

STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE ELECTRIC )	
DISCOUNT AND ENERGY )	SETTLEMENT
COMPETITION ACT OF 1999 )	
CUSTOMER ACCOUNT SERVICES )	DOCKET NO. EX99090676

The Board initiated this proceeding pursuant to Section 6 of the Electric Discount and Energy Competition Act (Act) N.J.S.A. 48:3-54, which requires that the New Jersey Board of Public Utilities (Board, BPU) determine the manner and mechanics by which customers may choose a supplier for some or all customer account services, which are defined as metering, billing and other account administration functions.

On October 13, 1999, the Board established the Customer Account Services (CAS) Working Group for the purposes of (1) identifying the issues to be addressed and (2) proposing a course of action to resolve these issues. The parties met in numerous sessions during the CAS Working Group process, which extended between October 1999 and February 2000, but could not reach a consensus on the services that should be competitive, the type or timing of a cost study associated with the potentially competitive services, or on the procedural schedule to determine these issues. Consequently, the parties agreed to file position papers with Staff setting forth their Working Group positions and proposed procedural process and schedule to be followed to bring these matters to resolution.

Thereafter, several parties filed position papers. At its February 16, 2000 Open Public Meeting, the Board directed the Advising Deputy Attorney General and Board Staff to meet with the parties to develop a procedural schedule consistent with a June 9, 2000 close of the record. A prehearing conference was conducted and a procedural schedule was established.

On March 2, 2000, the Board issued an Order memorializing the above actions and set forth an agreed upon procedural schedule for a CAS proceeding. Pursuant to that schedule, intervention requests have been filed and resolved, initial and rebuttal testimony has been filed, and discovery has been exchanged between the parties to the proceeding.

Throughout and subsequent to the above process, the parties have continued to meet in an effort to reach an agreement on the issues in this proceeding.

As the result of those meetings, and after considering the discovery and prefiled testimony in this proceeding, THE UNDERSIGNED PARTIES HEREBY AGREE AS FOLLOWS:

1. Resolution of issues relating to any implementation of gas and electric metering competition, and the unbundling of the CAS rates, and all issues related to account administration functions will be addressed within the timeframes set forth in this Settlement.

2. This Settlement is executed by all of the undersigned parties, including the following public utilities: Public Service Electric and Gas Company; Atlantic City Electric Company d/b/a Conectiv Power Delivery; and Jersey Central Power & Light Company d/b/a GPU Energy. Certain terms as detailed in the utility specific Attachments may vary from the Settlement document. To the extent that the Attachments reflect variations, the Attachments will govern, and be superior. In all other respects, this Settlement will be binding on the parties thereto.

#### UTILITY CONSOLIDATED BILLING

3. The undersigned utilities will provide consolidated bills only for customers of licensed electric and/or gas Third Party Suppliers (TPSs)<sup>1</sup> that are compliant with consensus documents developed by a Board-sanctioned technical electronic communications working group or approved by the Board, and have in place an executed TPS Agreement. The utility consolidated bills will be printed on the then current utility paper (stock) with the TPSs' respective logos<sup>2</sup> and a place for TPS information under the terms and conditions set forth in Attachment A. The consolidated utility bill will be bill ready<sup>3</sup> and include up to one rolling TPS bill page (as defined in Attachment A hereto) at

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<sup>1</sup> An electric TPS is defined as an "electric power supplier" by the Act. A gas TPS is defined as a "gas supplier" by the Act.

<sup>2</sup> See utility specific attachments. Further, the TPSs and the utilities will have the option, at the billing parties sole discretion, of including either (i) the logo or (ii) the name in prominent, boldfaced letters in a manner that is satisfactory to both parties. Exercise of this option shall be on a reciprocal basis.

<sup>3</sup> See utility specific attachments.

no charge to the TPS through July 31, 2003<sup>4</sup>. The electric utilities will be prepared to provide eligible TPSs with a utility consolidated bill option within 120 days of the issuance of a final Board Order adopting this Settlement for electric, and within the time described in Attachment A for gas. Full implementation of utility consolidated billing requires EDI compliance testing by the TPS with the utility.

4. A bill insert option, as defined in accordance with the specifications listed in Attachment B, may be available under the provisions of paragraph 11 of this Settlement for the residential customers of licensed gas and electric TPSs that are compliant with consensus documents developed by a Board-sanctioned Technical Electronic Communications Working Group or approved by the Board, and have in place an executed TPS Agreement. The undersigned parties agree that TPS bill inserts are limited to TPS residential customers and nothing herein shall be construed to open the utility envelope to entities that are not eligible TPSs.

