STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

In the Matter of the Petition of
Public Service Electric and Gas Company
for
Approval of its Clean Energy Future Energy-Cloud ("CEF-EC") Program on a Regulated Basis

BPU Docket No. EO18101115

REBUTTAL TESTIMONY
OF
TERRENCE J. MORAN

October 5, 2020
P-3

Table of Contents

PUBLIC SERVICE ELECTRIC AND GAS COMPANY
REBUTTAL TESTIMONY
OF TERRENCE J. MORAN

Q. Please state your name, affiliation and business address.

A. My name is Terrence J. Moran and I am the Director of Energy Supply Acquisition and Operations for Public Service Electric and Gas Company ("PSE&G" or "Company"). My principal place of business is 80 Park Plaza, Newark, New Jersey 07102.

Q. Please describe your responsibilities as Director of Energy Supply Acquisition and Operations.

A. In this position I have, among other things, the responsibility for PSE&G's energy supply functions inclusive of Basic Gas Supply Service, Basic Generation Service, Non-Utility Generation policy, Energy Supply Administration, Energy Settlements, and Retail Choice operations. Included in these responsibilities are the policies and operations related to data provision to Third Party Suppliers, the load settlement process, and policies related retail choice (including customer billing options). My credentials are fully set forth in Schedule TM-CEF-EC-1 of this testimony.

Q. Have you previously testified in proceedings before the New Jersey Board of Public Utilities ("Board" or "BPU")?

A. Yes. I have both submitted testimony and testified before the BPU in a number of proceedings that are identified in Schedule TM-CEF-EC-1 of this testimony.

Q. What is the purpose of your rebuttal testimony in this proceeding?

A. The purpose of my rebuttal testimony is to address the AMI data access issues raised in the direct testimony of Market Participants'[1] witness Leah Gibbons and in the direct testimony of Rate Counsel's witness, Paul Alvarez. Specifically, I will address the Market Participants' recommendations for increased access to customer data, modifications to the load settlement and peak load contribution ("PLC") processes, and implementation of Supplier Consolidated Billing ("SCB"), as well as Rate Counsel's recommendation regarding the "Connect-My-Data" Standard.

In summary, my recommendations in response to the Market Participant's and Rate Counsel's testimony are that: (1) a data access plan, including associated customer consent and customer protection issues and possible use of Green Button Connect My Data, should be considered through a stakeholder proceeding; (2) modifications to load settlement and PLC processes are complex and should be considered in the stakeholder proceeding and implemented over time; (3) SCB is complex, requires additional analysis, and is not directly related to the deployment of AMI, and therefore is more appropriately considered outside of this proceeding.

[1] The Market Participants' Direct Testimony is offered on behalf of Direct Energy Business, LLC, Direct Energy Business Marketing, LLC, Direct Energy Services, LLC, and Gateway Energy (collectively, "Direct Energy"), NRG Energy, Inc. ("NRG"), Just Energy Group, Inc. ("Just Energy") and Centrica Business Solutions. Gibbons Direct Testimony at page 3.

I. Data Access: Increased Access to interval data for Third Party Suppliers should be considered comprehensively statewide with all stakeholders, and should include the subject of customer consent and consumer protections.

Q. Please summarize the Market Participants' comments with regards to data access.

A. The Market Participants recommend that the Company be required to submit a data access plan ("DAP") within 60 days of the Board Order approving PSE&G's Energy Cloud proposal that specifies a process for Third Party Suppliers ("TPSs") to access their customers' Billable Quality Interval Usage data ("BQIU") data at the watt-level (within 48 hours (or less) of a given day). The Market Participants assert, that at a minimum, the data should be accessible through Electronic Data Interchange ("EDI") as well as through a portal via flat files. Additionally, the Market Participants recommend the plan should include when data will be available through each phase of the meter deployment.

Q. What reasons do the Market Participants provide for why their proposed DAP is needed?

A. The Market Participants argue that granular usage data is needed to spur innovation and customize energy solutions and would be used to improve TPS load profiling and forecasting, customer segmentation, and behavior analysis.[2]

Q. When do the Market Participants recommend their proposed DAP should be implemented?

A. The Market Participants recommend the Board direct the Company to implement a comprehensive DAP simultaneously with the deployment of the proposed AMI system. The Market Participants express a sense of urgency and suggest that customers' access to

[2] Gibbons at 8, 10.

"innovative solutions that the competitive market can offer" should not be unnecessarily delayed.[3] It is unclear, however, whether TPSs could actually deliver specific innovative customer offerings if data access were simultaneously available during the first stages of PSE&G's AMI installations. Moreover, it is not clear that the purported benefits of expedited implementation of the type of data access by PSE&G in isolation would truly outweigh the potential benefits to all New Jersey customers of a more carefully considered, statewide AMI data access strategy that could require a bit more time to develop.

Q. Have the Market Participants stated what specific products will be immediately available to PSE&G customers as a result of expedited implementation of their recommended DAP?

A. No. While the Market Participants provide specific examples of products that are available in other areas of the country (such as in Texas) they provide only general examples of *potential* products that could be offered to PSE&G customers, such as high bill alerts and weekly email summaries of usage. To that end, the Market Participants state that "[i]t will take time for TPSs to accumulate and analyze their customers' usage information and to develop, test, and launch new products."[4]

Q. Do the Market Participants provide detail on how data should be accessed through EDI and a portal?

A. As noted above, the Market Participants propose that the DAP should enable access to interval usage data both through the EDI and through PSE&G's existing secure supplier portal via flat files.[5] The reason for recommending both means of data access appears to be based on

[3] Gibbons at 9.
[4] Gibbon at 9.
[5] Gibbons at 11.

Market Participants' recognition that EDI is not capable of transmitting BQIU data, is primarily useful for obtaining large commercial and industrial customer data, and would be costly to implement more broadly.[6]

Q. Does PSE&G have the "existing secure supplier portal" that would be required to provide the data access requested by the Market Participants?

A. No. If PSE&G was required to provide the secure supplier portal requested, a new system would have to be designed and built, likely at significant expense. The nature of that complex new system and the details of its design would impact a wide variety of stakeholders, including all the distribution utilities in the State and all of their customers.

Q. Are there existing Retail Choice data standards in New Jersey consistent with the DAP proposed by the Market Participants?

A. I do not believe so. While the current NJ EDI guidelines[7] do include provisions for interval metered transactions, I do not believe that there is a statewide standard for the release of interval data consistent with that proposed by the Market Participants.

Q. Does PSE&G presently provide customers access to interval data if an interval meter is installed, and if so how?

A. Yes. PSE&G presently utilizes Green Button "Download My Data" to provide customers access to their interval data. Through this process customers can download their interval data, and if desired they can upload their own data to a third party application. Rate Counsel recommends consideration of the Green Button "Connect My Data" protocols, a newer capability for allowing customers to provide automated secure transfer of their data to

[6] Gibbons at 12.
[7] *Available at:* https://www.bpu.state.nj.us/bpu/about/divisions/energy/edi.html.

authorized third parties, such as TPSs.[8] As noted in the response to RCR-E-0014, PSE&G plans to evaluate the implementation of the Green Button Connect My Data standard in the near future.[9]

Q. Do the Market Participants support the use of Green Button Connect as part of the requested DAP?

A. No. In their Direct Testimony, the Market Participants assert that Green Button Connect does not suit their intended use because providing customers access to their own data would not allow for the daily, instantaneous access to all of a TPS's customers' BQIU data at once that TPSs prefer.

Q. Have the Market Participants estimated the cost for PSE&G to implement the proposed Data Access Plan?

A No. In their response to PS-MP-1, the Market Participants acknowledge that they have not performed that cost analysis.[10]

Q. Has PSE&G estimated the costs to implement the Data Access Plan recommended by the Market Participants?

A. Not at this time. Such an analysis will first require the establishments of the details of the data access process.

[8] Alvarez at 39-41; *see also*, https://www.energy.gov/data/green-button#:~:text=What%20is%20Green%20Button%20Connect,to%20a%20third%20party%20application.
[9] Schedule - TM-CEF-EC-2.
[10] Schedule - TM-CEF-EC-3

Q. Does a stakeholder approach used by other jurisdictions to develop consistent means of accessing interval data present a good path for New Jersey to follow?

A. Yes. Both Pennsylvania and Maryland utilized a statewide stakeholder process to develop and implement supplier AMI data access.[11] As the Company noted in its response MP-PSEG-0002, the Company is not opposed to a data access plan in principle.[12] However, we believe it would be beneficial and most appropriate to consider that plan in a larger stakeholder setting – similar to the process New Jersey utilized to implement Retail Choice and subsequent modifications to retail choice business rules, where the Board created business working groups to develop business process recommendations, and a separate technical group to develop the detailed technical data transfer protocols. The EDI working group is the current version of the technical group and it consists of all utilities and other stakeholders. The working group currently meets monthly to address data transactions and data issues.

