

AUC Rule 004: Alberta Tariff Billing Code Industry Consultation Meeting Summary

Meeting Date	October 5, 2011	Time	10 a.m. to 2 p.m.
Location	<u>Videoconference</u> AUC offices 10 Floor, 10055 - 106 St., Edmonton 4 Floor, 425 First St. S.W., Calgary <u>Teleconference</u> Phone: 1-866-792-1318 Conference code: 8665992	Facilitator	AUC staff

1. Introductions

Name	Company
Chad Crossland	AltaGas Utilities Inc.
Nap Pepin	ATCO Electric
Ella Kulyk	ATCO Electric
Anne Glass	AUC
Will Chow	AUC
Lori Harnack	Cognera Corp.
Maureen Jeske	Direct Energy
Donna Sanderow	Encana
Brian Neufeld	ENMAX Encompass
Terry Ryan	ENMAX Power
Bruce Chretien	ENMAX Power
Lisa Lamers-Zuger	EPCOR Distribution & Transmission Inc.
Cindy Dies	EPCOR Energy Alberta Inc.
Tammy Haydey	EPCOR Energy Alberta Inc.
David Jackman	FortisAlberta
Ngan Duong	Just Energy
John Hutchison	Valeo Power

2. Review of last meeting's summary and Rule 004 Action Item List

- The group did not have any changes for the September 7 meeting summary.

3. RIM Issue 480 – Performance standards for correcting identified errors

- Last meeting, a proposal was made about performance standards for correcting identified errors. The group was asked to bring these proposals back to their organizations and

bring back, to this meeting, any concerns that they may have had with these solutions. Retailers requested clarification that, when the 35-day target will not be met, the distributor be required to provide a TSW with a reason code and provide the cancel/re-bill within the 70-day target. Distributors confirmed that this would be possible.

- The AUC confirmed with the group that the issue could now be closed.

ACTION: AUC to close RIM Issue 480.

4. RIM Issue 474 – Cancels and re-bills involving charge periods more than one year old

- Based on ATCO Electric's preliminary evaluation of the AUC proposal, ATCO Electric is confident that AUC rules will supersede the Measurement Canada regulations. A three-year limit, at first glance, would seem to work for ATCO Electric, but they feel that an in-depth study needs to be conducted to confirm the impacts on their organization.
- EPCOR Energy has done a preliminary study of the cancels and re-bills that they received from one distributor during the period from the beginning of May 2011 to the end of August 2011 – out of 14 cancel/re-bills, four went back more than three years (mainly contract demand changes, some tariff changes – all billing errors). The net credit that went past three years during that time was \$50k. EPCOR Energy experienced 106 crossed meters from Jan to August; 30 to 40 per cent went back more than three years – dollar amount unknown.
- AltaGas did not have any concerns with the AUC-proposed timelines at this time.
- Fortis likes the one year cap for debits and three year credit.
- Valeo wishes to implement a one year cap on debits for all customers.
- EDTI is in favour of a maximum of two years (debits or credits).
- There was some discussion about how these proposals do not align with PFAMs and, as a result, there will continue to be a misalignment between consumption data, D&T charge adjustment, and energy charge adjustment. The AUC indicated that there does need to be alignment between energy adjustments (11-month debit, eight-year credit) and D&T adjustments unless industry wants it.
- Regulated retailers at the meeting indicated that they would prefer a longer period of time on the credits. ENMAX Encompass brought up the point that RRO retailers are bound by the RRO regs.
- The group raised the question of whether these timelines would apply to transmission-connected charges and sites or would those charges be exempt? The AUC confirmed that the rule could be written in such a way so as to allow for different treatment of AESO instigated cancel/re-bills for transmission-connected sites.
- Consensus in the group was that each organization to go back and conduct further analysis. The intent of the study is for each organization to assess the impacts of the different timelines on their organizations. The AUC would like the group to look at the impact of two scenarios:

- Scenario 1: RRO – 11-month debit, three-year credit. Non-RRO – three-year debit, three-year credit.
- Scenario 2: RRO – three-year debit, three-year credit. Non-RRO – three-year debit, three-year credit.
- The AUC raised the question of how long each organization would need to assess the impacts of the above scenarios. ATCO Electric indicated that they would need approximately two to three months. They will be studying the dollar impacts of various scenarios – debit and credit adjustment based on one, two, three and four year adjustments. ENMAX Power indicated that they would need about the same amount of time as ATCO Electric (two to three months).
- The AUC proposed that we put this issue on hold until early 2012 (January meeting 2012). The AUC also asks that participants exclude T-connect sites from the impact analysis because they will have special processes built around them if necessary.