#### TPS CONSOLIDATED BILLING

5. The TPSs agree that all Utility Consolidated Bill Options as detailed in paragraph 3 shall be reciprocally provided to the utilities by the TPSs under the same agreed conditions.<sup>5</sup>

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<sup>4</sup> See utility specific attachments.

<sup>5</sup> See utility specific attachments. Further, the TPSs and the utilities will have the option, at the billing parties sole discretion, of including either (i) the logo or (ii) the name in prominent, boldfaced letters in a manner that is satisfactory to both parties. Exercise of this option shall be on a reciprocal basis.

6. The undersigned utilities agree that, as set forth below, licensed gas and/or electric TPSs that are compliant with consensus documents developed by a Board-sanctioned technical electronic communications working group or approved by the Board, and have in place an executed TPS Supplier Agreement shall have the opportunity to provide a bill ready consolidated bill to their customers pursuant to an executed Billing Services Agreement.<sup>6</sup> The undersigned parties agree that as the consolidated billing provider the TPS is responsible to fulfill all applicable NJAC and Board-mandated notices and directives concerning utility customer bill information and format and other regulatorily mandated notices and information relating to the utilities' tariffed delivery services, except for information regarding services deemed competitive by the Board of Public Utilities. The parties will hold each other harmless for any inaccuracies, content errors or delays in delivery for company-specific billing information or information required in accordance with Board-mandated notices and directives. The parties agree to begin immediately after signing this Settlement to establish and to work with the New Jersey Billing Implementation/EDI Working Group (Working Group) to create the process flows, business rules and EDI transactions, or other acceptable Board-approved electronic data exchange protocols, necessary to facilitate the implementation of the services contained in this Settlement. Implementation of TPS consolidated billing shall commence 120 days after adoption by the Working Group or, adoption by the Board of

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<sup>6</sup> See utility specific attachments.

such EDI standards or other electronic data exchange protocols, but not sooner than 120 days after a final, written Board Order approving this Settlement.<sup>7</sup> Full implementation of TPS consolidated billing requires EDI compliance testing by the TPS with the utility. The Board's approval of this Settlement shall also be deemed approval for the establishment of the above-referenced Working Group.

7. For TPSs that provide their customers with bills in electronic form, the utilities will provide the utility bill inserts to the TPS in an agreed-upon electronic form.

8. For the purposes of this Settlement, the parties agree that when a TPS supplier or suppliers bill all utility charges and information relating to the utility's tariffed services so that the utility is not required to send a bill to the customer, a credit or credits will be applied as delineated on Attachment C. In the case of combined electric and gas customers, a TPS supplier or suppliers may bill, and credits will be provided, as delineated in Public Service's Attachment C.

9. In order to expedite meter data access and subject to the outcome of the further discussions contemplated by Paragraph 16 and the issuance of a further Board Order addressing CAS issues as contemplated therein, with respect to interval meters, upon receipt of written approval from the TPS' customer, the utilities will allow TPSs either to (1) have a pulse initiator connected to the meter to enable the TPS to utilize its own equipment to obtain real-time access to metering data, or (2) periodically call into meters (on a read-only basis) with remote capabilities to obtain such data (if possible).

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<sup>7</sup> Unless modified in the respective utility attachments

Notwithstanding the foregoing, during the term of this Settlement the TPS will not be permitted to physically alter, remove or change a meter or its programming (including breaking the meter seal), and the utility meter will remain the meter of record for billing and PJM settlement purposes. Further, it is recognized by all parties that the data obtained from the meter in either of the two options is not billing-grade data. With respect to option (1), the utility will connect the pulse initiator to the meter, and the TPS will be responsible for procurement and installation of its own equipment. With respect to option (2), during the term of this Settlement the ability to have remote access to the existing meter may be limited based on the type of meter currently installed or may require the meter to be upgraded at the TPS' expense. Also, during the term of this Settlement the TPS will have a designated period or periods of time, defined by the utility, when they can access the meter to extract data. The TPS may be required to install a separate telephone line and a meter with two data ports at the TPS' expense, or install its own equipment as described in option #1. The utility reserves the right to limit access to the meter during the pre-determined TPS access periods during times of interruption or curtailment (if applicable), and will notify the TPS in such cases. For both of the service options, the utility shall charge the TPS a fee(s) which would be approved by the Board, or determined in accordance with existing tariff provisions governing utility work for customers. The utilities, TPSs, the Ratepayer Advocate, Board Staff, and other interested parties will form a technical working group to evaluate new technologies

or options for accessing or distributing meter data as they emerge, to assess their value and applicability to existing utility meters and to assist in the consideration of issues relating to competitive metering as contemplated by Paragraph 16.

