Customer has not chosen a Supplier. Laws and regulations govern whether this service is available long-term as an alternative to competitive service or only during a transition period, after which Customers are expected to select a Supplier.				No
Demand	Demand - For Electricity: the amount of electricity, typically measured in kilowatts (kW), that Customers use instantaneously, or is averaged over a set period of time. For Natural Gas: the rate at which gas is delivered to or by a system, part of a system, or a piece of equipment, expressed in cubic feet or therms, over a set period of time.				No
Distribution		<i>Used, not defined.</i>	<i>Used, not defined.</i>		No
Drop	Drop - The termination of the relationship between the Customer and Supplier for various reasons: non-pay, term of contract, Supplier stops service of customer class, at request of customer, etc.				No

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Drop Request	Drop Request - A uniform electronic transaction sent by a Supplier to discontinue sales service to a Customer, or a Utility in response to a notification from a Customer to the Utility to cease supply arrangements with a Supplier.				No
Drop Response	Drop Response - A transaction sent to acknowledge the receipt of a Drop Request.				No
Dual Billing	Dual Billing - An approach under which the Utility and Supplier render separate bills to the Customer, each containing charges by that party for the services provided, for which separate payments from the Customer are required.	<i>Used, not defined.</i>		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.	No
Dynamic Load Profiling	Dynamic Load Profiling - A load profiling methodology whereby Customer energy demand profiles are derived from actual trading day patterns of energy use, by telemetering loads from sample Customer points following the end of the measurement period.				No
Eligibility	Eligibility - Refers to Customers who have met a legal prerequisite which allows them to choose an alternative Supplier.			<i>Talks about being eligible for consolidated billing, but doesn't used a defined term.</i>	No
Enroll/Enrollment	Enroll/Enrollment - Initial Customer sign-up for energy supply with a Supplier; enrolled to receive service, but not actually switched yet.			<i>Used, not defined.</i>	No
Gas Day	Gas Day - A period of 24 consecutive hours commencing at 9:00 AM Central Time on a given calendar day.				No
In Dispute	In Dispute - A bill status that prevents collection action from being taken on the disputed amount.			<i>Used, not defined.</i>	No

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Interval Data	Interval Data - Customer load data collected by a meter or metering system reflecting actual energy usage for each time interval (e.g., hour, half-hour, etc.) during the billing cycle.				No
License	License - Formal permission from the Applicable Regulatory Authority to do business in a specific state or territory.		<i>Used, not defined.</i>		No
Load	Load - For Electricity: an end-use device or Customer that receives power from the electric system. Load should not be confused with Demand, which is the measure of power associated with a load. For Natural Gas: the amount of gas delivered or required at any specified point or points on a system; load originates primarily at the customer's gas consuming equipment.	<i>Used, not defined.</i>			No
Load Profile	Load Profile - An allocation of a Customer's electricity usage over a period of time. Load profiles can be used by Suppliers and system operators to forecast electricity supply requirements and to determine the cost of serving a Customer; profiles may represent individual Customers or Customer class averages.				No
Load Profiling	Load Profiling - The process of allocating the cumulative kilowatt-hours used by a Customer in some time period across each hour or sub-hour of the cycle. Load profiling is based on the aggregate characteristics of the Customer class or segment in which the Customer resides.				No

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Local Governing Body	Local Governing Body - The entity authorized by a municipality, county or state to define and uphold rules and regulations that apply to market participant activities.	<i>Used, not defined.</i>			No
Master Service Agreement	Master Service Agreement - An umbrella agreement that contains all agreements necessary between a Utility and Supplier. The Master Service Agreement includes, but is not limited to, the Billing Service Agreement, the Meter Service Agreement and the Trading Partner Agreement.				No
Meter	Meter - A device for measuring and totaling the variable consumption and/or demand of energy.				No
Meter Service Agreement	Meter Service Agreement - A legally binding agreement between the Utility and the Supplier used when one party is providing metering services for the other party. The agreement details expectations and responsibilities of each party.				No
Nomination	Nomination - A request for a physical quantity of natural gas under a specific purchase, sales, or transportation agreement or for all contracts at a specific point.				No
Off-Cycle Switch	Off-cycle Switch - A switch to a different Supplier or energy supply source, which does not occur on the Customer's normal meter read date.				No
Pay As You Get Paid Model	Pay As You Get Paid Model - Billing Party payment option when providing Consolidated Billing where 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.			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.	No