This approach is consistent with how Maryland and Pennsylvania have proceeded to allow for AMI data access through stakeholder proceedings. As in Maryland, in New Jersey at least one utility, Rockland Electric Company ("RECO") has already begun to deploy AMI meters, and the state's other two electric distribution companies ("EDCs"), Atlantic City Electric Company ("ACE") and Jersey Central Power and Light Company ("JCP&L") recently

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[11] *Smart Meter Procurement and Installation*, PA PUC PUC Docket No. M-2009-2092655 at p 29, 2012 WL 6839305 (Pa.P.U.C.) (pagination not available) (Final Order entered Dec. 6, 2012) (directing an "Electronic Data Exchange Working Group" to include all EDCs required to submit smart meter technology to work with interested stakeholders); *I/M/O Baltimore Gas and Electric's Energy Efficiency, Conservation and Demand Response Programs Pursuant to the Empower Maryland Energy Efficiency Act of 2008*, MD PSC Case No. 9154, Order No. 87285, 2015 WL 8529284 (Md. P.S.C.) at *15 (Order effective Dec. 8, 2015) (directing utilities currently authorized to deploy AMI and utilities seeking authorization to convene a working group to include interested stakeholders to develop "one general methodology" for providing BQUI data through "Batch CSV" files including a methodology for affirming customer consent).

[12] Schedule - TM-CEF-EC-4

filed petitions for approval of AMI programs.[13] As the MD PSC found, the most "sensible" approach here is for New Jersey to convene a stakeholder process, so the views of all of the stakeholders can be considered, with the goal of developing a standardized solution to interval data access, rather than developing a patchwork quilt of one-off solutions.[14]

Q. Should customer consent to data access also be considered in developing a standardized solution?

A. Yes, customer consent is an important issue that should be carefully considered and that should be uniform across utilities to avoid customer or TPS confusion between service territories and to be in compliance with the expanding customer data privacy laws and regulations. In light of the importance of customer consent, both Pennsylvania and Maryland required consideration of customer consent to data access in a broad stakeholder setting (as opposed to EDC by EDC).[15]

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[13] *I/M/O the Petition of Rockland Electric Co. for Approval of an Advanced Metering Program; and for Other Relief*, BPU Docket No. ER16060524 (Decision and Order, Aug. 23, 2017) (authorizing implementation of AMI deployment, subject to prudency review in subsequent rate case); *I/M/O the Verified Petition of Rockland Electric Co. for Approval of Changes in its Electric Rates, Its Tariff for Electric Service, and Its Depreciation Rates; and for Other Relief*, BPU Docket No. ER19050552 (Decision and Order Adopting Initial Decision and Stipulation, Jan. 22, 2020 (adopting stipulation that resolved outstanding issues regarding RECO's implementation of AMI); *I/M/O the Petition of Atlantic City Electric Company for Approval of The Smart Energy Network Program and Cost Recovery Mechanism and Other Related Relief*, BPU Docket No. EO20080541 (Petition filed August 26, 2020); *I/M/O the Petition of Jersey Central Power and Light Company for Approval of an Advanced Metering Infrastructure (AMI) Program (JCP&L AMI)*,

[14] *I/M/O Baltimore Gas and Electric's Energy Efficiency, Conservation and Demand Response Programs*, n11, supra (MD PSC stated that, "AMI deployment is ongoing in service territories beyond BGE, Delmarva, and Pepco (i.e. SMECO and Choptank Electric Cooperative), and may extend to other service territories in the future. Therefore, it is sensible for all parties to convene and to develop one general methodology"). Astakeholder process also would lessen the risk of disparate data access processes across the state, which over time could result in stranded investments if each utility was to develop its own data access plan in a silo – only to potentially (re)invest in systems and processes if there are inevitable efforts down the road to standardize data access methods. There is also no cause to delay approval of PSE&G's deployment of AMI meters while considering data access issues, as RECO has already begun to deploy AMI meters.

[15] *See, supra,* fn 11. Notably, the PA PUC's 2012 Order references the regulatory requirements in Pennsylvania for customer consent that are similar to New Jersey's consent requirements and states, "[t]he intent of this Order is to facilitate the establishment of a standard electronic format for providing customers and their designated third-

Q. Do the Energy Competition Standards in the New Jersey Administrative Code have requirements for releasing customer information?

A. Yes. Section 14:4-7.8(a) states the following:

> Customer information shall not be disclosed, sold or transferred to a third party without the affirmative written consent of the customer or alternative Board-approved consent methodology, except pursuant to N.J.A.C. 14:4-2.3, or under certain conditions, for example, a third-party performing services directly for a TPS under a binding confidentiality agreement.

It is not clear to me how the Market Participants' DAP proposal would specifically address the issue of customer consent. The fact is that the issue of customer consent and consumer protections should be part of a larger statewide stakeholder process that considers if and how customer interval data is released to third parties, and how customer consent would be obtained and documented. This must occur before the Board modifies the process for providing interval data to suppliers. A stakeholder process will allow the Board to investigate the issues in a comprehensive and state-wide manner, including whether or not modifications or additions to state regulations are warranted, and if and how other laws or regulations related to customer data/information privacy need to be considered.

Q. Does Ms. Gibbons acknowledge that customer consent is an important factor in developing a data access plan?

A. Yes. Ms. Gibbons notes that smart meters can provide extensive data about customer usage patterns and states that "[c]ustomers alone should control the access to their usage data[.]"[16] Market Participants also acknowledge in their response to PS-MP-6, that nothing about access to customers' interval data should change the long-established processes that

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party representatives with direct electronic access to the customer's electric usage and price data, **with the customer's consent"** *Smart Meter Procurement and Installation*, at 2 (PA PUC 2012).

[16] Gibbons at 9.

enable TPSs (not the utility) to obtain a customer's consent through the TPS's enrollment processes.[17] These observations apply to any EDC offering AMI, however, and seem to reinforce the need for a wider collaborative approach. Yet, Market Participants request that PSE&G be directed to independently implement the proposed DAP.

Q. What is your recommendation regarding customer consent?

A. As the issues of consumer protection and customer consent are statewide issues, a collaborative stakeholder process would ensure that these issues are throughly vetted along with the general question of data access, thus enabling sufficient time for the Board to consider these issues comprehensively. A collaborative proceeding would also be the right venue to consider if and how the Green Button Connect standard and its inherent customer protections may fit into a standardized data access plan as Rate Counsel suggests, rather than being dismissed outright as proposed by the Market Participants.

Q. Would a stakeholder proceeding benefit the Market Participants?

A. Yes. A stakeholder proceeding would enable a statewide process for data access to be considered and developed, possibly utilizing the data access protocols in place in other jurisdictions with AMI as a guide or starting point for discussion. While a process like this will require some additional time, it will assist in providing suppliers with more surety of data access availability across New Jersey, and the opportunity for uniformity, which should be an aid in designing systems and developing products for New Jersey residents and businesses. The benefits of considering data access in a stakeholder process should outweigh any desire to

[17] Schedule - TM-CEF-EC-5.

rapidly implement a PSE&G-specific data plan that could be inconsistent with other EDCs in New Jersey. It is also important to note that jurisdictions that the Market Participants cite as examples to follow in regards to data access (Pennsylvania and Maryland) established the details associated with the provision of data in stakeholder proceedings.

II. Modifications to the load settlement and peak load contribution ("PLC") processes should be considered deliberately, and over time.

Q. Please summarize the Market Participants' comments regarding load settlement and PLC calculations.

A. Ms. Gibbons states that PSE&G must cease using load profiles in its settlement process and be required to settle all load at PJM based on the interval data from AMI meters "as soon as the AMI meters are installed and data becomes available" - including all TPS load as well as Basic Generation Service ("BGS") customer load.[18] She argues that these changes are necessary "for customers to realize the value of their AMI investment"[19] and for TPSs to reduce their supply costs to match customers reductions in usage. Additionally, Ms. Gibbons argues that all customers' PLCs should also be calculated using interval data from AMI meters.

Q. What are load profiles and how does PSE&G utilize them?

A. Load profiles are hourly load shapes that represent the hourly usage for customers (by rate class). The load profiles are created by reading load research interval meters each day, which are installed on a sample of customers, by rate class. The Company utilizes load profiles to create hourly loads of monthly-read meters for the load settlement process, and in the development of rate class factors used in the development of PLC values for non-interval customers.

[18] Gibbons at 10.
[19] Gibbons at 15.

Q. Please explain the load settlement process, and what PLCs are and how they are used.

A. The load settlement process refers to the process whereby PSE&G establishes the hourly load obligation (kW per hour) for all suppliers serving load in PSE&G's transmission zone, including TPSs and BGS suppliers, and reports the same to PJM. PJM, in turn, utilizes this information to financially settle with suppliers. Peak Load Contributions, or PLCs, are values established by PSE&G to reflect a customer's generation capacity requirement. PLCs are reported to PJM daily, and PJM utilizes the values to develop generation capacity obligations for each supplier.

Q. How do Market Participants describe the present load settlements and PLC calculation process?

A. On page 14 of her Direct Testimony, Ms. Gibbons states that "[t]he utilities determine the amounts by developing an average use 'profile' from a group of test customers. They also calculate PLCs and capacity tags based on these profiles. Third party suppliers supply electricity to the average profile, not the actual use of their individual customers."

Q. Is this description accurate?

A. No, it is not. Ms. Gibbons infers that PSE&G relies exclusively on load profiles for load settlement and PLC determination. In fact, interval meters are utilized in the current process.

Q. Ms. Gibbons also states that "[t]hird party suppliers supply electricity to the average profile, not the actual usage of their individual customers."[20] Is this accurate?

