

## 5. CUSTOMER TRANSACTIONS AND BILLING

Retail access participants will generally receive two bills: one from Con Edison for delivery service and any other Con Edison provided service, and a separate bill from their ESCO for electric energy supply. Where a customer designates an ESCO to act as its Billing Agent, Con Edison will forward necessary billing information to the ESCO to permit the customer to receive one bill from the ESCO for both Con Edison services and ESCO services. Customers of ESCOs participating in Con Edison's consolidated utility billing program will receive one bill from Con Edison for both Con Edison and ESCO services.

### 5.1. Delivery Service Billing (Con Edison to Customer)

- 5.1.1. Con Edison will issue retail access customers' bills for delivery service based on the Company's existing meter reading cycle.
- 5.1.2. Customers will be responsible for payment of their delivery service bills in accordance with existing tariffs, rules and procedures (e.g., HEFPA, non-residential rules).
- 5.1.3. Provided that the ESCO and the Company have a Billing Services Agreement for agency billing (Section 5.4), customers may designate their ESCO as their Billing Agent for the receipt of Con Edison's bills, mandatory bill inserts, including the "Summary of Customer Rights Notice" and the "Annual Gas Safety Notice", and any messages concerning delivery service that would appear on the bill. Con Edison will confirm the authorization in a letter to each customer upon receipt of notice of appointment from the ESCO. Customers are responsible for all account transactions and payment of all bills for Con Edison services, except that Con Edison will not attempt to collect payment directly from a customer for any amount that the Customer already paid the Billing Agent.

### 5.2. Electric Energy Supply Billing (ESCO to Customer)

- 5.2.1. The MDSP<sup>1</sup> serving an ESCO's customers will electronically make available to ESCOs and to Con Edison (if not the MDSP), subject to appropriate confidentiality measures, customers' individual energy consumption (and demand if applicable) when the data is acceptable for customer billing. An indication whether the information is based on an actual or estimated meter reading will also be provided. All subsequent changes or corrections and adjustments to previously supplied data will be made available to the ESCOs and Con Edison (if not the MDSP) when the data is acceptable for customer billing.
- 5.2.2. Except if the ESCO has arranged for Con Edison consolidated utility billing service, ESCOs will be responsible for the billing of energy supply (and other services they may provide) and payment processing associated with their billing. The ESCO will be responsible for all

<sup>1</sup> If there is no third-party MDSP, Con Edison will be understood to be the MDSP.

collection activities except as agreed to between Con Edison and ESCO in a Billing Services Agreement.

- 5.2.3. ESCOs will be responsible for handling all customer inquiries regarding their services and energy charges.

### 5.3. Other Transactions

#### 5.3.1. Request for Historic Usage, Billing and Credit Information

- A. Any customer wanting Con Edison to release usage and billing information to an ESCO must provide the ESCO with authorization prior to the ESCO's request to Con Edison to release the information. A customer wanting the Company to release credit information to the ESCO must provide written authorization to the ESCO. The ESCO must retain the authorization on file.
- B. If the customer requests Con Edison not to provide customer information, the Company will not provide the ESCO with such information unless the customer provides written authorization.

#### 5.3.2. Establishing a Customer in the Power Your Way Program

- A. Customers participating in Power Your Way do not need to re-enroll for service in a subsequent phase. Customers desiring to take retail access service will enroll with an ESCO, and the ESCO will follow the required procedures to enroll the customer in Power Your Way.
- B. Con Edison will enroll customers at the request of the ESCO in accordance with the UBP. Until the effective date of transfer to the Power Your Way program, the customer will continue to receive bundled service.
- C. The accounts of customers who do not want to be enrolled in Power Your Way or who do not want usage, billing, or credit information released to any ESCO will be noted.

5.3.3. Retail Access Customer Relocation Within Con Edison's Service Territory

- A. A customer moving from one address to another in the Con Edison service territory has the option to take bundled service from Con Edison at the new address or continue to purchase energy service from an ESCO.
- B. If an ESCO notifies Con Edison to enroll the customer at the new address at least five days prior to the issuance of the first bill at the new address, service will be provided from turn-on. If the request is submitted more than 30 days before the effective date of the turn-on of service, the request must be resubmitted after Con Edison notifies the ESCO that the request has expired.

