

## ***Chapter 6***

### ***Billing/Credit/Payment***

***From  
SCE's Manual***



## *The ESP Handbook*

---

### *Chapter 8 Billing under Direct Access*

*Version 2.5  
November 23 , 1998*

---

**Important Note:**

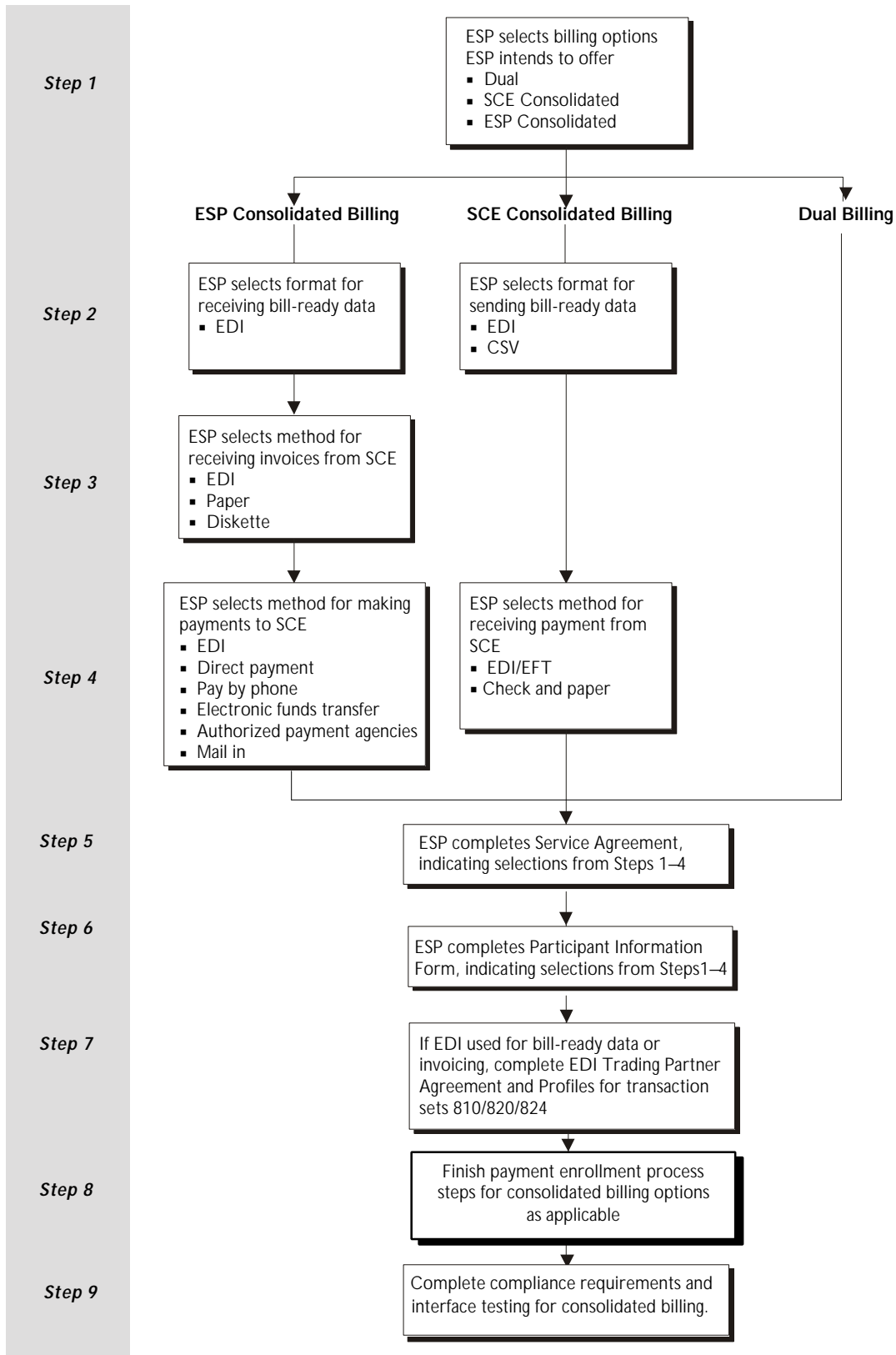
**All references to “ESP Consolidated Billing” in this chapter and throughout the ESP Kit Version 2.5 should be understood by readers to mean Partial ESP Consolidated Billing, as described in SCE’s Rule 22. SCE will provide information associated with conducting Full ESP Consolidated Billing in future versions of this kit.**