A. Not really. The fact is that, contrary to Ms. Gibbons' suggestion, the customer's actual usage is utilized for settlement. Presently, if a customer is settled using load profiles, the aggregate amount of energy that the supplier is allocated in the settlement process is based on that customer's monthly meter usage (plus losses). That aggregate (monthly) amount of energy (total kWh) is shaped by the load profile into hourly values, but that aggregate amount is not itself determined by load profiles. Therefore, TPSs currently do supply energy consistent with their customers' total actual usage, and the hourly loads are derived with the load profiles.

Q. How are PLC values presently determined?

A. The Company presently utilizes interval data to establish PLC values for large industrial and commercial customers where interval meters are installed and utilized for billing. For all customers on rate schedules that require peak demands for billing purposes and who do not use interval meters for billing, the calculation to establish PLC values utilizes the weighted average of each customer's June to September billing demands. Lastly, for customers served on rate schedules not requiring peak demands for billing purposes and who do not use interval meters for billing, PLC values are calculated by taking the customer's summer billed energy in kWh, divided by the number of hours in the summer billing period. For these rate schedules that do not use interval meters for billing, load profiles are utilized to create rate class scaling factors that are applied to customer-specific metered usage (as described above) to derive the PLCs.

[20] Gibbons at 14.

Q. How are interval meters utilized in the current load settlement process for larger customers?

A. PSE&G currently utilizes roughly 14,000 interval meters and the interval data generated by those meters in its load settlement process. Some of these meters are installed at the premises of customers that are eligible to receive default service on Basic Generation Service Commercial and Industrial Energy Pricing ("BGS-CIEP"), which requires interval metering to bill customers and to pay BGS suppliers. The Company also uses the data from those meters to establish hourly load values in the load settlement process for BGS CIEP suppliers or for TPSs serving customers eligible for BGS CIEP default service.

Q. What about for other and perhaps smaller customers?

A. In serving customers that are eligible to receive default service on BGS Residential and Small Commercial Pricing service ("BGS-RSCP"), interval data is not required to bill customers or to pay BGS-RSCP suppliers – as BGS-RSCP is a flat cents-per-kilowatt hour rate with rates that only change by the season or for some rate classes by the time-of-day. Therefore, for most BGS-RSCP-eligible customers, PSE&G utilizes load profiles to allocate monthly-read billed usage to hourly data in the load settlement process for BGS-RSCP suppliers and TPSs that serve these customers.

I would also note that BGS-RSCP-eligible customer can opt-in to BGS-CIEP-eligibility on an annual basis (and as needed have an interval meter installed) – which would result in those customers' supplier (BGS or TPS) utilizing interval data for load settlement and PLC determination.

Q. Please explain the impact of a modification of the load settlement and PLC processes as proposed by the Market Participants.

A. Implementing the Market Participant's proposal would add complexity and require significant modifications to the Company's related systems and processes.

Q. Please describe those potential process modifications, and their timing.

A. As noted prior, the Company presently utilizes interval data for load settlement and PLC values for roughly 14,000 meters. This involves daily calculations and data transfers (for load settlement) of roughly 336,000 discrete hourly values. If the Company were to transition this process to the utilization of interval data for all customers in the load settlement process, the daily data process for discrete hourly values would grow exponentially, to roughly 55,000,000 values. A change of that magnitude would represent a significant process modification and require a rebuild of the Company's load settlement system and processes, and interfaces to other systems. There would be similar impacts to the Company's PLC-calculation process. Though such changes are technically feasible, due to the anticipated significant process and system modifications, any such changes are candidates for discussion in the aforementioned stakeholder process, and should be part of an overall New Jersey "roadmap" to increased use of AMI data. This should be done in a deliberate manner, taking into account actual data needs and enabling sufficient time for system modifications, as opposed to immediately upon installation of an AMI meter.

Q. Can you provide additional reasons why developing a roadmap with increasing use of interval data (over time) makes sense at this time?

A. Yes. The Market Participants state that interval data should be utilized to settle all customer load, including both TPS- and BGS-supplied load. However, regarding BGS-RSCP eligible load, currently roughly 2 million out of 2.3 million customers are served by BGS suppliers. Thus, Market Participants overstate the urgency for making this change, as there is no immediate need from a

billing or load settlement standpoint to migrate all BGS-RSCP customers to interval data-based settlement or PLC determination, especially in the time-frame outlined by the Market Participants. Additionally, not all TPSs will likely seek to offer customers products or services that require interval data for load settlement or PLC determination (thus not requiring a modification to current processes), and the Market Participants themselves acknowledge that it will take time for suppliers to develop, test and launch new products that utilize AMI data once that data is available.[21] Moreover, as the Company has proposed a process whereby customers may opt-out of an AMI meter, the Company will be required to maintain its current load profiling and PLC processes even if it migrates its settlement and PLC processes to full-interval. Costs are another potential factor that need to be carefully considered, and cannot necessarily be quickly derived. PSE&G has just begun to consider how something like Market Participants' recommendations could be accomplished.

Therefore, due to (1) the expected complexity of system and process modifications; (2) recognition that the majority of customers (currently) do not require interval data-based load settlement or PLC determinations; (3) the fact that the subset of suppliers that will seek to offer products that require the proposed changes to the settlement and PLC processes will likely require time post-AMI deployment to develop those products; and (4) the fact that the current processes will need to be retained when the project is complete, any required changes to such processes should allow sufficient time for system and process modifications and should not require implementation that necessarily mirrors the AMI meter deployment (phase-in) schedule. As noted

[21] Gibbons at 9.

above, the subject of load settlement and PLC determination can also be considered in the scope of a larger stakeholder process.

III. Supplier Consolidated Billing ("SCB"): The subject of consolidated billing has been thoroughly vetted over the past twenty years in processes involving many stakeholders. Any future consideration for SCB should be considered in such a forum.

Q. Please summarize the Market Participants' SCB proposal.

A. Market Participants propose adoption of SCB whereby "TPSs would issue a single, consolidated bill to their retail customers containing all of their charges, as well as PSE&G's distribution charges."[22] Market Participants further claim that SCB not only would "facilitate[e]" their provision of new products and services to their customers, but also go so far as to claim that without SCB, TPSs would be "hampered" from offering such services.[23]

Q. Please describe the billing options that are available to TPSs and customers today.

A. TPSs currently have two options for billing: (1) dual billing, whereby each party, the TPS and the utility, issues its own bill to the customer, or (2) utility consolidated billing, where the TPS can include its charges and other information on the utility's bill to the customer. Under the utility consolidated billing option, TPSs send their charges to PSE&G for inclusion on the Company's bill to the customer, and they have the option of adding their logo and up to 50 rolling lines of text on the utility bill. TPSs may also include their own inserts in the utility bill. TPSs are paid for their submitted charges in 20 days. Electric charges are paid dollar for dollar, and gas charges are factored by a discount value that changes annually. In this process PSE&G assumes the receivable of the TPS.

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[22] Gibbons at 26.
[23] Gibbons at 26-27.

Q. Have the Market Participants indicated if they utilize the features available in the Utility Consolidated Bill?

A. In their response to requests PS-MP-8 and PS-MP-9, the Market Participants state that they do utilize the bill messaging functionality, but they do not include their logos on PSE&G's consolidated bills.[24]

Q. Does a TPS require SCB in order to communicate with its customers?

A. No. As noted above, a supplier can always choose to provide their own bill to the customer, take advantage of what's available in the utility consolidated bill, or opt for other channels to communicate with customers. Regarding the latter, in their response to PS-MP-10, the Market Participants present examples of how they presently communicate with customers, including via "direct mail, electronic mail, social media platforms, [and] websites."[25]

Q. Do the Market Participants provide examples of other jurisdictions where SCB is available?

A. Yes. In their response to PS-MP-21, the Market Participants reference Alberta (Canada), Georgia, Illinois and Texas as jurisdictions with SCB as a billing option.[26] They also reference a pilot program in Ohio, and note that SCB is in development in Maryland.[27] Additionally, in their response to S-MP-7, the Market Participants note that SCB is the only billing option available for Texas electric customers and Georgia gas customers. Due to the unique nature of the market structures in these jurisdictions, where all retail suppliers bill and assume all

[24] Schedule - TM-CEF-EC-6
[25] Schedule - TM-CEF-EC-7
[26] Schedule - TM-CEF-EC-8
[27] *Id.* at 26.

customer-facing interactions with the customer (limiting distribution companies' direct interactions with customers), it would seem that such references are not appropriate comparisons to use for New Jersey.

Q. Did the Market Participants provide examples of jurisdictions where AMI and SCB were both implemented?

A. Yes. In her Direct Testimony, Ms. Gibbons points to Texas as a jurisdiction where AMI is installed and SCB is in place. Further, in their response to S-MP-7, the Market Participants also reference Illinois as a state that permits SCB, and it is my understanding that AMI is available in Illinois.

Q. Are you aware of jurisdictions where AMI has been implemented but SCB has not?

A. Yes. It is my understanding that though AMI has been implemented in Pennsylvania, Pennsylvania has not approved or implemented SCB.[28] Also of note, on page 22 of her testimony Ms. Gibbons states that NRG subsidiaries have been working to engage customers in Pennsylvania and Maryland by providing a weekly email to customers – that has received a "very positive" response –without SCB in place. This is an example that other channels are available and effective for TPSs to communicate with customers, aside from a SCB.

[28] See S-MP-7, Schedule - TM-CEF-EC-9 (noting that the PA PUC has taken SCB proposal under advisement and that a decision is pending).