5.3.4. Customer Establishes New Con Edison Account

- A. A customer establishing a new account in the Con Edison service territory must apply or have its ESCO apply to Con Edison for service by calling 1-800-75-CONED. A completed oral, written or electronic application, satisfactory to the Company, must be provided.
- B. The customer or its ESCO shall provide information about any special needs customer. (See glossary.)
- C. If an ESCO notifies the Company that the customer wants retail access service at least five days prior to the first bill at that address, the effective date of enrollment will be the turn-on date, provided that no construction is required and the customer has met all tariff requirements. If construction is required, retail access service will commence after all connections are complete if less than 30 days has elapsed from the ESCO's notification. If more than 30 days has elapsed, Con Edison will notify the ESCO that the enrollment request has expired and must be resubmitted.

5.3.5. Changes in Service Providers

The detailed procedures for changes in service providers are set out in Section 5 of the UBP.

5.3.6. Customer Closes Con Edison Account

- A. If a customer closes its Con Edison account, Con Edison will send the customer a final bill according to Company procedures.
- B. Upon issuance of the final bill, Con Edison will notify the ESCO that the customer is no longer receiving service.

5.3.7. Customers Requesting Con Edison Bundled Service

- A. When a Power Your Way customer notifies the Company at least 15 days prior to the next cycle billing date that it requests bundled service, Con Edison will establish the customer on bundled service as of the next cycle billing date. A customer may request bundled service based on a special meter reading, performed by the customer's MDSP, or estimated reading and provided that the scheduled date is no less than 15 days after the request.
- B. A customer's return to bundled service is subject to the Schedule for Electricity Service's terms and conditions for service and the Commission's rules for residential and non-residential service, as applicable.
- C. Con Edison reserves the right to establish a minimum term of service for customers under the Schedule for Electricity Service in connection with transfers from retail access service to bundled service. Con Edison will file tariff revisions instituting a minimum term requirement if, based on the Company's experience, the Company determines that the system is being manipulated by switching between retail access service and bundled service, e.g., to take advantage of short-term or seasonal rate differentials.

5.3.8. Con Edison Discontinues Service for Non-Payment

- A. Con Edison will issue Notices of Termination to customers and terminate service according to HEFPA, PSC rules, and Company procedures, as applicable.
- B. Upon issuance of the final bill following delivery service discontinuance, Con Edison will notify the ESCO that the customer is no longer receiving service.

5.3.9. ESCO requests suspension of delivery service to customer subject to HEFPA

- A. The ESCO may request Con Edison to suspend delivery service in accordance with HEFPA.
- B. Suspension will be effective as of the date service to the customer is physically disconnected, and Con Edison will notify the ESCO of the date.

5.3.10. Discontinuance of Service

Only Con Edison may physically disconnect a customer's service.

5.3.11. Notification of Unauthorized Switches

Con Edison will report monthly all slamming (see glossary) to the Department of Public Service.

## 5.4. ESCO as Billing Agent

### 5.4.1. Billing Agency Policy

A Billing Agency arrangement is one in which the customer may authorize an ESCO to act as a Billing Agent to receive the customer's bills from the Company, consolidate them with the ESCO's charges and rebill the entire amount to the customer.