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Rate Class	Rate Class - A group of Customers served under a single regulated tariff.				No
Rate Ready	Rate Ready - Refers to the practice in which the non-billing party provides rate information to the billing party sufficient to calculate the non-billing party's charges).			<i>Used, not defined.</i>	No
Reconciliation	Reconciliation - The process by which initial load allocations are "trued-up" to known metered loads; preliminary reconciliation can be performed using bulk area loads; final reconciliation can be performed using actual Customer meter readings for the current month being settled.				No
Registration Agent	Registration Agent - An independent entity facilitating switches and performing record keeping for a specified geographical area.				No
Regulation	Regulation - A rule or law prescribed by competent authority.	<i>Used, not defined.</i>		<i>Used, not defined.</i>	No
Retail Access	Retail Access - Program(s) initiated through a combination of legislation and/or regulatory commission actions that create the opportunity for retail Customers to competitively obtain energy supplies and other services that were formerly only available through the regulated Utility.	<i>Used, not defined.</i>		<i>Used, not defined.</i>	No
Seamless Move	Seamless Move - Simplified process by which a customer moving within a service territory can continue with their current Supplier at the new premises.				No

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Settlement	Settlement - The hourly accounting process by which costs of energy supplied into the grid by generation operators are reconciled with payments for energy delivered to Customers by their Suppliers; generally performed by an ISO or control area authority; the means by which bilateral or "PoolCo" arrangements between generators and retail Suppliers are supported.	<i>Used, not defined.</i>			No
Single Retailer	Single Retailer - also known as Supplier-centric, an alternative way to implement Retail Access in which an end-use Customer selects among suppliers of bundled electric and/or natural gas service that purchase the delivery service from the Utility. Thus, the Supplier bills the Customer for both commodity and delivery costs and generally serves as the primary point of contact for the Customer for non-emergency services.	<b>Single Retailer Model: 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.</b>	<b>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.</b>		No
Slamming	Slamming - The act of changing a Customer's chosen Supplier without the Customer's consent.				No
Static Load Profiling	Static Load Profiling - A load profiling methodology whereby Customer energy Demand profiles are entirely or mostly determined prior to the measurement period, based upon historical interval data with no or minimal new interval data. A static Load Profile may be updated, modified or adjusted by applying econometric models, weather normalizations, etc.				No
Switch	Switch - A Customer move from one supply source to another.		<i>Used, not defined.</i>		No
Switch Date	Switch Date - Date on which a Customer is actually assigned to a new Supplier.				No

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Switch Response	Switch Response - A response sent by the Utility to the Supplier that submitted a Switch Request that verifies a Customer's Switch to the requesting Supplier, provides certain Customer information and, if the Switch Request is denied, provides a reason or code that explains why the Customer was not switched.				No
Trading Partner Agreement	Trading Partner Agreement - A legally binding agreement between the Utility and the Supplier defining each party's responsibilities for doing business with each other using electronic data interchange protocols for transmitting Uniform Electronic Transactions. The agreement details expectations and responsibilities of each party.				No
Transmission	Transmission - For Electricity: interconnecting high voltage electric lines that move electricity from a generation facility to the distribution lines of an electric distribution company. For Natural Gas: pipelines installed for the purpose of transmitting gas from a source or sources of supply to one or more distribution centers, to one or more large volume customers, or a pipeline installed to interconnect sources of supply. Traditionally, these systems operate at higher pressure than distribution pipelines that connect the gas system to most Customers.	<i>Used, not defined.</i>	<i>Used, not defined.</i>		No
Transmission Losses	Transmission Losses - The actual or estimated amount of energy consumed during the process of transmitting energy across a service territory's transmission lines.			<i>Probably need to add definition for "Distribution Losses"</i>	No

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Uniform Electronic Transaction	Uniform Electronic Transaction - Specific data arrangements for trading information, making business requests and exchanging other information, encompassing a number of electronic media and utilizing specified transport protocols.				
		<i>Used, not defined.</i>			No
Upstream Transportation		<i>Used, not defined.</i>			No
Utility	Utility - A regulated electric or gas entity that constructs and maintains the transmission and/or distribution facilities which deliver energy to the Customer and which may also provide generation services. (Needs discussion as to whether "generation services" is needed.)				
		<i>Used, not defined.</i>		<i>SUIS uses "Distribution" rather than "Utility" to narrow scope of Creditworthiness to retail, not wholesale, transactions.</i>	No
Utility Account Number	Utility Account Number - The identifier used by the Utility to uniquely identify a Customer account				No
Utility Tariff	Utility Tariff - A document, approved by the Applicable Regulatory Authority, listing the terms and conditions, including a schedule of prices and fees, under which Utility services are provided.				
		<i>Used, not defined. Used in reference to "Utility's Supplier Tariff"</i>			No