Q. The Market Participants state at page 29 that "EDECA clearly contemplates the provision of customer billing by licensed TPSs and gives the Board authority and direction to implement metering and billing functions through required proceeding." Is that accurate?

A. Without taking a position on the Board's statutory authority, I will note that based on my experience and work-responsibilities in the Company (which include ensuring areas under my charge are operating in compliance with BPU's regulations), EDECA did not direct the Board to order that all customer account services ("CAS") be supplied by TPSs. Rather, the language of EDECA is clear that "some or all" services could be supplied by TPSs.29 EDECA included a similar requirement for gas public utilities, with the difference being the required timing of a Board Order in the requisite proceeding.

Q. Did the Board initiate the required CAS investigative proceeding in accordance with the above-quoted language from the EDECA, and if so what was the outcome?

A. Yes. The Board initiated a CAS proceeding in the 2000 timeframe which resulted in a stipulation and Board Order dated December 22, 2000 ("CAS Stipulation and Order").

[29] N.J.S.A. 48:3-54 6(a), a subsection of the Electric Discount and Energy Competition Act ("EDECA"), enacted in 1999 (requiring that the Board: "[i]nitiate a formal proceeding to investigate the manner and mechanics by which customers are afforded the opportunity to contract with the incumbent utility or an electric power supplier for customer account services and to establish the necessary standards for safety, reliability and testing for meters and information exchange protocols applicable to both electric power suppliers and incumbent utilities that will permit customers to choose a supplier for **some or all** such customer account services. The board shall issue an order for providing customers the opportunity to choose a supplier for **some or all** customer account services not later than one year from the starting date of retail competition . . . and setting forth the manner, mechanics and standards for competitive customer account services." (bolded emphasis added)).

Q. What did the December 22, 2000 CAS Stipulation and Order contain in terms of billing options for PSE&G customers?

A. Among other things, the order required that PSE&G provide consolidated billing for customers of licensed gas or electric TPS by a date certain. The utility consolidated bills would include the TPSs' logo, contact information, supplier charges, one rolling page for TPS text, as well as an insert option for the residential customers of licensed gas and electric suppliers. Regarding SCB, where the TPS would bill the customer directly for its own charges and the utility's charges, the order enables bill-ready SCB, but only after the adoption "by the Billing Implementation Working Group, or adoption by the Board of Electronic Data Interchange ("EDI"), standards or other electronic data exchange protocols as may be required."[30] Additionally, the CAS Stipulation and Order required that for SCB, the TPSs would be responsible for meeting all applicable New Jersey Administrative Code ("NJAC") and Board-mandated formatting, notices and directives concerning utility customer bill information and utility tariffed delivery services.[31]

Q. Were business rules or EDI standards related to SCB ever adopted or proposed?

A. No. The development of business rules and EDI standards related to SCB would require a considerable time commitment and focus of the supplier community at-large, as the driving interest in this billing option.[32] However, following the CAS Stipulation and Order

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[30] CAS Order at 4.

[31] CAS Stipulation at 5.

[32] The Maryland stakeholder process for SCB that Market Participant note, for example, convened in October of 2019, met weekly, and the draft recommendations were just submitted to the MD PSC for evaluation on September 23, 2020, nearly a year later. *See*, Schedule XX-XX (Market Participants' response to PS-MP-21); *I/M/O the Petition of NRG Energy, Inc., Interstate Gas Supply, Inc., Just Energy Group, Inc., Direct Energy Services, LLC, and Engie Resources, LLC for Implementation of Supplier Consolidated Billing for Electricity and Natural Gas in Maryland*, MD PSC Case No. 9461, Office of Staff Counsel - Report- Supplier Consolidated Billing Business Processes (filed Sept. 23, 2020).

and subsequent implementation of utility consolidated billing, the supplier community did not make that commitment, and as a result SCB was never implemented.

Q. Did the CAS Stipulation and Order include a termination date?

A. Yes. Article 14 of the CAS Stipulation stated 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 superseding settlement and/or Board Order addressing the matters contained in this Settlement."[33]

Q. Did the Board investigate CAS issues after August 1, 2003 and/or issue subsequent CAS-related Orders? If yes, did any of these activities or Orders require implementation of SCB?

A. Yes, since 2003 the Board has further evaluated CAS issues numerous times, first in 2004, then again in 2011, and finally in 2013. In all cases, the Board did not require the implementation of SCB.

Q. Please explain the 2004 and 2011 evaluations and the outcomes related to SCB.

A. In 2004, the Board initiated a working group process to consider consolidated billing standards and the customer data card (from the CAS Stipulation and Order), and the working group was comprised of Board Staff, Rate Counsel, New Jersey's electric distribution and gas distribution utilities, approximately a dozen TPSs, and the Mid Atlantic Power Supply Association ("MAPSA"). The working group agreed to standards involving consolidated

[33] CAS Stipulation at 9.

billing, including customer-eligibility for utility consolidated billing and communications and data exchange regarding the same, and reaffirmed that SCB need not be implemented.[34]

In early 2011, Board Staff created a working group, the "POR/PTC Working Group," to address "Purchase of Receivables" ("POR"), wherein the party providing consolidated billing assumes or purchases the account receivables of the non-billing party, and the Price to Compare ("PTC").[35] Over twenty suppliers, plus the Retail Energy Supply Association ("RESA") and the National Energy Marketers Association ("NEMA"), participated in the effort. Notably, RESA's members at the time included Market Participants Direct Energy Services LLC, and Just Energy.[36] During the POR/PTC Working Group process, two TPSs argued for implementation of SCB, Infinite Energy d/b/a Intelligent Energy ("Intelligent Energy") and Reliant Energy Northeast LLC,a wholly owned subsidiary of NRG Energy ("Reliant Energy"). The POR/PTC Working group process did not culminate in modified rules related to consolidated billing or any related Board order.

Q. In the 2011 POR/PTC Working Group process, did Intelligent Energy and Reliant Energy provide arguments in support of implementing SCB similar to the arguments Market Participants cite in support of SCB in this proceeding?

A. Yes. In the 2011 working group, Intelligent Energy argued that SCB "is an appropriate step towards full unbundling, market transparency, and full customer choice."[37] Reliant Energy cited Texas as an example of a successful SCB model and highlighted key features of

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[34] *I/M/O The Electric Discount and Energy Companion Act of 1999 Customer Account Services Proceeding, Docket Nos. EX99090676 and EX94120585Y (N.J. B.P.U June 24, 2004)*

[35] NJBPU Notice of Working Group Meeting on POR and PTC, 2/8/11, Schedule - TM-CEF-EC-10.

[36] RESA's February 8, 2011 Straw Proposal for POR in NJ, provided as Schedule - TM-CEF-EC-11.

[37] Submittal by Richard F. Paez on behalf of Infinite Energy, d/b/a Intelligent Energy, provided as Schedule - TM-CEF-EC-12.

the Texas model as useful for enabling TPSs to advance customized products and services to customers.[38]

Q. When did the Board re-engage the working group discussions on consolidated billing, and what was the result with respect to SCB?

A. In February of 2013, Board Staff sent notice to the POR/PTC Working Group participants and other interested stakeholders via email setting forth Staff's proposal for modifications to POR and utility consolidated billing and requesting comments.39 Despite the 2011 comments received from Intelligent Energy and Reliant Energy proposing SCB, Staff's proposal did not include a recommendation to implement SCB. Ultimately, the Board's review of Staff's 2013 POR proposal resulted in a Board Order issued on May 29, 2013 that directed certain modifications to the existing utility consolidated billing/POR programs.40 The Order did not require implementation of SCB.

[38] Comments of Reliant Energy Northeast LLC, Schedule - TM-CEF-EC-13

[39] Board Staff's Notice of Opportunity to Comment and their Utility Consolidated Billing / Purchase of Receivables Proposal. Provided to the POR/PTC Working Group on 2/25/13. This document is provided as Schedule - TM-CEF-EC-14.

[40] *I/M/O The Board's Review of Utility Consolidated Billing and Purchase of Receivables Programs*, Docket No. EO13030236, dated May 29, 2013 (modification were directed in the following areas: customer eligibility for UCB; timing of payment of TPSs' charges to the TPS; process for returning customers that were receiving a UCB to dual-billing; provision of arrearage reports to TPSs that utilize UCB; the ability of distribution companies to discount payments to TPSs (for charges for customers on UCB) and/or charge UCB fees; and timing requirements for distribution companies to implement and/or modify their UCB/POR programs).

Q. Following the 2013 UCB/POR Board Order, has the Board Staff and/or a TPS advocated for the implementation of SCB?

A. Aside from the recent CEF-EE proceeding (see note 21 above), I am not aware of such formal advocacy by Board Staff or a TPS since 2013.[41]

Q. How should the Board consider the Market Participant's renewed SCB proposal in this proceeding?

A. The Board should consider the current proposal through the lens of its historic considerations of the same issue. SCB has been considered numerous times by the Board and/or Board Staff since the implementation of EDECA over 20 years ago. In each of these occurrences, the Board considered SCB in the context of consolidated billing in general, and in a broader industry forum where all suppliers and distribution companies could present their positions and share their views and desires with respect to consolidated billing (UCB or SCB). However, as has been noted in this Rebuttal Testimony, each time consolidated billing has been considered, or in the case of the 2000 CAS Stipulation and Order when the implementation of SCB billing required a working group(s) to develop the requisite business and technical requirements in order for implementation to occur, the larger TPS community focused on the implementation and modification of UCB, not SCB. This has been the case here in New Jersey, and this UCB-centric focus is consistent with other jurisdictions that have implemented retail access.[42]

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[41] In PSE&G's recent Clean Energy Future – Energy Efficiency ("CEF-EE") proceeding, BPU Docket Nos. EO1012113 and GO1810112, the stipulation approved by the Board on September 23, 2020 includes PSE&G's commitment to hold at least one stakeholder session to discuss competitive issues in the provision of EE, including SCB.