## **8.1. Introduction**

This chapter provides an overview of billing policies and procedures under Direct Access. The chapter discusses the following:

- Billing Steps in the DA Enrollment Process
- An Overview of the Billing Cycle under Direct Access
- Understanding the Dual, SCE Consolidated, and ESP Consolidated Billing Options
- Meeting Compliance and Electronic Interface Testing Requirements for ESPs
- Understanding Changes to SCE Bills Under Restructuring in California
- The Effects of PX on Revenue
- Billing for SCE Products and Services (non-energy billing)
- Calculating City Taxes, Utility User Taxes, and State Taxes
- Bill Corrections - “Usage” and “Non Usage” Adjustments
- New Bill Format under AB1890

## 8.2. SCE's Billing Enrollment Process



---

## 8.2 The Billing Enrollment Process

### Step 1

#### Select Billing Options

An ESP must first determine the billing options it intends to offer as part of its participation in Direct Access. The available options are:

- Dual Billing
- SCE Consolidated Billing
- ESP Consolidated Billing

### Step 2

Each of these options are described in detail in later sections of this chapter.

#### Select Method for Sending/Receiving Bill-Ready Data

If an ESP selects a consolidated billing option, the ESP must select a format for sending or receiving bill-ready data.

Under SCE Consolidated Billing, ESPs can select one of the following methods for providing information to SCE concerning ESP charges:

- EDI
- E-mail in comma-separated value format

Under ESP Consolidated Billing, ESPs method for receiving information from SCE concerning SCE bill-ready charges must be through EDI.

ESPs should note that the ESP Service Agreement currently contains a diskette and paper option for receiving bill-ready data; these options will not be available, except Special Billing.

### Step 3

Due to system limitations, some Special Billing accounts billed by SCE cannot be translated into the electronic format for bill-ready data. ESPs will be notified of these accounts, which will be billed on paper.

#### Step 4

### Select Invoice Format

For ESP Consolidated Billing, an ESP must select a method for receiving invoices from SCE. These invoices are for SCE charges incurred by end-use customers which the ESPs will be responsible for paying (i.e., transmission and distribution charges). Options include:

- EDI
- Paper
- Diskette

#### Step 5

ESPs may also receive invoices from SCE for products and services such as meter installations, metering services, MDMA services, etc. This invoicing is often described as “non-energy billing.”

#### Step 6

### Select Payment Method

ESPs selecting either form of consolidated billing must determine how they intend to make or receive payments. ESPs selecting ESP Consolidated Billing must make payments to SCE; ESPs selecting SCE Consolidated Billing will receive remittance from SCE for charges collected on behalf of the ESP. Payment options may differ depending on the billing option selected, and are described in detail under the appropriate billing option in later sections of this chapter.

#### Step 7

#### Step 8

### Complete the ESP Service Agreement

ESPs are required to complete the CPUC-approved ESP Service Agreement in order to participate in Direct Access. As part of this agreement, the ESP must indicate its preferences as discussed in Steps 1 through 4 above. This agreement is included in Chapter 3 of this kit.

#### Step 9

### Complete the Participant Information Form

ESPs must again indicate its preferences as discussed in Steps 1 through 4 in the Participant Information Form. This form is included in Chapter 3 of this kit.

### Complete the EDI Trading Partner Agreement and Profiles

ESPs that intend to use EDI for any billing transactions will be required to complete the EDI Trading Partner Agreement and Profiles for transaction sets 810/820/824. These forms are included in Chapter 3 of this kit.

---

## Complete Payment Enrollment Steps

ESPs selecting a consolidated billing option must determine how they intend to make or receive payments. Depending on the option selected, ESPs may need to complete additional forms. For example, ESPs selecting EDI will have to complete the Electronic Funds Transfer Agreement. Please see Chapter 11 of this kit for detailed information on payment requirements.