- A. Provided that the Company permits Billing Agency, the ESCO and its customer may enter into a Billing Agency arrangement if the ESCO agrees:
  - 1. to provide security of 45 days of peak usage of the ESCO's customers' projected energy requirements during the next 12 months priced at the Company's tariff rate or 22.5 days of peak usage if the Company and the ESCO agree to a lockbox.
  - 2. to send customer payments to the Company within two business days of receipt.
- B. The Company reserves the right to audit that the ESCO is remitting payment for its Billing Agent accounts within two business days of receipt.
- C. Where a Billing Agency arrangement is in effect, the ESCO must comply with the conditions listed below:
  - 1. The customer must choose the Billing Agency arrangement before it may be used as the mechanism to bill the customer.
  - 2. The ESCO must obtain authorization from the customer appointing it as the Billing Agent. The customer authorization must be verifiable and be retained by the ESCO for at least one year after termination of the agency authorization. A copy must be provided to the Company upon request. As part of the authorization process, the ESCO must inform the customer that the agent will receive all bills or billing information, mandatory bill inserts and bill messages.
  - 3. ESCOs must include a clear, plain language explanation of Billing Agency and its implications in their standard contract/disclosure statements, if such an arrangement is to be offered.
  - 4. ESCOs must distribute annually, to each customer, the "Summary of Customer Rights Notice", and to each gas customer, the "Annual Gas Safety Notice", which will be provided, in bulk, by the Company.
  - 5. Within two business days after Con Edison's electronic

transmission of the billing data to the ESCO, the ESCO will bill all accounts for which data has been transmitted except those for which notice of an alleged error or problem is given. If the ESCO promptly contacts the Company regarding transmission errors or billing data problems caused by the Company that affect individual customer bills, Con Edison will delay any credit action on the accounts of the customers whose bills may be affected until one billing cycle has elapsed from the next cycle read date. The contact from the ESCO shall be by electronic (e.g., e-mail) notice to the Company sent within two business days after Con Edison's electronic transmission of the billing data to the ESCO and must contain detailed documentation of the alleged error or problem. For any account for which notice was given, within two business days after Con Edison's electronic retransmission of billing data in resolution of any transmission or billing data problem identified, ESCO will bill such account.

D. Where the ESCO has a Billing Agency arrangement, the Company will:

1. provide the ESCO with the "Summary of Customer Rights Notice" and the "Annual Gas Safety Notice", in bulk, for distribution by the ESCO to customers annually.
2. incorporate bill messages regarding a customer's specific bill (e.g., messages regarding adjustments, level billing plan) into the billing information transmitted electronically.
3. send a confirmation letter to the customer which also informs the customer what communications to expect from the Company, and what to expect from the Billing Agent.
4. send to the customer all Company disconnect notices and all other communications for specific customer actions or requests except meter-related actions or requests, which may be sent by the customer's MSP or MDSP where applicable.
5. adjust the due date of customers' bills, to allow for any delays in transmitting billing data caused by the Company.
6. collect Financial Security from the ESCO as described in this section.
7. continue to accept payment of delivery service charges at all authorized payment locations where payments by customers who have not selected Billing Agency are accepted.
8. notify the customer of the failure of an ESCO to remit the customer's payment to the Company on time.
9. recover losses that may result from such non-payments from available security and defer any remaining balances.

E. The Company may terminate a Billing Agency arrangement and send its invoices for delivery charges directly to the ESCO's customers after providing 5 calendar days' notice to the ESCO if:

1. the ESCO has not paid the Company on a timely basis for its customers' charges due Con Edison, unless such payment is made in full before the expiration of the 5 calendar day notice period (note: untimely payments may be a basis for a termination if a pattern of such payments develops); or
2. the ESCO's security is no longer adequate to meet the Company's credit exposure, and the ESCO fails to post the necessary additional security within the 5 calendar day notice period; or
3. the Company draws on the ESCO's security deposit and the ESCO does not reinstate the required security within 5 calendar days; or
4. the ESCO has on several occasions failed, after notice from the Company, to meet its other obligations as Billing Agent.

#### 5.4.2. Establishing ESCOs as Billing Agent

Agents can act on behalf of single service or dual service customers for their electric service, their gas service or both services.

##### A. Dual Service Accounts

If the ESCO will be acting as the Agent for both the gas and electric services, the bill for both services will be sent to the Agent.