[42] Market Participants continued references to the Texas model remain unpersuasive, considering that the Texas market is inherently different than New Jersey's. Outside of Alberta (Canada), Texas, and the few other jurisdictions referenced by the Market Participants, there do not appear to be a large number of jurisdictions that

Q. If the Board wishes to entertain Market Participants' SCB proposal, what process and policy issues would need to be addressed?

A. Numerous process complexities and policy hurdles must be considered and overcome when implementing SCB, including the following:

- Accuracy:
  - TPSs would need a process to assure the accuracy of customers' utility distribution charges including consideration of the variety and complexities of the Company's tariff(s) for the billing of such things as net metering, community solar, equal payment plans, deferred payment arrangements,[43] time of use rates, and so on;
  - Would suppliers be calculating and presenting all charges, or would the utility still need to calculate its own charges and send them to the supplier solely for bill presentment? Related to this, how would errors be addressed?
- Regulatory Requirements:
  - Would TPSs' SCBs need to comply with all required existing bill presentment and customer notice requirements applicable to utilities' bills?

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have embraced SCB as a billing option, as compared to UBC. This may be due to greater retail supplier interest in UCB, and/or it may reflect the challenges that exist with implementing SCB. Regarding the latter, there are numerous process-complexities and policy hurdles that must be overcome and considered when implementing SCB.

[43] Notably, TPSs would also need to have processes to quickly adapt to emergent situations, such as the COVID-19 pandemic, during which New Jersey's utilities rapidly altered collections and disconnect procedures and changed the parameters and qualifications of deferred payment agreements.

- Would there be any new or additional requirements for SCB?

- Customer Service:
  - TPSs' call centers would need the ability to handle increased call volumes and presumably satisfy all regulatory and other customer service requirements on behalf of the utilities, including rules pertaining to customer inquiries, disputed charges and complaints;
- Disconnect for Non-Payment Policy and Procedures:
  - A policy determination would need to be made regarding the ability of a TPS that issues SCBs to direct distribution companies to disconnect customers for non-payment of bills, including supplier charges.
  - If permitted, TPSs would need to develop related practices.
- TPS Creditworthiness:
  - A policy determination would be required related to whether TPSs issuing SCBs should be required to meet incremental credit requirements to secure the payments due to the distribution utilities. Related, rules and contractual terms will have to be established related to supplier default.
- Data Transfer protocols:
  - Uniform EDI (or other) transactions would need to be developed that incorporate the full breadth of utility billing calculation and bill presentment requirements – to insure that TPSs offering SCB present utility bill details accurately and completely – and to avoid Utility

expense to build and support varied interfaces with different TPSs that offer SCB.

- PSE&G, as a combination Gas and Electric Distribution Company:
  - Would an electric TPS issue a SCB bill and purchase the receivable for PSE&G's gas and electric distribution charges as well as PSE&G's gas supply charges, in addition to the supplier's electric supply charges?
  - What process would be used for customers receiving gas and electric supply from different TPSs?
  - Would implementation of SCB result in PSE&G customers presently receiving a single bill for all charges to begin receiving two bills?
- Customer Eligibility:
  - Would customers on a deferred payment arrangement or those with arrearages be permitted to receive a SCB?
- Deposits:
  - How will customers' existing deposits be treated, and what deposit rules will govern suppliers issuing SCBs?
- Customer Contracts:
  - How will TPS contracts with customers address SCB, including whether suppliers should be able to change billing options for existing customers?
- Purchase of Receivables rules related to SCB:

- Policies would need to be developed for: timing of payment to the utility; payment posting hierarchy (including how deposits can be applied to charges due); whether a utility receive an arrearage back from a TPS; how utility arrearages will be tracked, including when customers switch billing methods or switch suppliers; TPSs' ability to charge late fees; and utilities' ability to continue providing customers an equal payment plan

- Marketing and Advertising:
  - What standards should apply to TPS SCBs?

This is but a partial listing of the issues that would need to be addressed when considering SCB, and consideration of these would need to include new or modified data transfer protocols to facilitate these changes. Though these issues are not insurmountable, they clearly illustrate the added complexity and likely expense of a SCB process – as compared to utility consolidated billing – and help explain why, after over 20 years of working group efforts, there has not been an earnest attempt or collective TPS interest in implementing SCB. These issues highlight the importance of insuring the overall market cost-benefit for all stakeholders is considered before any individual utility invests time and money in developing a structure that is being championed by a small segment of the supplier community.

Q. In addition to the procedural issues noted above, should the Board evaluate potential costs of SCB?

A. Yes. Consideration of modification of existing processes or implementation of SCB should consider the issue of cost recovery and responsibility of costs. For example, during the

2011 evaluation, RESA provided a straw proposal for POR in New Jersey arguing that incremental implementation costs to develop POR should be recovered only from those suppliers utilizing utility consolidated billing, and Reliant Energy endorsed this proposal.[44] A viable proposal for cost recovery should be required in connection with any subsequent modifications to utility consolidated billing, or for the full implementation of SCB if the Board chooses to pursue SCB as a third billing option for customers.

Q. What is your recommendation regarding Market Participants' SCB recommendation?

A. The Market Participant's proposal is high level, and does not address many of the issues raised above. Moreover, the issue of SCB is broader than, and ancillary to, the issues to be decided in PSE&G's petition for approval of AMI deployment. I recommend, therefore, that SCB is not appropriate for consideration in this proceeding, and approval of the Company's AMI proposal should not be delayed by Market Participants' renewal of this issue. To the extent the Board or Board Staff wish to revisit SCB implementation, this should occur in a stakeholder proceeding where these issues can be fully developed and where a state-wide approach could be considered, as has occurred previously.

Q. Does this conclude your testimony at this time?

A. Yes.

[44] *Id.* at 36.

QUALIFICATIONS
OF
TERRENCE J. MORAN
DIRECTOR OF ENERGY SUPPLY ACQUISITION & OPERATIONS

My name is Terrence J. Moran and I am employed by Public Service Electric and Gas Company (PSE&G, the Company) as the Director of Energy Supply Acquisition & Operations. In this role, I have, among other things, the responsibility for PSE&G's energy supply functions inclusive of Basic Gas Supply Service, Basic Generation Service, Non-Utility Generation policy, Energy Supply Administration, Energy Settlements, and Retail Choice operations. Included in these responsibilities are the policies and operations related to data provision to Third Party Suppliers, the load settlement process, and policies related retail choice (including customer billing options).

EDUCATIONAL BACKGROUND

I have a Bachelor of Science degree in Industrial Engineering from the New Jersey Institute of Technology, and a Masters of Business Administration degree from Seton Hall University.

WORK EXPERIENCE

I have worked for PSE&G for roughly 30 years in various positions, as well as for three years in the competitive energy services industry. Prior to becoming

Director of Energy Supply Acquisition & Operations for PSE&G in 2015, I served as the Director of Energy Supplier Services since 2003, with the exception of 2012 and 2013 when I worked as the Director of Market Strategy and Development. My professional experience includes a broad background in rates, energy policy issues, energy markets, customer end-use technologies, and utility operations. Areas of expertise include retail access processes and policy, energy market operations, and energy analytics. I have served on the Executive Committee of the Retail Electric Quadrant in the North American Energy Standards Board (NAESB), and have been very active in retail energy market development since the 1990's, as an employee of both retail energy suppliers and PSE&G. I have previously prepared and presented testimony to the New Jersey Board of Public Utilities ("NJ BPU") on the subject on Net Metering policy, the Company's Solar-4-All Extension proceeding, and the Company's Solar Loan III proceeding (and also testified before the NJ BPU in the latter two proceedings). Additionally, I have represented the Company in various working groups and forums at the NJ BPU, PJM and NAESB, including the annual BGS legislative hearings. I also previously served as an instructor in the Continuing Education Department at Bergen Community College, teaching courses on Sustainability and Alternative Energy and (energy) Economics.

Public Service Electric and Gas Company
Case Name: CEF-EC
Docket No(s): EO18101115

Response to Discovery Request: RCR-E-0014
Date of Response: 5/7/2020
Witness: Daum, Frederick
iESP infrastructure

Question:
Refer to PSE&G Witness Daum testimony, page 6 line 11, which states that the iESP infrastructure (AMI deployment) will benefit customers "by providing them with increased choice and engagement with their energy usage . . . "
a. Will PSE&G commit to complying with Green Button's Connect My Data standard? If so, by what date? If not, why not?
b. Will PSE&G commit to complying with Green Button's Download My Data standard? If so, by what date? If not, why not?

Attachments Provided Herewith: 0

Response:

a. PSE&G does not currently have the capability to provide Green Button Connect My Data at this time. PSE&G's software provider has informed the Company that it expects to deliver Green Button Connect My Data functionality by the end of this calendar year. PSE&G will evaluate implementation of the enhanced functionality as soon as it is available.

b. PSE&G will consider as part of this proceeding committing to comply with Green Button's Download My Data standard for all customers with AMI.