## Meet Compliance and Interface Testing Requirements for Consolidated Billing

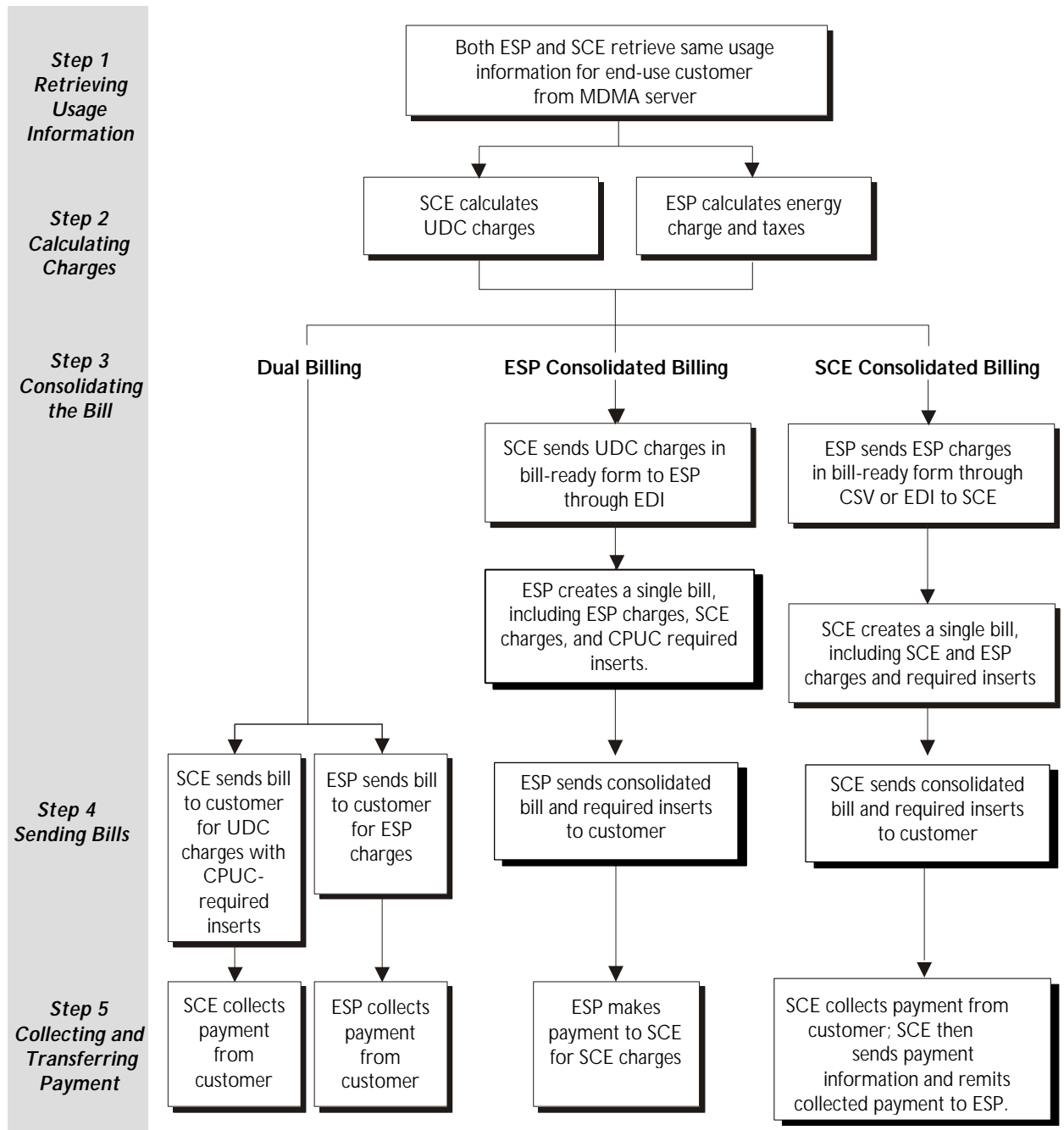
The CPUC has directed SCE to establish compliance requirements for ESPs selecting a consolidated billing option. ESPs should contact the Electronic Communications Coordinator for compliance information.