#### OTHER PROVISIONS

10. Upon the implementation of consolidated billing by the utilities and/or the TPSs pursuant to the terms of this Settlement, the undersigned parties agree that the billing party shall assume the non-billing party's receivables pursuant to the terms and conditions set forth in Attachment D hereto. The utilities will permit the assumption of their receivables by TPSs that have met the appropriate credit criteria.

Notwithstanding the foregoing, the parties recognize that the treatment of the utilities uncollectibles is subject to consideration in the Universal Service Fund ("USF") proceeding currently pending before the Board in Docket No. EX00020091. Nothing in this Settlement shall preclude or in any way prejudice the right of any party to take any position regarding the treatment of utility uncollectibles in the ongoing USF proceeding or any future USF proceeding.

11. The utilities agree to negotiate in good faith with TPSs regarding any new business services or enhancements to the foregoing business services and related fees, which a TPS may propose to the utilities and which the utilities may elect to offer to TPSs.

12. The undersigned parties agree that costs incurred by the utilities to comply with the terms of this Settlement, not otherwise recovered from TPSs shall be subject to treatment as detailed in utility-specific Attachment E.

13. The undersigned parties agree to collaborate in good faith on developing upgraded access to pre-enrollment and post-enrollment meter data in the interest of facilitating the intent and terms of this Settlement. In this regard, the undersigned parties agree that a one-time generic response card, as described in Attachment F, will be provided in the regularly scheduled customer bill to assist licensed TPSs, registered aggregators and government entities interested in pursuing aggregation in locating and marketing to customers interested in soliciting competitive offers, subject to the approval of the Board.

14. The undersigned parties agree that this Settlement and all of its terms herein shall continue in full force and effect until August 1, 2003, or upon the effective date of a superceding settlement and/or Board Order addressing the matters contained in this Settlement. Notwithstanding the foregoing, Paragraph 12 and Attachment E will not expire until full collection of the costs which have been incurred as of July 31, 2003 as referenced therein.

15. The undersigned parties recommend the establishment of a Technical Implementation Task Force chaired by Commissioner Frederick F. Butler, or his designee, to include a representative from each utility, union representatives, Board Staff, the Division of the

Ratepayer Advocate (RPA), marketers, trade organizations and any other party that wishes to participate. It is the expectation of the undersigned parties that the Task Force will be in place at least through July 31, 2003. It is the intention of the undersigned parties to utilize this Task Force to identify and resolve Competitive Customer Account implementation issues through this non-confrontational, technically competent group.

16. The parties agree to meet following Board approval of this Settlement, but not later than August 2001, to consider the following issues which are not intended to be a limiting list for purposes of negotiation or possible future hearing:

- Bill credits for continued TPS consolidated billing.
- Other issues relating to competitive billing services, including bill presentment, processing and posting of payments, customer bill inquiries, and credit and collections, and appropriate bill credits associated therewith;
- Competitive metering services, including meter ownership, meter maintenance, meter reading and meter data management, and appropriate bill credits associated therewith;
- All other competitive CAS, and appropriate bill credits associated therewith;
- All regulations, tariffs, utility-supplier agreements, business rules, and information exchange protocols necessary to implement competition in CAS;
- The respective roles of the LDC/TPS with respect to CAS in the post-transition period.

The undersigned parties expressly reserve their rights to positions consistent with their business needs at that time.

The undersigned parties further agree that if they are unsuccessful in resolving the issues relevant to the above, a proceeding to address such issues shall be commenced by a Board Order issued on or before January 1, 2002 that shall assure completion of such proceeding and the issuance of a Board Order that shall resolve all CAS issues not resolved by this Settlement or through subsequent negotiation by the parties on or before January 1, 2003. The proceeding shall commence with the utilities filing embedded and, at the utilities option, other types of cost of service studies with their testimony. The undersigned parties contemplate and recommend that the Board issue a final order in this proceeding on or before January 1, 2003. Nothing in this Settlement prejudices the right of any party to prospectively take any position deemed appropriate by such party or to assert that the Act does or does not mandate that any customer account service must become competitive. The parties contemplate full implementation of that order by August 1, 2003.

17. The undersigned parties commit their firm intentions to take all reasonable efforts to implement the terms of this Settlement in the most efficient and timely manner possible.