Public Service Electric and Gas Company
Case Name: CEF-EC
Docket No.: EO18101115

Response to Discovery Request PS-MP-1
Date of Response: 9/3/2020
Witness: Gibbons, Leah

Question:

Please provide all witnesses' schedules in native format with formulae intact.

Response:

The witness has no schedules in her testimony.

Public Service Electric and Gas Company
Case Name: CEF-EC
Docket No(s): EO18101115

Response to Discovery Request: MP-PSEG-0002
Date of Response: 8/4/2020
Witness: Daum, Frederick
Smart Meter Data Access Plan

Question:
If PG&E has not proposed a smart meter data access plan as part of the Petition or supporting Testimony, please indicate PG&E's willingness to adopt such a plan, either as proposed by an Intervenor in the proceeding or as modified by PG&E for further review and comment by the parties.
Does PG&E agree that the following components should be included in a smart meter data access plan? If PSE&G does not agree with each of these components for inclusion in a smart meter data access plan, please explain.
(a) Access by third party suppliers and other entities in the private market.
(b) Proper use of data by PSE&G, so that it is restricted only for poles and wires functions (i.e. outage management, system planning).
(c) Ownership of data by customer, who can freely and easily authorize its release to third parties of their choosing.
(d) Capability of data being transferred through electronic data interchange ("EDI"), not solely through customer portals, such as Green Button Connect type platforms.

Attachments Provided Herewith: 0

Response:
a – d. PSE&G currently provides customers direct access to their interval data through a customer portal (including green button download), and plans to continue to provide such access as part of the proposed advanced meter deployment. The Company also provides interval meter data to Third Party Suppliers consistent with State requirements, with authorization of the customer. PSE&G does not have a specific position on components for inclusion in a smart meter data access plan, other than to state that, at a minimum, a smart meter data access plan should satisfy all applicable rules, regulations, and tariff requirements. PSE&G is willing to discuss the possibility of a data access plan and plan components related to AMI deployment with the parties in this case.

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF ITS CLEAN ENERGY FUTURE-ENERGY CLOUD ("CEF-EC") PROGRAM ON A REGULATED BASIS
BPU Docket No. EO18101115

PSE&G DISCOVERY REQUESTS TO MARKET PARTICIPANTS

Date of Response: 9/21/2020
Witness: Gibbons, Leah

PS-MP-6 On page 11, footnote 8 of your testimony, you state that "LOA requirements are overly burdensome. Customers should be permitted to authorize a supplier to obtain their IU data as part of the contracting documents executed to enroll for their TPS service". Please list the specific elements of the Letter Of Authorization (LOA) requirements that MPs believe are "overly burdensome."

Response: As explained in footnote 8 of the Market Participants' testimony, customers should be permitted to authorize a supplier to obtain their interval usage data as part of the contracting documents executed to enroll for TPS service. An additional and/or separate LOA is not necessary and should not be required. LOAs are appropriate when a contract for supply service does not exist.

All TPSs licensed by the Board are required to offer a contract to customers that complies with the Board's regulations and includes a variety of disclosures, including disclosures about accessing the customer's data from the utility. Suppliers do not currently submit contracts to the utility when enrolling customers. Rather, they are obligated to comply with the Board's regulations and follow the EDI enrollment protocols to switch a customer to their service.

The submission of an EDI enrollment transaction stands as the supplier's certification that it has complied with the Board's rules governing enrollment and any dispute about that enrollment or the contract is handled by the supplier and – when necessary – adjudicated (informally or formally) by the Board.

Nothing about accessing a customer's interval usage data changes this long-established process. A customer's choice of product should not be further delayed due to additional steps in the current enrollment process.

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF ITS CLEAN ENERGY FUTURE-ENERGY CLOUD ("CEF-EC") PROGRAM ON A REGULATED BASIS
BPU Docket No. EO18101115

PSE&G DISCOVERY REQUESTS TO MARKET PARTICIPANTS

Date of Response: 9/21/2020
Witness: Gibbons, Leah

PS-MP-8 Please reference page 27, footnote 24 of your testimony. Please explain if the MPs currently utilize all 50 lines of text permissible on the Utility Consolidated Bill? If no, how many lines are used?

Response: The Market Participants do currently utilize the bill messaging functionality in order to communicate monthly usage and the price/kWh used to calculate supply charges so that customers have visibility to their supply price each month. We may also communicate budget balance messages, if applicable. The MPs have been unable to confirm, however, that 50 lines of text are available on the Utility Consolidated Bill ("UCB"). Rather, the MPs believe that 5 lines of text are available on the UCB.

Further, it is noted that having access to text on the UCB is not an adequate substitute for SCB, which would enable suppliers to establish a billing relationship with customers, demonstrate their proficiency at handling the billing and payment process, and educating customers on how the product choices they make effect their usage and/or the amount they pay each month. Also, the UCB does not have the capability or flexibility for suppliers to present charges and information in the manner in which they desire. Since it would not be feasible or cost-effective for the utility to upgrade its UCB to accommodate the many different billing formats that suppliers may wish to use, it is necessary to make SCB available to suppliers.

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF ITS CLEAN ENERGY FUTURE-ENERGY CLOUD ("CEF-EC") PROGRAM ON A REGULATED BASIS
BPU Docket No. EO18101115

PSE&G DISCOVERY REQUESTS TO MARKET PARTICIPANTS

Date of Response: 9/21/2020
Witness: Gibbons, Leah

PS-MP-9 PSE&G currently provides suppliers the ability to include their logo on the utility consolidated bill. Please state whether the MPs currently utilize this feature.

Response: The Market Participants are not currently utilizing the logo functionality of UCB.

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF ITS CLEAN ENERGY FUTURE-ENERGY CLOUD ("CEF-EC") PROGRAM ON A REGULATED BASIS
BPU Docket No. EO18101115

PSE&G DISCOVERY REQUESTS TO MARKET PARTICIPANTS

Date of Response: 9/21/2020
Witness: Gibbons, Leah

PS-MP-10 Please list and describe all of the communicate tools that MPs utilize in New Jersey to directly communicate with their customers and/or to advertise to potential customers including but not limited to: paper mail, electronic mail, apps, texts, social media platforms (please name), websites, television, radio, billboards, news or magazine ads, airplane banners, other media.

Response: The Market Participants filed an objection to this request on September 18, 2020.

However, the Market Participants can generally state that they utilize various forms of communication in the markets where they operate, including NFL football stadiums, direct mail, electronic mail, social media platforms, websites, television, radio, etc., depending on the market. For example, customers can learn about offers available from NRG Home by visiting their website at https://www.nrghomepower.com/; offers available from Direct Energy by visiting their website at https://www.directenergy.com/; or offers available from Just Energy by visiting their website at https://www.justenergy.com/.

Further, as noted in response to PS-MP-8, the communication tools identified in this question are not adequate substitutes for SCB, which would enable suppliers to establish a billing relationship with customers, demonstrate their proficiency at handling the billing and payment process, and educating customers on how the product choices they make effect their usage and/or the amount they pay each month.

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF ITS CLEAN ENERGY FUTURE-ENERGY CLOUD ("CEF-EC") PROGRAM ON A REGULATED BASIS
BPU Docket No. EO18101115

PSE&G DISCOVERY REQUESTS TO MARKET PARTICIPANTS

Date of Response: 9/21/2020
Witness: Gibbons, Leah

PS-MP-21 Please list all states and service territories in which Supplier Consolidated Billing (SCB) is offered as a billing option, and please indicate in which of the the Market Participants presently issue consolidated bills. For each of these states and service territories, related to the SCB option:

a. Please provide documents or links to documents that include the relevant business rules for SCB, including the rules that specify requirements for bill presentment and compliance with applicable regulatory requirements.

b. Please indicate if the utility is required to disconnect customers for non-payment for charges that are included on a SCB, and indicate if this includes utility charges, supplier charges, or both.

c. Please indicate if the SCBs include all charges that the utilities bills its customers, or if there are any charges that suppliers were not required to include in their bills.

d. Please indicate if the utilities are required to calculate all of their own charges, or if the supplier calculates the utility's charges.

e. If a SCB is available in a combination electric and gas utility's service territory, and a supplier only sells one of the commodities to the customer, please indicate if the supplier that issues the consolidated bill is required to include all of the utilities charges on its bill, including the charges related to the commodity that the supplier does not provide to the customer.

f. If a SCB is available in a combination electric and gas utility's service territory, and a supplier includes its charges for one of the two commodities on a utility consolidated bill, and another supplier enrolls the same customer for the other commodity but does so electing a SCB option, does the customer then receive two bills?

g. Please indicate if the supplier is responsible for all inquiries regarding billing, or if the utility still receives customer inquiries concerning its charges. Please also indicate how customers are informed as to which entity to call for charges on the SCB.

h. Please indicate how disputed utility charges are treated in regards to payment to the utility.

i. Please indicate if suppliers are required to post collateral to the utility in order to be eligible to offer SCB, and if so please provide the related credit requirements and rules.

j. Please indicate if suppliers are required to satisfy all bill presentment requirements that are required of utilities, including bill messages and inserts.

k. Please indicate how customers on Equal Payment Plans are treated, as well as customers with deferred payment plans.

l. Please provide an example copy of an SBC from each state or service territory.