ACTION: The group to conduct an impact analysis of scenario one (RRO – 11-month debit, three-year credit; Non-RRO – three-year debit, three-year credit) and scenario two (All – three-year debit, three-year credit) and have this analysis completed in time to discuss at the January 2012 Rule 004 Industry Consultation Meeting.

5. RIM Issue 478 – New transaction to allow easier reconciliation of distributors’ invoices to TBFs

- The AUC recapped the discussion from last meeting when some of the retailers were missing. At that point, EPCOR Energy and Just Energy had indicated that they would not use the transaction. The AUC began the discussion by asking Direct and Cognera their evaluation of the value of the proposed transaction. Direct indicated that they would not use the proposed transaction. Cognera indicated that the proposed transaction would be very useful.
- Neither Valeo nor Cognera could say that their savings would offset the approximate million dollars, combined, that distributors’ indicated that it would take to build the transaction. ATCO Electric pointed out that, in the past, the industry has spent money on system changes for improvements without applying traditional cost-benefit analysis.
- Valeo still strongly sees this as a hole in the system, and the transaction is needed by the industry.
- The group identified that the organizations that would receive the most benefit from the proposed transaction are agents that deal with multiple invoices every day. For this reason UtilityNet would also be an organization that benefits from the transaction. The AUC asked Valeo and Cognera if they would be willing to contact UtilityNet to jointly build a case to support the transaction. ENMAX Encompass volunteered to be a part of that group.

ACTION: Valeo, Cognera and ENMAX Encompass (and perhaps UtilityNet) to jointly build a case to justify the proposed transaction to allow easier reconciliation of distributors’ invoices to TBFs.

6. RIM Issue 486 – Clarification of allowable uses of CSA

- One of the actions from last meeting was for distributors to comment on whether they do charge splits, usage splits or both at month end (and for which customers they do these splits). EDTI does both splits for customers on RRO only. ATCO Electric does usage splits for RRO only. Fortis does usage splits for all customers. ENMAX Power, AltaGas and Lethbridge (Valeo) do both for all customers.
- The rule currently states that when an RRT charge change happens the distributor has to send a usage split.
- It was suggested that usage splits and charge splits be required at month-end for all customers, thereby eliminating the motivation for a retailer to send a CSA for those sites where retailers need the split. ATCO Electric, EDTI and Fortis to comment on this approach.

ACTION: ATCO Electric, EDTI and Fortis to come to the next meeting prepared to explain the impacts on their organizations of sending usage splits and charge splits at month-end for all customers.

7. Billing transmission-connected (direct-connect) sites

- The AUC recapped where the discussion around billing transmission-connected sites had left off. Previously, there was support for the Fortis approach of minimal billing in the TBF along with providing the AESO details from the AESO spreadsheet (with only the applicable POD information for that particular retailer). While the Fortis approach is easier for the distributors (less manual effort) than the ATCO Electric approach of providing the information in the TBF, the group has not yet found a way to deal with shared PODs and mid-month retailer switches by using the Fortis approach.
- ATCO would like to go the route of working off the current construct of the TBF rather than a spreadsheet (as Fortis does). A concern was raised by a retailer that if the TBF construct is used, the retailer must accept the distributor file without the ability to validate against the AESO invoice.
- One retailer indicated that they had arranged with AESO to get billed (for transmission-connected sites) directly. However, this would be difficult to do with a shared POD situation.
- One participant suggested disallowing mid-month retailer switches for transmission-connected sites. However, this would require changes to Rule 021, high cost to the customer who could potentially have to go onto default supply, and the issue would still exist for shared PODs. Besides this, mid-month enrolment can be dealt with because all POD-connected sites have interval meters.
- The group decided to explore the possibility of the AESO potentially splitting charges on their invoice for shared PODs and mid-month enrolments.

ACTION: The AUC to schedule a meeting with the AESO to explore the possibility of having the AESO split charges on their invoice. AUC to include EDTI and Fortis, and any retailers interested are to email Anne.

8. RIM Issue 459 – REA Codes

- The AUC reminded distributors that updates to the REA codes are still required.

ACTION: Distributors with REA codes to send updates.

ACTION: AUC to set up a regulatory policy mailbox for market participants to send all TBF updates to.

9. Other new issues

- ENMAX Encompass would like the group to consider adding Micro-Gen to the TBF.

ACTION: Distributors to comment on reporting GCM and GIM usage (total negative) in the TBF.