Once the Service Agreement and Participant Information Form are completed, and the ESP takes the other required enrollment steps, an ESP can submit a Direct Access Service Request. An ESP indicates the **specific billing service option** it intends to offer an **individual customer** by completing Field 43 of each DASR.

ESPs should note that if they submit a DASR specifying a billing option not selected in their Service Agreement, the DASR will be rejected. The ESP, when completing the Service Agreement, should therefore choose as many billing options as they anticipate offering to end-use customers.



## 8.2. An Overview of the Billing Cycle under Direct Access



---

### 8.3 The Dual Billing Option

Under dual billing, SCE and ESPs provide separate bills to end-use customers for their respective charges. Each is responsible for calculating their respective charges, preparing and sending their own bill to the customer, and for receiving and processing the customer's payments. The obligations of both SCE and the ESP are defined in SCE's Rule 22; for further information on this rule, please see the appendix section of this kit.

An ESP will be required to calculate:

- energy charges
- city tax (or Utility User's Tax— see 8.12 for further information)
- state tax
- other charges (based upon agreements with customers)

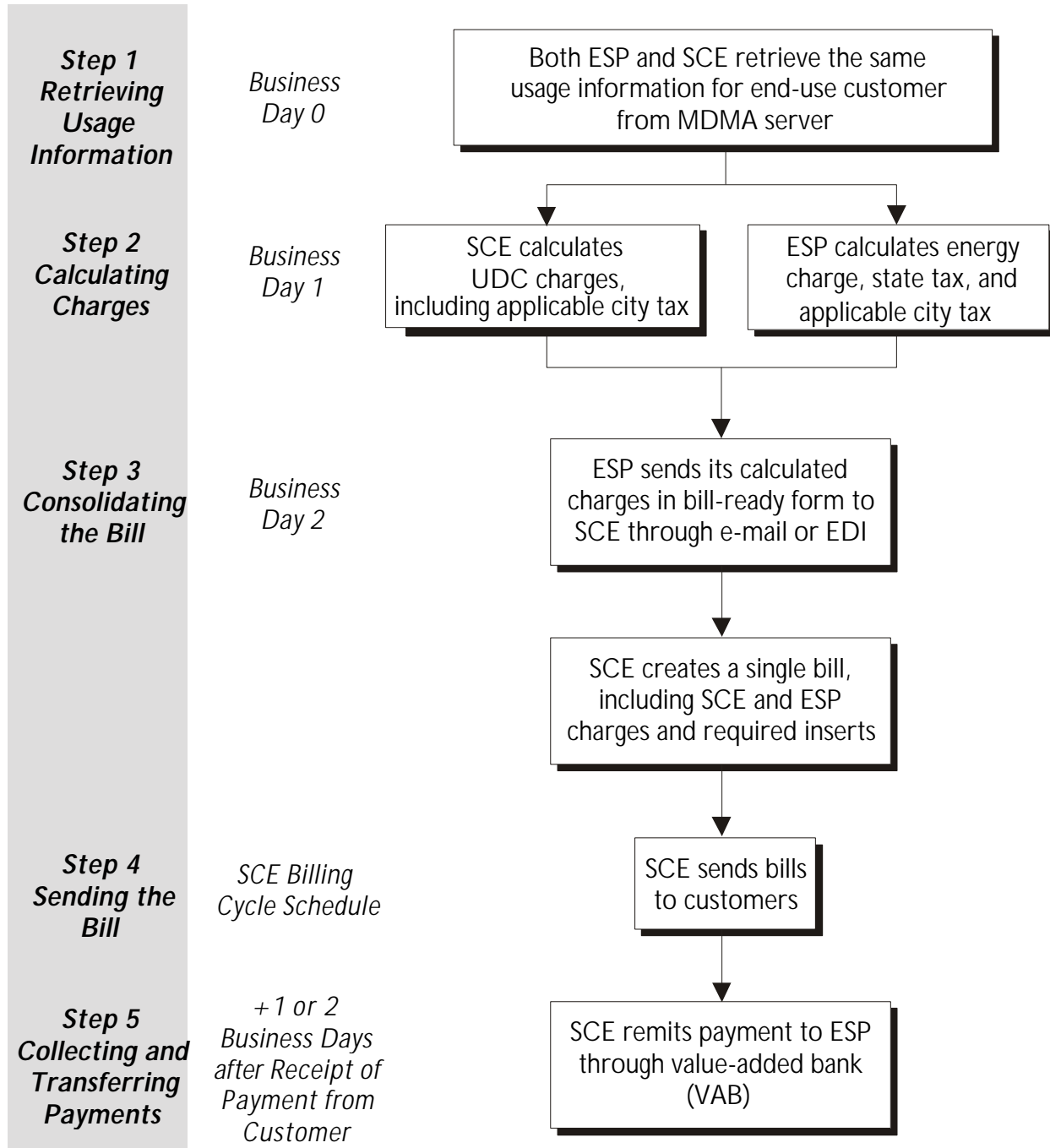
SCE will calculate its charges using existing CPUC-approved tariff schedules. Included in these are (see 8.10.C for further information on these charges):