Response: SCB is the billing option in several competitive markets – including Alberta, Canada, Georgia, Illinois and Texas – and the Market Participants provide SCB in one or more of these markets, issuing more than 3 million bills per month. In addition, Ohio initiated a pilot program for SCB and Maryland is in the process of developing regulations, business processes and EDI/XML transactions to implement SCB as a billing option for both electricity service and natural gas service.

a. Alberta: https://www.qp.alberta.ca/documents/Regs/2003_159.pdf
Texas: http://www.ercot.com/mktrules/guides/retail/current and Subchapter R of the PUCT's Substantive Rules at http://www.puc.texas.gov/agency/rulesnlaws/subrules/electric/Electric.aspx (e.g., PUC Subst. R. 25.479, 25.480, and 25.481)
Georgia: http://rules.sos.state.ga.us/GAC/515-7-6
Maryland: in development

b. Yes. In all three markets where SCB has been implemented, suppliers can direct the regulated utility to disconnect for nonpayment. In each market, suppliers purchase the receivables of the regulated utility, i.e., the utilities bill suppliers for the transmission and distribution charges associated with the customers' usage, and suppliers are responsible for paying the utilities' charges in full even if the customer does not remit payment to the supplier to cover those charges. Non-payment of electric service charges (both

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF ITS CLEAN ENERGY FUTURE-ENERGY CLOUD ("CEF-EC") PROGRAM ON A REGULATED BASIS
BPU Docket No. EO1810111

STAFF'S DISCOVERY REQUESTS TO MARKET PARTICIPANTS

Date of Response: 9/21/2020
Witness: Gibbons, Leah

S-MP-7 Supplier Consolidated Billing

a. Approximately how many utilities have made consolidated billing available to the Market Participants?
b. Please quantify the total number of retail customers who currently receive consolidated bills from the Market Participants.

Supplier consolidated billing is the *only* billing option available in Texas (for electricity) and Georgia (for natural gas), and it is a billing option available in Alberta, Canada and Illinois. The Maryland PSC has directed all the Maryland electric and natural gas utilities to implement SCB and stakeholders are currently working to develop regulations, business processes, tariff language and customer education plans to implement SCB by 2023. The Pennsylvania PUC has taken proposals to implement SCB under advisement and has yet to issue a decision.

The Illinois natural gas utilities allow SCB for any size customer. There is at least one supplier using it for gas for residential customers and it is the standard for C&I, but the Market Participants have not done a broader study on other suppliers' use. For the electric utilities in Illinois, SCB is available for non-residential customers and suppliers commonly use it. However, the all in/all out tariff restriction for residential customers, and utility programming requirements has made SCB inoperable for residential customers.

In Ohio, AEP Ohio has a pilot SCB program which was poorly built to be unusable. Direct Energy received approval for an SCB bill format but the programming for the pilot resulted in lack of use. Dayton Power & Light in Ohio has a tariff to allow for SCB but never fulfilled programming requirements. A recent settlement will allow for SCB programming and pilot use and awaits implementation.

In terms of number of customers who receive consolidated bills, the Market Participants currently send out more than 3 million bills per month to customers in states where SCB is available.

Schedule TM-CEF-EC-10

New Jersey Board of Public Utilities

Notice of Working Group Meeting
on
Purchase of Receivables and Price to Compare
February 8, 2011

Board Staff is creating a Working Group to address the following Energy Competition issues: 1. Purchase of Receivables (wherein the party providing consolidated billing assumes or purchases the account receivables of the non-billing party); and 2. Price to Compare (the utility price that shopping customers can use to evaluate offers from competitive suppliers).

Specifically, Staff seeks input on the following issues. Board Staff will modify this list as it deems appropriate as the working group progresses.

A. Purchase of Receivables:

Drop to dual billing: when this is done, how and when information on delinquent accounts is reported to TPSs, differences between gas and electric industry operations, etc...

B. Price to Compare:

1. Calculation and components of each distribution company's Price to Compare for each customer class;
2. Presentation of the current Price to Compare on customer bills;
3. Presentation of the Price to Compare data (current, historical and pending requests for changes) on distribution company websites.
4. Possible future amendments to the Board's Energy Competition Rules at N.J.A.C. 14:4-7.4 (a)4 and (b)2. These sections require that marketing materials targeting residential customers must include certain information. If the Price to Compare data on distribution company websites is expanded, should we consider modifying these requirements so that the marketing materials could include a link to these websites rather than the actual information?

The first meeting will be held as follows:

Date / Time: February 8, 2011 at 10:00am
Location: Board of Public Utilities – Newark Office, Board Hearing Room
Address: Two Gateway Center, Newark, NJ 07102
Call-In#: (866) 255-8320, Participant Code: 898759

If you wish to participate in this Working Group, please attend this meeting. If you are unable to attend in person, you may also call in to the meeting using the above phone number.

If you would like to participate in this Working Group but are unable to attend the first meeting in person or by phone, you may send an e-mail to energy.comments@bpu.state.nj.us stating that you would like to be a participant. Please include your name, title, company name, phone

number, and e-mail address and put “POR/PTC Working Group” in the subject. You will receive an e-mail back within 3 business days stating that your request has been received.

RESA[1] STRAW MAN PROPOSAL FOR POR IN NEW JERSEY

I. What is a Purchase of Receivables ("POR") program?

A Purchase of Receivables ("POR") program is a regulatory program coupled with utility consolidated billing, under which the local utility reimburses non-utility suppliers of energy commodity for their customer charges and assumes responsibility for the collection of the charges for commodity service from the non-utility supplier's customers. In the event that a customer of a competitive supplier does not pay charges owed for commodity service provided by the customer's supplier, the local utility has the same recourse it has where the utility is the provider of BGS commodity service to the customer, i.e., late fees and disconnection of service.

II. Why is POR an important feature of the New Jersey competitive retail market?

POR is an important tool to facilitate retail competition, particularly for those suppliers who choose to serve mass-market customers. In New Jersey, retail suppliers are at a competitive disadvantage compared to BGS service, in terms of uncollectible costs. Under New Jersey's current rules, only utilities can terminate electricity service to a customer that fails to pay its electricity supply charges. Because service termination is an effective collection tool, BGS service provided by the utilities has a competitive advantage over retail supply.

POR also helps mitigate the anticompetitive effects of improperly allocated uncollectible account expenses. Currently BGS supply prices do not reflect BGS-related uncollectible costs; however the electric distribution company is currently provided the unique opportunity to recover all uncollectible account expenses associated with the provision of BGS service in its non-bypassable distribution rates that all customers are required to pay. This cross-subsidization creates an unfair competitive advantage for BGS service because retail supplier offers must reflect this cost. Absent a properly structured POR mechanism to mitigate uncollectible account expenses for retail suppliers, these suppliers must account for the risk of uncollectibles in their offers. Therefore, a customer who shops is forced to pay for uncollectible account expenses twice—once to the utility through non-bypassable distribution rates for BGS-

[1] RESA's members include: Champion Energy Services, LLC; ConEdison *Solutions*; Constellation NewEnergy, Inc.; Direct Energy Services, LLC; Energy Plus Holdings, LLC; Exelon Energy Company; GDF SUEZ Energy Resources NA, Inc.; Green Mountain Energy Company; Hess Corporation; Integrys Energy Services, Inc.; Just Energy; Liberty Power; MXenergy; NextEra Energy Services; Noble Americas Energy Solutions LLC; PPL EnergyPlus; Reliant Energy Northeast LLC and TriEagle Energy, L.P.. The comments expressed in this filing represent the position of RESA as an organization but may not represent the views of any particular member of RESA.

related uncollectible costs, and again to its retail supplier as part of their competitive supply price.

III. Problems with the existing structure

The existing POR programs in New Jersey are not effective at creating a true, level playing field between retail suppliers and BGS service. This is because the current programs only require the utilities to purchase retail supplier receivables up until the point where a customer reaches 60 days in arrears for electricity commodity service, and 120 days in arrears for natural gas commodity service. After this point, the account is reverted to dual billing and the retail supplier assumes all risk of non-payment while the utility continues to collect uncollectible costs. As discussed above, since only the utility can terminate electricity service to a customer that fails to pay its electricity supply charges, the retail supplier is at a competitive disadvantage in terms of uncollectible costs. This fact is a primary deterrent in preventing retail suppliers who wish to use a POR program from participating in the current POR program in New Jersey.

Also, the current "60-day revert to dual billing" rule is not being properly implemented by some utilities. In some cases customers are being reverted to dual billing for retroactive periods which presents additional financial harm for suppliers.

IV. Proposals for POR improvements

- POR should be without recourse. The current "revert to dual billing" rule should be eliminated. The utility should purchase the accounts receivables for customers served under the utility consolidated billing option. The utility should pay the retail supplier regardless of whether the utility receives payment from the customer.
- For those suppliers who choose to use POR once the utility purchases the supplier's receivables, the utility should be free to pursue current collection practices for the purchased supplier charges, including service disconnection for non-payment. This ensures that overall uncollectible accounts expense is minimized for the benefit of POR customers by lowering the amount reflected in distribution rates.
- POR should be available to all customer segments, including residential, commercial and industrial customers.

