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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's Proposed Policies Governing Restructuring California's Electric Services Industry and Reforming Regulation.	Rulemaking 94-04-031 (Filed April 20, 1994)
Order Instituting Investigation on the Commission's Proposed Policies Governing Restructuring California's Electric Services Industry and Reforming Regulation.	ORIGINAL Investigation 94-04-032 (Filed April 20, 1994)

OPINION REGARDING THE UNIVERSAL NODE IDENTIFIER SYSTEM

I. Summary

In Decision (D.) 97-12-090, the Commission approved the concept of a universal node identifier (UNI) system (UNIS). Such a system involves the assignment of an identifying label or number to every node or service delivery point (SDP) on the electric utility's distribution system.[1] The identifying number and the associated SDP record would then serve as the point of reference for all the parties participating in the transaction occurring at that particular SDP.

D.97-12-090 authorized the formation of the Universal Node Identifier System Working Group (UNISWG), and directed the group to address the design and implementation issues associated with such a system. A meeting of the UNISWG was convened, and the group submitted its recommendations in

[1] A node generally refers to the numerous points along the path upon which the energy flows and which is capable of being measured. (D.97-12-090, p. 7.) The joint parties define the SDP as the end point of the utility distribution companies (UDCs) electric distribution network.

the March 25, 1998 Workshop Report to the Commission.[2] Comments to the Workshop Report were filed, and subsequently a joint letter addressed to the Commissioners proposed a "preferred alternative" for implementing the UNIS.

Today's decision adopts a UNIS for Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E) and Southern California Edison Company (SCE). These three UDCs shall within 180 days develop and assign SDP numbers to each SDP which serves a direct access end-use customer. These UDCs shall include the SDP number in all information exchanges involving direct access service requests (DASRs) and meter data management.

This decision also requires that all electric service providers (ESPs) include the SDP number in all DASR-related and meter data management-related information exchanges, and that all meter data management agents (MDMAs) include the SDP number in all meter data management-related information exchanges.

II. Background

In the "Report On The July 7, 1997 Direct Access Workshop On Retail Settlements and Information Flow," it was proposed that common data identifiers be adopted to facilitate the tracking and correlation of direct access customers, meter instruments, and SDPs. One of the suggested data identifiers was the UNI.

The Commission recognized in D.97-12-090 that a window of opportunity exists to adopt and implement a UNI numbering system. This opportunity arises because direct access is still in its infancy and some of the implementation details associated with direct access transactions are still being refined and

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[2] The Workshop Report is entitled "Recommendations for Implementing a UNIS for California's Electricity Market."

adjusted. D.97-12-090 acknowledged that such a system could enhance the ability to track electricity transactions. (D.97-12-090, p. 9.)

The UNISWG submitted its Workshop Report in response to the Commission's direction in D.97-12-090. Nine separate comments were filed in response to the Workshop Report.[3] Subsequently, on August 21, 1998, 16 different entities submitted a joint letter to the Commissioners, with a copy to the service list, regarding their preferred alternative for resolving the issues raised in the Workshop Report.[4] The preferred alternative simplifies the UNI number approach while retaining the benefits of such a system, and allows the numbering system to be implemented in a timely manner.

III. The Workshop Report

In D.97-12-090, the Commission approved the UNIS in concept, and authorized the formation of the UNISWG. The UNISWG was formed to address the design and implementation issues concerning such a system, and was directed to address the following five issues:

> "1. What needs to be done in order to secure the cooperation of the UDCs, the ESPs, other entitities providing metering services, the SCs [scheduling coordinators], and the ISO [Independent System Operator], in designing and implementing a UNI numbering system.

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[3] The parties who filed comments to the Workshop Report were: the California Energy Commission, Enron, Northern California Power Agency, Office of Ratepayer Advocates (ORA), PG&E, SDG&E, Sierra Pacific Power Company, and SCE. In addition, Cellnet Data Systems, Christian Energy, Eastern Pacific Energy, Keystone Energy, PowerCom and Utilisis, as members of the California Competition Network and the Environmental Marketing Group, filed joint comments.

[4] The 16 signatories to the joint letter come from the following organizations: California Energy Commission, CellNet Data Systems, PG&E, Enron, SDG&E, SCE, Automated Power Exchange, FirstPoint Utility Solutions; ABAG Power, SPURR/REMAC, ORA, eT Communications, Green Mountain Energy Resources, L.L.C., California Competition Network, Schlumberger RMS, ConnexT, and C3 Communications.

"2. Should the UDCs, in cooperation with the ISO and with the input of other market participants, develop the database of all SDPs?

"3. Should a single entity be responsible for maintaining and updating the UNI numbering system, or should each UDC maintain and update a UNI subsystem within its own service territory?