##### B. Separating Dual Service Accounts

An ESCO designated as Billing Agent by a customer taking only retail access service for one service or taking retail access service for both electric and gas service but designating the ESCO as Billing Agent only for retail access service for one service may request that the Company separate the customer's account by service so that the ESCO may act as Billing Agent for one service only and not as Billing Agent for the customer's entire account. The Company will charge the ESCO the Account Separation Fee for the separation of the customer's account; the fee is stated in the Retail Access Schedule. If the customer with a dual service electric and gas account takes retail access service for both electric service and gas service but from different ESCOs and, upon initial enrollment or thereafter, but before the Company takes action to separate the account on the request of one ESCO, authorizes each ESCO to be the Billing Agent only for the service provided by that ESCO, the Company will separate the customer's account by service and charge each ESCO one-half of the applicable fee.

The new account will be established within 6 business days of the ESCO request and the Billing Agent will be notified of the new customer account number applicable to the service for which the ESCO is Billing Agent. A notification letter will be sent to the customer with the new account number. The customer will continue to receive directly from the Company the bill for the service not handled by the ESCO, unless the customer has authorized another ESCO as Billing Agent for that service.

C. Single Service Accounts

Accounts for electric or gas service will be handled as described in Section 5.4.2.A.

5.4.3. Customer Notification

Upon receipt of notification from the ESCO, the Company will send a letter to the customer confirming that the ESCO is now the customer's Billing Agent. The letter will confirm to the customer that the Billing Agent will receive all bills, mandatory bill inserts including the "Summary of Customer Rights Notice" brochure, and bill messages. It will also remind the customer that the customer is responsible for the payment of the Con Edison charges.

5.4.4. Financial Security

The Company will require an ESCO acting as Billing Agent to provide financial security as described in Section 5.4.1.

5.4.5. Billing Presentation Options

Until statewide EDI standards are implemented, the ESCO may request that the Company send customer billing information in the usual paper bill format or electronically by Electronic Data Interchange (EDI) as used by Con Edison. Sufficient notification must be provided by the ESCO to the Company, if it chooses to use EDI for billing, to ensure that the interface is adequately tested and is working properly. If the agent doesn't request EDI transmission, the Company will send paper bills to the ESCO. Once statewide EDI standards are implemented, the Company will discontinue supplying paper bills to the ESCO and discontinue its current EDI offering.

A. EDI Billing

If the ESCO requests that its customers' delivery service billing information be sent to it by EDI, the Company will send the EDI Bill File (TS810) to the ESCO on the day the customer's bill is produced. This file will contain all the bill messages that would normally appear on the customer's paper bill. Any mandatory bill enclosures associated with these bills will be sent in bulk to the ESCO for distribution to the customer.

B. Paper Billing

If the ESCO chooses paper billing or fails to choose EDI billing, the Company will send to the ESCO its customers' delivery service bills and inserts by trip.

5.4.6. Bill Payment Method

- A. Payment must be made by wire transfer. Customer transaction information must be provided as an Electronic Mail Bill Payment File (EMBPF). The EMBPF must be in a standard EXCEL format including the account number and the dollar amount for each payment and a total showing the funds being sent by wire transfer.

- B. Once EDI is implemented for ESCO Consolidated Billing, the Company will accept only EDI payments using the TS820 file format.

#### 5.4.7. Contents of ESCO 's Bill

The ESCO is required to provide its customers with the appropriate Con Edison telephone number to call in an emergency.

#### 5.4.8. Credit Notices

All Company credit notices issued on the customer's cycle bill will be sent to the ESCO. If the credit notice is a "final notice of termination" or a "final termination update notice," the notice will also be sent to the customer's service address, and mailing address, if any. The Company will continue to employ normal credit notice and field collection actions for all accounts.

#### 5.4.9. Customer Contacts

ESCOs will include their telephone number on all customer bills and will be responsible for responding to customer contacts regarding their supply bills and associated ESCO charges.

If an ESCO learns that a residential customer or someone in the customer's household has life sustaining equipment, the ESCO must notify the Company in writing so that the information can be verified and the customer's account noted.

#### 5.4.10. Final Accounts

If the customer is moving out of the service territory, the ESCO must provide the Company with the forwarding address of the customer if the ESCO has that information.

### 5.5. Consolidated Utility Billing Services ("CUBS")

Con Edison will offer CUBS in accordance with the UBP and the terms of its Billing Services Agreement.