- RESA supports the full and complete unbundling of generation related uncollectible account expense and other billing and customer care costs from distribution rates. Where unbundling has occurred, it is appropriate for the utility to charge suppliers using POR a discount rate to recover experienced, prudently incurred incremental uncollectible costs resulting from the POR program. RESA urges the Board to continue to take measures toward achieving this desired end-state, and emphasizes that other solutions discussed herein related to mitigating the unfair advantage currently placed on suppliers should be considered as this transition steps towards full unbundling.

- Until such unbundling occurs, however, suppliers utilizing POR should not be charged a discount rate. Without full unbundling, imposing a discount rate on suppliers using POR would force customers to pay for uncollectible costs twice: once to the utility through their non-bypassable distribution rates, and again to the supplier who would factor into its prices an amount to reflect the cost of the discount rate. It should be noted however, that a POR program cannot alleviate the unfair competitive advantage for customers not utilizing POR (i.e. those served through dual billing). Only full unbundling can rectify this competitive disparity.

- Any actual, incremental implementation costs to develop POR should be recovered only from those suppliers utilizing utility consolidated billing.

7001 SW 24 Avenue
Gainesville, FL 32607

RE: New Jersey Purchase of Receivables Proposal

To Whom It May Concern:

These comments are submitted by Infinite Energy, Inc., known as Intelligent Energy in the Northeast ("Infinite"), in reference to RESA's "Straw man Proposal for POR in New Jersey" distributed by email to the working group participants on February 9th.

Infinite serves many thousands of residential and small commercial customers in several retail markets, including New Jersey, New York, Texas, and Georgia. In Infinite's experience, a Purchase of Receivables (POR) program implemented in conjunction with Utility Consolidated Billing (UCB) is one of many possible steps towards the goal of unbundling and competitive restructuring. As RESA points out in their Straw man Proposal, under such a design customers are provided a greater array of choice while ensuring a level playing field for retail suppliers who choose to participate.

However, Infinite proposes that to be truly successful, any POR program should be fully reciprocal. In other words, customers should also be able to choose Supplier Consolidated Billing (SCB) under a POR or "Assumption of Receivables" arrangement wherein suppliers acquire the distribution company's receivables and bill for both commodity and delivery on a single Supplier bill. If properly designed and deployed in conjunction with a UCB/POR option, Supplier Consolidated Billing is an appropriate step towards full unbundling, market transparency, and full customer choice.

Such reciprocity allows for competitive billing – a hallmark of customer-friendly retail energy markets and a valuable option for customers who prefer single-bill models. Like many suppliers, Infinite has invested significant expense and experience in developing proprietary billing systems which our customers should be empowered to choose for their commodity and delivery charges.

Infinite appreciates the opportunity to participate in this conversation towards our shared goal of serving the interests of New Jersey's retail energy customers.

Respectfully Submitted,

Infinite Energy, Inc., d/b/a Intelligent Energy

Richard F. Paez
Regulatory Affairs

Dated March 16th, 2011
Gainesville, Florida

COMMENTS OF RELIANT ENERGY NORTHEAST LLC

Reliant Energy Northeast LLC. (REN), is a wholly owned subsidiary of NRG Energy, Inc., one of the nation's largest, most diverse power companies with over 24,000 MW of generation and subsidiaries that provide retail electricity in various states with competitive retail electricity markets. REN is currently licensed to sell retail electricity in New Jersey, Pennsylvania, Washington DC, Maryland, Delaware and Illinois. REN appreciates the opportunity to provide the New Jersey Board of Public Utility (NJ BPU) comments in the Price to Compare (PTC) and Purchase of Receivables (POR) working group forum

REN fundamentally supports POR and endorses the comments of RESA addressing that subject. In these comments REN addresses an important feature of competitive markets, retailer direct access to end-use customers through the billing process that should be considered by the BPU to maximize end-use customer benefits.

REN acknowledges the many steps taken by NJ BPU to foster the growth of a competitive retail electricity market in the State. New Jersey is in the enviable position of being able to research models that have been instituted around the country and evaluate, consider and adopt the approaches that have worked best. In so doing New Jersey can continue to develop retail competition and maximize benefits for consumers that a robust competitive market offers.

The Texas retail electricity competitive market, started in 2002, is a model worth observing as it is considered by many to be thriving and perhaps the most successful competitive market in the country. For example, currently Texas has approximately 113 number of certificated competitive retail providers selling to both C&I and residential customers.

To maximize the benefits of a competitive market, companies must be permitted access to the customers making decisions about the products and services they are purchasing. Customers choose products and services for any number of reasons; price, flexibility, brand name, expected service quality, to name a few. If the provider of the product and service does not have frequent access to the customer to differentiate what they are offering vs. a competitor's products, the customer will not have complete information on which to base a decision.

In Texas, retail electric providers maintain the ongoing relationship with the end-use customers. Retail electric providers market their products and services, field customer inquiries about their electricity usage and send customers their bills. The regulated transmission provider sends the retail electric provider the bill for transmission service, which must be paid by the retailer within the Commission approved time period, regardless whether the end use customer pays the retail electric provider. With this design the utility bad debt risk and operational costs are significantly reduced because the utility is agnostic as to whether the end use customer has paid. Additionally, absent the requirement to handle a majority of billing and general customer service inquiries the

overhead to support these operations is significantly reduced, resulting in lower overall utility costs that ratepayers must bear. The utility's overhead related to call center agents would be reduced and costs related to ever changing requirements to support billing requirements would be eliminated. Another significant cost savings would be the utility's reduced bad debt as retailers would be paying the utility's bills upon receipt, irrespective whether the end use customer pays the retailer. While this model increases bad debt exposure to the retailer, it is a necessary by product of true competition. This risk should lie with the entities that are competing with each other, not the regulated entity that is providing a tariffed service.

REN believes it is imperative to allow retailers, the entities best suited to provide end use customers with unique products and services tailored to meet individual needs, to have an on-going relationship with its customers. Absent frequent communication with the retailer via customer service, billing, etc. customers will only see competition as artificially limited by unnecessary restrictions. They will have less information upon which to base their purchasing decisions and the market is less likely to flourish as retailers won't have incentives to innovate in order to differentiate their products.

In Texas, retailers have the primary relationship with customers because the retailer, not the transmission provider, maintains the monthly touch point via the electricity bill to the end user. This arrangement allows retailers the opportunity to understand the unique needs of customers and tailor their services to meet those needs, or fear losing the customer to another competitive entity.

Direct access to the customer through the electricity bill is part and parcel of an overall model that has worked quite well in Texas. While a significant feature of that model helping to ensure customer benefits, direct billing from retailer to end-use customer requires concomitant features to work properly. With direct billing from retailers to end-use customers, retailers would be paying utilities for their transmission and distribution charges before being paid by the end-use customer. Therefore, retailers would assume the bad debt risk that utilities would otherwise have. This additional risk can only be assumed because competitive retailers do not have an obligation to serve nonpaying customers.

While there are many aspects of the Texas market that work together to create the vibrant retail market that exists in that state, REN appreciates the opportunity to provide insight as to how a key feature of that overall design is used to enable retailers to advance customized products and services to customers to ensure that the customer receives the full benefits of a competitive retail market.

REN appreciates the opportunity to provide the above comments and would be pleased to provide additional information about the Texas market or retail competition in general to help the BPU in any manner it believes appropriate as this Forum continues.

New Jersey Board of Public Utilities

Notice of Opportunity to Comment
on
Board Staff's Utility Consolidated Billing / Purchase of Receivables Proposal

In 2011, Board Staff created the Purchase of Receivables ("POR") / Price to Compare ("PTC") working group to address the following Energy Competition issues: 1. Purchase of Receivables (where the party providing consolidated billing (the distribution utility) assumes or purchases the account receivables of the non-billing party), and 2. Price to Compare (the utility price that shopping customers can use to evaluate offers from competitive suppliers).

Based upon the information that Board Staff has received from the participants in this working group and from the collaborative discussions, Board Staff intends to recommend modifications to the current utility POR mechanisms for consideration by the Board. Staff is requesting input from the working group participants and other interested stakeholders on Board Staff's Utility Consolidated Billing / Purchase of Receivables Proposal.

Board Staff's Utility Consolidated Billing / Purchase of Receivables Proposal is posted on the BPU website at http://www.state.nj.us/bpu/about/divisions/energy/porproposal.html. Comments and reply comments will be posted on this page after they are submitted.

Schedule:

Stakeholders submit comments:	March 11, 2013
Stakeholders submit replies to comments:	March 18, 2013
Optional stakeholder meeting (if needed):	Week of March 18, 2013
Target Agenda:	April 29, 2013

Comment Submission:

Please address comments to Kristi Izzo, Secretary. Please submit comments in electronic and hard copy format as follows:

- The electronic copy shall be submitted in Microsoft WORD format, or in a format that can be easily converted to WORD, by e-mailing it to the following e-mail address: energy.comments@bpu.state.nj.us. Please put the following in the subject field of the e-mail: "UCB/POR Proposal Comments" followed by your company or association name.
- The paper copy shall be delivered to:

  New Jersey Board of Public Utilities
  Kristi Izzo, Secretary
  44 South Clinton Avenue, 9th Floor
  P.O. Box 350
  Trenton, NJ 08625-0350

If you would like to be added to the POR/PTC working group service list, please send an e-mail to energy.comments@bpu.state.nj.us stating that you would like to be a participant. Please include your name, title, company name, phone number, and e-mail address and put "POR/PTC Working Group – New Participant" in the subject.