"4. What type of control systems need to be instituted, and by whom, in order to use the UNI system for informational purposes and to detect distribution losses?

"5. How should the expenses associated with the design, maintenance and upkeep of the UNI system be treated?" (D.97-12-090, p. 10.)

The Energy Division held a workshop on January 29, 1998 to discuss the above issues and to develop a plan for filing the Workshop Report. The workshop participants developed proposed answers to the questions and selected a drafting team to prepare the report and to incorporate comments from the participants. Two subsequent meetings were held on February 19, 1998 and March 9, 1998 to revise the draft report. The Workshop Report was then finalized at a meeting held on March 17, 1998, and submitted to the Commission on March 25, 1998.

The Workshop Report describes the UNIS as "a system for assigning a unique, permanent, non-intelligent identification number (the UNI number) to each service delivery point (SDP) on each electric utility distribution system."[5] The Workshop Report defines the SDP as "the point where regulated pricing of retail delivery services ends and the domain of competitive end-user products and services begins." (Workshop Report, pp. 4, 16.) The Workshop Report

[5] The assignment of the SDP occurs only in the database. There is no physical labeling of each SDP.

recommends that the SDP record consist of three attributes: the UNI number, the UDC who serves the SDP, and a description of the physical location of the SDP. The Workshop Report states that the SDP record could be expanded in the future to include other kinds of relevant information.

The Workshop Report contains the responses of the UNISWG to the five questions posed by the Commission and are summarized below.[6] The appendices to the Workshop Report provide additional information about the UNIS and how it could be implemented. Since the appendices were not discussed much at the UNISWG meeting, they do not represent any consensus among the workshop participants.

In response to the first question, the UNISWG states that in order to secure the cooperation of other parties, further effort is needed to identify and evaluate the benefits of the UNIS, and to determine the implementation requirements of each of the various parties. In addition, the proposals need to contain sufficient detail to allow realistic cost estimates to be developed. These further efforts include additional research, discussion, thinking, education of the parties, and linkages with other working groups, as well as regulatory intervention by the Commission, the Independent System Operator (ISO) and the Federal Energy Regulatory Commission.

In response to the second question, the Workshop Report states that assuming the Commission decides that the benefits of the UNIS justify its implementation, the workshop participants agree that the UDCs should develop the SDP database. Input on the design of the UNIS should also be solicited from other parties since the design effort should be a collaborative process. The Workshop Report also recognizes that the UDCs have different constraints and

[6] More detailed explanations of each response can be found in the Workshop Report.

existing systems which affect their ability to implement such a system in the near term.

Regarding the third question, the Workshop Report states that the UDCs should be responsible for assigning the UNI numbers and creating the SDP records. The workshop participants disagree as to whether a single, third party entity should be responsible for maintaining the SDP database and managing access to it. The participants recommend that further discussion with all relevant parties take place to define the responsibilities that should be assigned.

In response to the fourth question, the Workshop Report notes that three categories of control systems need to be established. The first system is one to ensure the proper functioning and integrity of the UNIS. The second system is to protect the confidentiality of potentially sensitive information. The third system is to ensure that the UNIS accomplishes its intended purposes.

On the fifth question, the workshop participants agree in concept that some costs should be recovered by the UDCs in accordance with authorized expense criteria, and other costs should be recovered from direct access participants through the ESPs. The allocation of the costs to these two groups should depend on the statement of work that is to be developed for the UNIS and who is identified as being responsible for the design and implementation activities.

Section 1.2 of the Workshop Report recommends that a process and schedule be adopted whereby the UNISWG develops specific UNIS proposals for the Commission, together with the costs of implementing such proposals. The Workshop Report proposes that such a report be filed within four months of the submission of the Workshop Report.

IV. Comments On The Workshop Report

Although 16 of the parties interested in the UNI issue have proposed a preferred alternative, it is useful to review the comments to the workshop report because they provide an insight into the kinds of issues the Commission needs to be concerned about. Instead of summarizing the individual comments of each of the non-UDC parties, we have grouped their comments by the type of issue that is raised.

Many of the non-UDC parties who filed comments favor the concept of a UNIS, and recommend that immediate steps be taken to implement some form of such a system. These parties believe that the UNIS will result in many benefits such as: (1) facilitating competition; (2) reducing errors associated with SDPs and reducing the possible corruption of data; (3) lowering overall transaction costs; (4) providing a consistent point of reference; (5) improving routine data exchanges; (6) simplifying auditing and tracking procedures; and (7) increasing the certainty with which commercial disputes can be resolved.