18. The undersigned parties agree that this Settlement contains mutually balancing and interdependent provisions and is intended to be accepted and approved in its entirety. In the event any particular aspect of this Settlement is not accepted and approved by the Board, or is subsequently overturned by any future decision or in any court this Settlement shall be null and void and the undersigned parties shall be placed in

the same positions that they would have been in had this Settlement not been executed. To that end the undersigned parties agree that when the Board approves this Settlement the signing utilities will cease participation in the ongoing litigation and the record will close as to them. The non-utility signing parties and the Consenting Parties (as defined below) agree that any litigation continuing past the date when the record closes as to the signing utilities will apply only to non-signing utilities.

19. This Settlement is supported by the undersigned parties who are also referred to as the Consenting Parties. Consenting Parties shall also include parties to this proceeding that notify the Board that they do not oppose this generic Settlement. Other parties may become Consenting Parties by either (1) notifying the Board in writing of their status within a period to be established by the Board when this Settlement is filed with the Board, or (2) not notifying the Board that they oppose the Settlement within the period established by the Board. Consenting Parties shall be fully bound by the terms of this Settlement. The parties agree that, when the Board approves this Settlement, this Settlement will constitute the final resolution of the matters addressed herein with respect to the signing utilities, for the term of this Settlement. After Board approval of this Settlement, no Consenting Party shall seek to impose on any other party hereto any different outcome that may result from the ongoing litigated proceeding or support any attempt to do so. If this Settlement is approved by the Board, no decision or finding in the ongoing litigated proceeding shall be binding with respect to any signing utility, and

all parties shall be free to advance any position deemed appropriate in the proceeding contemplated by Paragraph 16.

Nothing in this Settlement shall either preclude or in any way prejudice the right of any Consenting Party to take any position in any future proceedings in which the matters addressed by this Settlement are considered.

20. The undersigned parties hereby agree that this Settlement has been made exclusively for the purpose of this proceeding, should not be referenced in any other proceeding, and that this Settlement, in total or by specific item, is in no way binding upon them in any other proceeding, except to enforce the terms of this Settlement.

**Public Service Electric & Gas Company**

By: \_\_\_\_\_  
Francis E. Delany, Jr., Esq.

Dated: \_\_\_\_\_

**Division of Ratepayer Advocate**

By: \_\_\_\_\_  
Blossom A. Peretz, Director

Dated: \_\_\_\_\_

**Atlantic City Electric Company  
d/b/a Conectiv Power Delivery**

By: \_\_\_\_\_  
Mark L. Mucci, Esq.  
LeBoeuf, Lamb, Greene & MacRae

Dated: \_\_\_\_\_

**Jersey Central Power & Light  
Company d/b/a/ GPU Energy**

By: \_\_\_\_\_  
Marc B. Lasky, Esq.  
Thelen Reid & Priest LLP

Dated: \_\_\_\_\_

**Enron Corporation**

By: \_\_\_\_\_  
Murray Bevan, Esq.

Dated: \_\_\_\_\_

**Utility.com**

By: \_\_\_\_\_  
Arthur T. Vanderbilt, II, Esq.  
Carella, Byrne, Bain, Gilfillan,  
Cecchi, Stewart & Olstein

Dated: \_\_\_\_\_

**Mid-Atlantic Power Supply Association**

By: \_\_\_\_\_  
Martin C. Rothfelder, Esq.  
The Rothfelder Law Offices

Dated: \_\_\_\_\_

**Reliant Energy Retail, Inc.**

By: \_\_\_\_\_  
Joelle K. Ogg, Esq.  
John & Hengerer

Dated: \_\_\_\_\_

**IBEW 94 & OPEIU 153**

By: \_\_\_\_\_  
Paul A. Montalbano, Esq.  
Schneider, Goldberger, Cohen, Finn,  
Solomon, Leder & Montalbano

Dated: \_\_\_\_\_

**Utility Co-Worker's Association**

By: \_\_\_\_\_  
George Duggan, Esq.

Dated: \_\_\_\_\_

**Local 210, IBEW**

By: \_\_\_\_\_  
Brian E. Curtis, Esq.  
Schneider, Goldberger, Cohen, Finn,  
Solomon, Leder & Montalbano

Dated: \_\_\_\_\_

**UA Local 855**

By: \_\_\_\_\_  
John F. Pilles, Jr., Esq.

Dated: \_\_\_\_\_

SCHEDULE OF ATTACHMENTS

- A. Terms and Conditions of Consolidated Billing
- B. Bill Insert Service Option
- C. TPS Consolidated Bill Credits
- D. Terms and Conditions of Receivables
- E. Cost Recovery
- F. Customer Data Card