These non-UDCs favor the immediate implementation of a UNIS because of the developing direct access market. They comment that the introduction of a UNIS at this stage will not cause major disruptions to the UDC's computer systems or personnel, and that UNIS can be implemented much more quickly because the number of current direct access customers is still relatively small. Also, since the UNIS can affect how other direct access transactions and procedures are designed, the quicker the UNIS is implemented, the better.

Some of the non-UDCs contend that the Workshop Report does not identify the specific actions that are needed to implement a UNIS. Instead, the Workshop Report calls for a process to further discuss the need for a UNIS, the benefits of such a system, the various proposals for a UNIS, and the estimated costs for each proposal. These commenting parties believe that the Commission

should immediately adopt a set of minimal steps to implement a UNIS at a modest cost, and direct affected parties to do the following: (1) the UNISWG participants and other interested parties should promptly design the UNI number data field and develop the necessary rules and procedures to ensure that the numbers will be unique and permanent; (2) the UDCs should be directed to create a UNI field in all standard DASR-related transactions; (3) the UDCs should be directed to assign UNI numbers to all DASRs it has processed to date, and on a continuing basis to all future DASRs; (4) the UDCs should be directed to incorporate the UNI field into all standard meter data management transactions; (5) the Permanent Standards Working Group (PSWG) should be directed to incorporate the UNIS into its recommended performance standards for MDMAs; (6) the UDCs should be directed to maintain a master list of all direct access UNI numbers for SDPs on their distribution systems, and that such numbers be readily accessible by all authorized parties; (7) the UDCs should be directed to create SDP records that correspond to each UNI number, and that each SDP record include the UNI number; the identity of the UDC; the physical location of the SDP; and the identity of the ESP serving the SDP, together with the service start and end dates; (8) that the Data Quality and Integrity Working Group (DQIWG) be directed to assume the existence of the UNIS as a given element and to incorporate that assumption into its recommendations for addressing data quality and integrity problems; (9) that anyone interested in performing the activities that are assigned to the UDCs be invited to participate in the event the UDCs cannot implement the system because of cost concerns or operational constraints; (10) in anticipation of extending the UNIS to all SDPs in the UDC's distribution systems, the UDCs should identify and exploit low-cost opportunities to create UNI numbers for those SDPs; and (11) the parties should be directed to design the UNI data field and numbering rules to ensure that the

design does not preclude expanding the UNIS to incorporate gas SDPs or its ability to link the California UNIS to a multistate or national system.

The UDCs who commented acknowledge that the UNIS may have benefits, but believe the Commission should take a more cautious approach before a UNIS is adopted. Since each of the UDC's comments raised different concerns, we have summarized each of their comments below.

PG&E acknowledges that there are benefits to a UNIS, but contend that more thought and analysis are needed to understand the costs and design requirements of such a system. PG&E cautions that before the Commission adopts and implements a UNIS, the Commission must consider the cost impact of such a system and determine whether all market participants support such an undertaking. The Commission needs to consider the impact on other Commission-mandated activities that the UDCs are already required to undertake before the Commission orders the implementation of the UNIS. Section 1.2 of the Workshop Report provides a process and timeline to resolve these kinds of concerns.

PG&E contends that the cost estimates and model which are contained in the Workshop Report were developed without the input of PG&E, and that they are unrealistic. PG&E estimates that the programming cost to identify and link the various types of customer information to the UNI numbers will be at least $8 to $10 million. PG&E estimates that the cost to design and establish a database of SDPs will cost an additional $5 million. These costs may increase depending on the final scope of an adopted UNIS implementation plan.

PG&E supports SDG&E's proposal for a limited test of a possible UNIS. PG&E feels that the information gathered from the pilot can be used to assess whether the UNIS should be expanded.

SCE commented that the Workshop Report reflects considerable disagreement between the parties. SCE believes that the cost of implementing a UNIS is likely to be significant. SCE estimates that the cost may range from $3 million to $10 million, and that the cost may increase if the UNIS is linked to other databases. SCE feels that the cost of such a system may exceed the intended benefits, and that since the UNIS is not required for the market to function, customers should not be burdened with additional Public Utilities Code § 376 charges.[7]

The workshop report contains suggestions that the UNIS be used to track unaccounted for energy losses or distribution losses. SCE contends that the method described in the report will only detect the nonreporting of energy and not any misreporting. SCE believes that any system used to detect misreporting will also capture non-reporting, which makes the UNIS superfluous. SCE believes that the decision to implement a UNIS should wait until the DQIWG decide how UFE and distribution losses can be accounted for.

SCE also responded to the five questions asked in D.97-12-090. In response to the first question, SCE contends that there is disagreement as to whether the UNIS is necessary, and that all the parties first need to agree that the UNIS is needed. The next step then is to estimate the costs of such a system, and whether the participants are willing to pay for such a system. SCE favors the proposal in the Workshop Report which recommends that specific proposals and cost estimates be developed first.

On the second question, SCE does not see the need to create a database of all SDPs. Should the Commission find that a new numbering system is needed, SCE supports working with market participants to develop a numbering system.

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[7] All code section references are to the Public Utilities Code.

Regarding the third question, SCE contends that since the UDC is responsible for creating and maintaining the SDPs, the UDCs should be responsible for assigning the numbers to the SDPs. SCE believes that having other entities assign the numbers would complicate the process, increase costs, and cause delays or errors in assigning the UNIs to each SDP.

In response to the fourth question, SCE states that procedures are already in place to track information between the parties, and that the UNI number would just be an additional informational field. If the UNI numbers are linked to customer and meter information, care must be taken to ensure that ESPs are restricted to only accessing their customer-specific data.

With regard to the fifth question, SCE states that it already has a numbering system that is being used by ESPs for MDMA and DASR transactions. These numbers remain constant so long as the customer resides at the particular SDP. The cost of this system is already in rates. If a new numbering system is implemented, then the UDCs, existing ESPs, and the MDMAs must change their systems from the current functioning system. SCE contends that if a new numbering system is developed, the costs should not be recovered from ratepayers through § 376 costs. Instead, the cost of the new numbering system should be borne by the ESPs and the MDMAs.

SCE agrees that the UNI can serve as an informational tool, but contends that the use of such a number will not reduce the information needed for certain transactions such as submitting DASRS or posting usage information on the MDMA server. SCE also contends that the use of a UNI for each SDP may be a problem if two different customers have financial responsibility for the same SDP during a month, which is frequently the case with apartments. In addition, by assigning a single UNI to each SDP will inevitably lead to mistakes because of human error.

SCE also commented on Appendix A which was attached to the Workshop Report. SCE recommends that the Commission disregard the information in Section A.1 of the Appendix because that information was not discussed at the workshop. SCE states that one of the alleged benefits of a UNI number is that it eliminates the need for service account numbers and meter identification numbers. SCE believes, however, that the identity of the customer at the site is just as important as the identification of the site. Requiring that service account information be provided when a DASR is submitted is one way of reducing slamming since the ESP must obtain the service account information from the customer. If a list of UNIs was used instead, SCE contends that unethical ESPs could more easily submit false DASRs.

Section A.2 of Appendix A describes a process that would compare reported usage to a master UNI list on a daily basis to detect SDPs that have not been accounted for. SCE states that such a process may result in more time being spent comparing the reported usage to the SDPs, than finding an SDP that was not included in a scheduling coordinators' submission to the ISO. In addition, SCE contends that the UNIS offers minimal protection in identifying inaccurate reporting situations, and it would not detect underreporting of a meter's usage or misapplication of distribution loss factors and load. SCE states that it is developing internal systems to detect when an ESP fails to schedule for a customer or under reports usage load. SCE contends that such systems are more feasible and cost effective than an auditing system based solely on a UNI numbering system.

Section A.3 describes the possible cost recovery of the UNIS from direct access customers. SCE does not support that proposal because it places the recovery burden on the UDC. SCE also contends that there should be no pre-set limit on the costs of such a system because § 376 allows the UDC to recover the

reasonable costs that are required to implement direct access. SCE also points out that the scope of the UNIS project is likely to change as new issues arise, which will further increase costs. SCE favors a cost recovery proposal that would recover the costs from those who benefit from the system.

Sections A.4 and A.5 of Appendix A discuss proposals to link the UNIS to other information, and that such information be maintained by a central entity. SCE contends that the creation of a new entity is not needed, and that this will simply increase costs and regulatory oversight. SCE also contends that a central database would duplicate the information that the UDCs already have. SCE asserts that if there is a benefit to these two proposals, then it should be left to the marketplace to develop this capability and the costs should be recovered from the entities that want those kinds of services.

SDG&E is of the opinion that the UNIS, as discussed in the Workshop Report, needs extensive additional work before the Commission should support such a concept.

SDG&E generally agrees with the Workshop Report that a UNIS can help in the settlement process. However, SDG&E believes that this goal can be met more simply, inexpensively, and immediately, by a basic numbering system that would be used for direct access accounts. Such a system would use a unique reference number to identify a particular SDP. By adding the UNI to a customer's DASR and MDMA records, SDG&E asserts that all of the necessary elements will be available to facilitate the settlement process. SDG&E does not believe that a more elaborate UNIS is necessary, and additional consultants and clearinghouses should not be employed to develop the UNIS concept.

SDG&E supports the development of a pilot program to test the settlement process with at least one ESP and one scheduling coordinator. SDG&E believes that such an experiment can provide valuable information

about the UNIS concept, and can be used to better define costs and benefits. SDG&E is willing to conduct this pilot on its direct access accounts using existing system logic to create a UNI for all these SDPs. If such a proposal is approved, SDG&E will conduct the pilot and report on its results to the Commission and all parties.

V. Joint Parties' Proposal

In the preferred alternative, the joint parties have proposed that a unique identifying number be assigned to each direct access SDP. The proposal defines the SDP as the end point of the UDC's electric distribution network, where the energy is delivered by the UDC to the end-use customer. Most often, the SDP is the individual meter socket. There are exceptions, such as in the case of some street lights where meters may not be present.

This unique identifying number would be referred to as the SDP number. Each SDP number would be a unique number. It is proposed that the SDP number have a maximum length of 36 characters and consist of two segments. The first segment of the SDP number field would be UDC-specific. The second segment would consist of a field up to 29 alphanumeric characters which would be assigned by each UDC, so long as the uniqueness is preserved within its own service territory. The SDP number would be permanently assigned to each SDP, and would not change for the service life of the SDP.

The joint proposal calls for the SDP number to be incorporated into all DASR and MDMA information exchanges involving a direct access SDP. In addition, the proposal calls for the SDP number to be used in the metered usage data that is passed by the ESPs to the scheduling coordinator and then to the ISO for settlement. As other information exchanges are identified, the SDP number may be used in those other exchanges if agreed to by the parties.

The proposal calls for each of the three UDCs to create a numbering system using their present systems. For SDG&E, existing system logic would be used to create SDP numbers for all SDPs in SDG&E's service territory. SDG&E's numbering system would use the 12 digit premise identifier that is currently in use by SDG&E, with a prefix that would be assigned to SDG&E to ensure the uniqueness of its SDP numbers.

PG&E currently assigns a unique identifying number to each new direct access account, which it refers to as its "gen-ID." All direct access customers in PG&E's service territory have a gen-ID number, and all future direct access customers will have one as well. PG&E's existing customer records, including UDC, ESP and meter address identifiers, are linked to the gen-ID. Under the joint proposal, PG&E would continue to use the gen-ID.

PG&E's gen-ID are semi-permanent. The gen-ID changes only when the customer at the meter changes. PG&E proposes to work with the appropriate subgroup of the Rule 22 Tariff Review Group to address the permanency of its gen-ID numbering system and numbering format.

SCE currently assigns a service account number to all of its direct access accounts. This number is site and customer specific, but like PG&E's numbering system, changes when a new customer assumes responsibility for the SDP. SCE currently communicates this number as part of its DASR and MDMA transactions.

SCE also utilizes a nine digit installed service number to identify a SDP. This number does not change if the meter or customer changes at the SDP. SCE currently places the letters "SCE" in front of the installed service number. At the present time, the installed service number is not used in the DASR or MDMA process, though it could be included. The joint proposal states that SCE will commit to placing the installed service number in its DASR and MDMA data

exchanges when there is an update to the DASR and MDMA communication standards.

The joint proposal calls for the assignment of SDP numbers to all direct access SDPs by January 1, 1999. For existing direct access SDPs, it is proposed that the UDCs inform the relevant ESP of the SDP number through an account maintenance transaction. For new direct access SDPs, it is proposed that the UDCs include the SDP number in their response to the ESP's DASR. The ESP would then be responsible for providing the SDP numbers for all of its SDPs to its MDMA and scheduling coordinator.

The proposal also calls for the inclusion of the SDP numbers in the DASR and MDMA data exchanges during the next process to update the DASR and MDMA communication standards. To coordinate this inclusion, it is proposed that these efforts be coordinated through the Rule 22 Tariff Review Group and the MDMA Working Group, respectively.

The joint parties also believe that DASR and meter data information exchanges are likely to undergo a migration from the California Meter Exchange Protocol to an electronic data interchange format. The joint proposal calls for resolving SDP number format and permanency issues as part of this possible new format.

The joint proposal recommends that the Commission take the following steps. First, that the Commission authorize the implementation of an energy transactions tracking system in accordance with the joint proposal. Second, that the UDCs be authorized to participate in the implementation process described in the joint proposal, and that reasonable costs be recovered through appropriate regulatory procedures. And third, the joint proposal recommends that the Commission find that the UNISWG has met the Commission requirements as set forth in D.97-12-090 and that the working group process be closed.

VI. Discussion

The opening of the electric industry to competition has resulted in many new information exchanges between the various parties involved in the production, procurement, transmission, distribution and use of electricity. The UDCs presently use a combination of meter numbers, account numbers, and customer names as the SDP identifiers to link the transactions between the various business entities that are involved. There is no single, uniform, permanent numbering system that the UDCs use to identify each SDP. Instead, each UDC maintains its own internal system to track the SDPs. It does not appear that these internal numbering systems are shared with the ESPs and MDMAs when referring to a specific SDP. To minimize these multiple identifiers, and to ensure that such information exchanges remain reliable, the UNI numbering system was proposed.

We are persuaded that a UNIS will be beneficial. One of the advantages of such a system is that a unique number is assigned to each point or site that the UDC, ESP and other entities interact at to provide electricity. The use of such a numbering system will allow all market participants to refer to a particular SDP in an unambiguous manner, rather than using a combination of different identifiers to refer to the same SDP. The assignment of a UNI number to each SDP will also result in an SDP record. The SDP record will reflect the history of the ESPs serving a particular SDP, including the service start and end dates.

Another benefit of moving forward with the adoption of a UNIS is that the other parties who participate in the direct access process will have an incentive to design systems and procedures which utilize the UNI numbering system. For example, if the UDCs are required to develop UNIs and incorporate them into all DASR and MDMA transactions, then the ESPs and MDMAs are likely to utilize the UNI numbers as well. The use of the numbering system by

these entities may also influence scheduling coordinators and the ISO to utilize the UNI number in their transactions as well.

We agree with those commenting parties who contend that the Commission should implement a UNIS as soon as possible, rather than adopting a slower implementation schedule. As recognized in D.97-12-090, an immediate response is favored because direct access is still in its developing stages and a window of opportunity exists to adopt and immediately implement a UNI numbering system. The recommendation in Section 1.2 of the Workshop Report will not result in the rapid implementation of a UNIS. Instead, that recommendation takes a much slower and deliberate approach to establishing such a system. We favor a process and a schedule that is patterned after the preferred alternative. Since the preferred alternative is also supported by PG&E, SCE and SDG&E, the rapid implementation of a UNIS does not appear to be a problem for these UDCs.

In order to quickly implement a UNIS, we recognize that the scope of such a system needs to be limited so that the near-term implementation activities minimize the resource and cost impacts on relevant parties. Thus, the system design should take into account some practical considerations. Since each of the three UDCs currently use their own internal numbering system to identify each SDP, the design of the UNIS should recognize this. With some minor modifications, the present numbering system can result in a quick and low cost numbering plan.

The proposed linkage of the UNIS to other existing databases should also be considered. Instead of linking the numbering system to every SDP and other existing databases, the UNI should only be assigned to those SDPs which serve direct access customers. This will reduce the amount of work the UDCs will have to do because they will not be required to immediately change the

identifiers for every SDP in their service territories. We recognize that in order for the UDC to assign the UNI number to each SDP, an SDP record needs to be maintained as well. This should not be unduly burdensome since all the UDCs currently maintain some version of an SDP record.

Today's decision adopts a UNIS whereby PG&E, SCE and SDG&E shall be responsible for assigning a unique identifying label to each SDP which serves a direct access end-use customer in their respective service territories. For the purpose of the UNIS, a SDP is defined as the end point of the UDC's electric distribution network, where the energy is delivered by the UDC to the end-use customer. In the event no meter socket exists at the end point, the SDP record shall describe the termination point for the SDP. The unique, identifying label that is assigned to each SDP shall be referred to as the SDP number. The design of the SDP numbers and the assignment of the number to each SDP that serves direct access customers, shall be implemented no later than 180 days from today.

As recommended in the preferred alternative, we will permit PG&E, SCE and SDG&E to use their gen-ID number, installed service number, and premise identifier, respectively, as the basis for the SDP numbering system. The UDCs may prefix their respective identifiers with other numbers or letters to ensure that each UDC's SDP numbers are unique. Since the current identifying system that PG&E uses may change as the customer at a particular SDP changes, PG&E and the other UDCs shall be directed to explore ways in which the SDP numbers can be made permanent for the service life of the SDP.

For SDPs that already serve direct access customers, the UDC shall notify the ESP serving the end-use customer at that SDP of the SDP number through an account maintenance transaction. For any new direct access SDP, the UDC shall inform the ESP of the SDP number in the UDC's response to the ESP's DASR.

Each UDC shall also be required to maintain a SDP record. At a minimum, the SDP record shall consist of the following information: (1) the SDP number; (2) the UDC responsible for that SDP; (3) a description of the SDP's physical location; (4) the ESP serving, and those who have served, the end-use customer at that SDP; and (5) the service start date and service end date of each ESP serving that SDP. This kind of information is contained within the DASRs that are submitted to the UDCs. Once the SDP record is created, it will make it easier for all future metering and billing transactions to simply refer to the SDP number when referring to a customer at a specific SDP.

It is appropriate for the UDCs to assign the SDP numbers and to maintain the SDP record because the UDCs are the entities responsible for the distribution system. The UDC is also the primary point of contact when an ESP signs up a new direct access customer. Upon receipt of a DASR form from the ESP, the UDC will have all of the information that it needs to complete the SDP record. Since the UDC is responsible for these efforts, we do not see a need for an independent, third-party to maintain the SDP numbers and SDP records.

The first three items in the SDP record shall be made available to the ESP who submits a valid DASR form for that SDP. Information regarding any prior ESP serving a particular SDP, and the service start and service end dates, shall only be made available if a billing dispute arises. Under such a circumstance, that information shall only be released to the end-use customer and the ESP with whom the bill is disputed.

We shall also adopt the preferred alternative's recommendation that the SDP number be incorporated into all DASR information exchanges that involve a direct access SDP. The UDCs and the ESPs shall include the SDP number in all DASR-related exchanges. We shall require that the SDP number be incorporated into all such information exchanges within 180 days from today.

The preferred alternative also recommends that the SDP number be incorporated into all MDMA exchanges, including the metered usage data that the ESP passes to the scheduling coordinator. We will require that the UDCs, ESPs and MDMAs include the SDP number in all of the MDMA information exchanges among themselves within 180 days from today.

We authorize PG&E, SCE and SDG&E to track in their electric restructuring memorandum accounts the expenditures related to the SDP numbering system and related activities as discussed in this decision. We conclude that the reasonable costs of such expenditures are recoverable from their customers pursuant to § 376 because the costs are being incurred to implement direct access. The decision as to when these costs can be recovered in rates shall be addressed in the transition costs portion of this proceeding.

As noted in the comments and the preferred alternative, some of the parties believe that the DQIWG, the PSWG, and the UDC-MDMA Working Group, should recommend how the SDP numbers can best be utilized for addressing certain concerns regarding data quality, performance standards and metering. We agree that the working groups should be permitted to develop recommendations as to how the SDP numbers should be utilized. We will address such recommendations in a future decision.

SDG&E has proposed in the Workshop Report and in its comments to conduct a pilot to evaluate the use of including UNIs in the settlement process. SDG&E's pilot proposes to involve at least one ESP and the ESP's scheduling coordinator, and if interested, the ISO. SDG&E believes that the pilot will help define and test how the UNI numbers can be used, and what applications are required for the different market participants.

Since this decision orders the UDCs to immediately implement the SDP numbering system and to include the SDP numbers in the transactions between

the UDCs, ESPs, and MDMAs, there is no longer a need for a pilot program that involves the UDCs, ESPs and MDMAs. However, since the use of the SDP numbers does not extend to scheduling coordinators, a pilot program that examines the use of SDP numbers among the scheduling coordinators, the ESPs, and the ISO could be beneficial. If SDG&E still wants to pursue the latter kind of pilot program, SDG&E may file within 90 days from today a motion requesting authorization to do so. The motion shall include a description of the purpose of the pilot program, the kind of entities that will be involved, the duration of the pilot, the estimated costs of conducting the pilot, and the schedule for SDG&E's analysis of the results of the pilot program. The motion shall be filed and served, and responses to the motion may be filed, in accordance with Rule 45 of the Commission's Rules of Practice and Procedure. Should the motion be filed, the Commission will address the motion in a subsequent decision.

As a followup to the implementation of the UNIS, we will require PG&E, SCE, and SDG&E to file and serve either separate or joint reports with the Commission within 180 days from today. The report shall describe each UDC's SDP numbering system; how its numbering system preserves a unique identifier for each SDP; whether each SDP number is permanently assigned to each direct access SDP; and how the SDP numbers will be incorporated into all the different direct access informational exchanges, including the DASR transactions and meter data transactions. Any interested party desiring to comment on the report shall file its comments within 21 days of the filing of the report. Should it be necessary, the Commission shall then issue another decision to address any remaining UNIS issues.

We recognize that at some point, it may be beneficial to extend the SDP numbers to the smaller UDCs, and that consideration be given to extending such a system to municipally owned electric utilities and to other states, as well as to

other delivery points for commodities such as natural gas or water. Suggestions have also been made to extend the use of the SDP numbers to transactions involving scheduling coordinators and the ISO. Due to jurisdictional problems and other reasons, today's decision refrains from imposing any requirements or goals with respect to these issues. Should any party believe that these kinds of issues need to be resolved fairly soon, they can raise those issues in their comments to the UDC report as described below.

Since this decision authorizes the UDCs to design and implement the SDP numbering system, there is no longer a need to continue the UNISWG. The UNISWG should therefore be dissolved.

Findings of Fact

1. The Commission approved the concept of a UNIS in D.97-12-090 and authorized the UNISWG to address the design and implementation issues associated with such a system.

2. The Workshop Report was submitted to the Commission on March 25, 1998.

3. D.97-12-090 recognizes that an opportunity exists to adopt and implement a UNI numbering system during the developing stages of direct access.

4. The August 21, 1998 joint letter to the Commissioners sets forth a preferred alternative for resolving the issues raised in the Workshop Report.

5. The UNIS is described in the Workshop Report as a system for assigning a unique, permanent, non-intelligent identification number to each SDP on the electric utility's distribution system.

6. The SDP is defined in the Workshop Report as the point where regulated pricing of retail delivery services ends and the domain of competitive end-user products and services begins.

7. The Workshop Report recommends that a process be adopted whereby the UNISWG develops specific UNIS proposals for the Commission, together with cost estimates for implementing such proposals.

8. The non-UDC parties who filed comments favor the concept of a UNIS, and recommend that immediate steps be taken to implement some form of such a system.

9. The UDCs who commented recommend that the Commission take a more cautious approach before adopting a UNIS.

10. The preferred alternative proposes that a unique identifying number be assigned to each direct access SDP.

11. The preferred alternative defines the SDP as the end point of the UDC's electric distribution network, where the energy is delivered to the end-use customer by the UDC.

12. The preferred alternative recommends that the SDP number be incorporated into all DASR and MDMA information exchanges involving a direct access SDP.

13. Opening the electric industry to competition has resulted in many new information exchanges between the various parties.

14. The UDCs presently use a combination of meter numbers, account numbers, and customer names as the SDP identifiers to link the transactions between the various business entities that are involved.

15. The use of a UNIS will allow all market participants to refer to a particular SDP in an unambiguous manner, rather than using a combination of different identifiers to refer to the same SDP.

16. Since the preferred alternative is supported by PG&E, SCE and SDG&E, the rapid implementation of the UNIS does not appear to be a problem for these UDCs.

17. There is no need for an independent, third-party to maintain the SDP numbers and SDP records.

Conclusions of Law

1. The Commission should implement a UNIS as soon as possible.

2. PG&E, SCE and SDG&E should be directed to design a SDP numbering system and to assign SDP numbers to each SDP that serves a direct access end-use customer.

3. The ESPs should be required to include the SDP number on all DASR-related and MDMA-related information exchanges.

4. The MDMAs should be required to include the SDP number on all MDMA-related information exchanges.

5. The reasonable costs of the SDP numbering system and related activities are recoverable from their customers because the costs are being incurred to implement direct access.

O R D E R

IT IS ORDERED that:

1. A universal node identifier system (UNIS), as discussed in this decision, is adopted for Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and Southern California Edison Company (SCE).

   a. Within 180 days from today, these three utility distribution companies (UDCs) shall develop and assign a unique, identifying label for each service delivery point (SDP) which serves a direct access end-use customer in their respective service territories, and shall maintain a SDP record for each SDP number in the format described in this decision.

b. For each direct access SDP, the UDCs shall notify the electric service providers (ESPs) serving those SDPs of the corresponding SDP number.

c. The UDCs shall explore ways in which the SDP numbers can be made permanent for the service life of the SDP.

d. Within 180 days from today, the UDCs shall include the SDP number in all direct access service request (DASR)-related information exchanges and in all meter data management-related information exchanges.

e. PG&E, SCE and SDG&E are authorized to track their expenditures for the SDP numbering system and related requirements in their memorandum accounts that were established pursuant to Public Utilities Code § 376.

f. Within 180 days from today, PG&E, SCE and SDG&E shall file and serve either separate reports or a joint report with the Commission regarding the details of the implementation of the UNIS as discussed in this decision.

(1) Any interested party desiring to comment on the report shall file and serve their comments within 21 days of the filing of the report.

2. Should SDG&E decide to do so, it may file a motion seeking authorization to conduct a pilot program involving the use of the SDP numbers in informational transactions among scheduling coordinators, electric service providers, the UDC, and possibly the Independent System Operator.

a. The motion shall contain the information described in the text of this decision and shall be filed within 90 days from today's date.

b. Any responses to the motion shall be filed in accordance with Rule 45(f).

3. Within 180 days from today, all ESPs shall include the SDP number in all DASR-related and meter data management-related information exchanges.

4. Within 180 days from today, all meter data management agents shall include the SDP number in all meter data management-related information exchanges.

5. The Universal Node Identifier System Working Group is dissolved.

This order is effective today.

Dated November 19, 1998, at San Francisco, California.

RICHARD A. BILAS
President
P. GREGORY CONLON
JESSIE J. KNIGHT, JR.
HENRY M. DUQUE
JOSIAH L. NEEPER
Commissioners