- Competition Transition Charge
- Average PX Energy Charge and Credit
- Transmission
- Distribution
- Nuclear Decommissioning Charge
- Public Purpose Programs Charges
- Trust Transfer Amount (TTA) charge
- Franchise Fees
- City Tax (Utility User's tax)

In general, the billing method and accuracy of the charges are the sole responsibility of each billing party. In addition, an ESP has no obligation for utility-mandated safety and legal notices under this option. SCE will, however, include various legal and safety notices in its monthly bills for customer notification.

Currently, the ESP has sole discretion for the design, format, and presentation schedule of their bill, but must comply with the requirements of Senate Bill 477. SCE will deliver its bill to end-use customers using a CPUC-mandated format based on its regular meter reading schedule. Customers may elect to receive their SCE bills using EDI, diskette, or paper.

## 8.4 The SCE Consolidated Billing Option



---

## 8.5 A Breakdown of the SCE Consolidated Billing Cycle

### Step 1

#### Retrieving Usage Information

The first step in the billing cycle is for both SCE and an ESP to retrieve a single customer's usage information for the billing cycle. This information can be obtained from the Meter Data Management Agent server.

### Step 2

#### Calculating Charges

In Step 2, both an ESP and SCE must calculate their respective charges. The ESP and SCE have a set of specific charges each must calculate based on the same usage data for a single customer in a given billing period.

ESPs are required to calculate:

- energy charges
- city tax (or Utility User's Tax –see 8.12 for further information)
- state tax
- other charges (based upon agreements with customers)

SCE will calculate its charges using existing CPUC-approved tariff schedules. Included in these are (see 8.10.C for further information on these charges):

- Competitive Transition Charge (CTC)
- Average PX Energy Charge and Credit
- Transmission
- Distribution
- Nuclear Decommissioning Charge
- Public Purpose Programs Charge
- Trust Transfer Amount (TTA) Charge
- Franchise Fee
- City Tax (Utility User's Tax)

### Step 3

#### Consolidating the Bill

After calculating its charges, an ESP must prepare and send the charges to SCE in electronic "bill-ready" form. This billing data must be sent either by e-mail in comma-separated value format or through Electronic Data Interchange. (Additional information on protocols and procedures associated with sending this data are described in Chapter 9 of this kit).

---

SCE will consolidate the information from ESPs and its own charges to create a single bill to present to the end-use customer.

The SCE Consolidated bill will have the following format:

- Page 1 Bill Summary: a summary of SCE and ESP charges
- Page 2 and 3 SCE Bill Detail: a breakdown of all SCE charges
- Page 4 ESP Bill Detail: a breakdown of ESP charges

#### **Step 4**

#### **Sending the Bill**

Having received bill-ready data and created a consolidated bill, SCE can now send the bill and any required billing inserts to the end-use customer in a format selected by the customer.

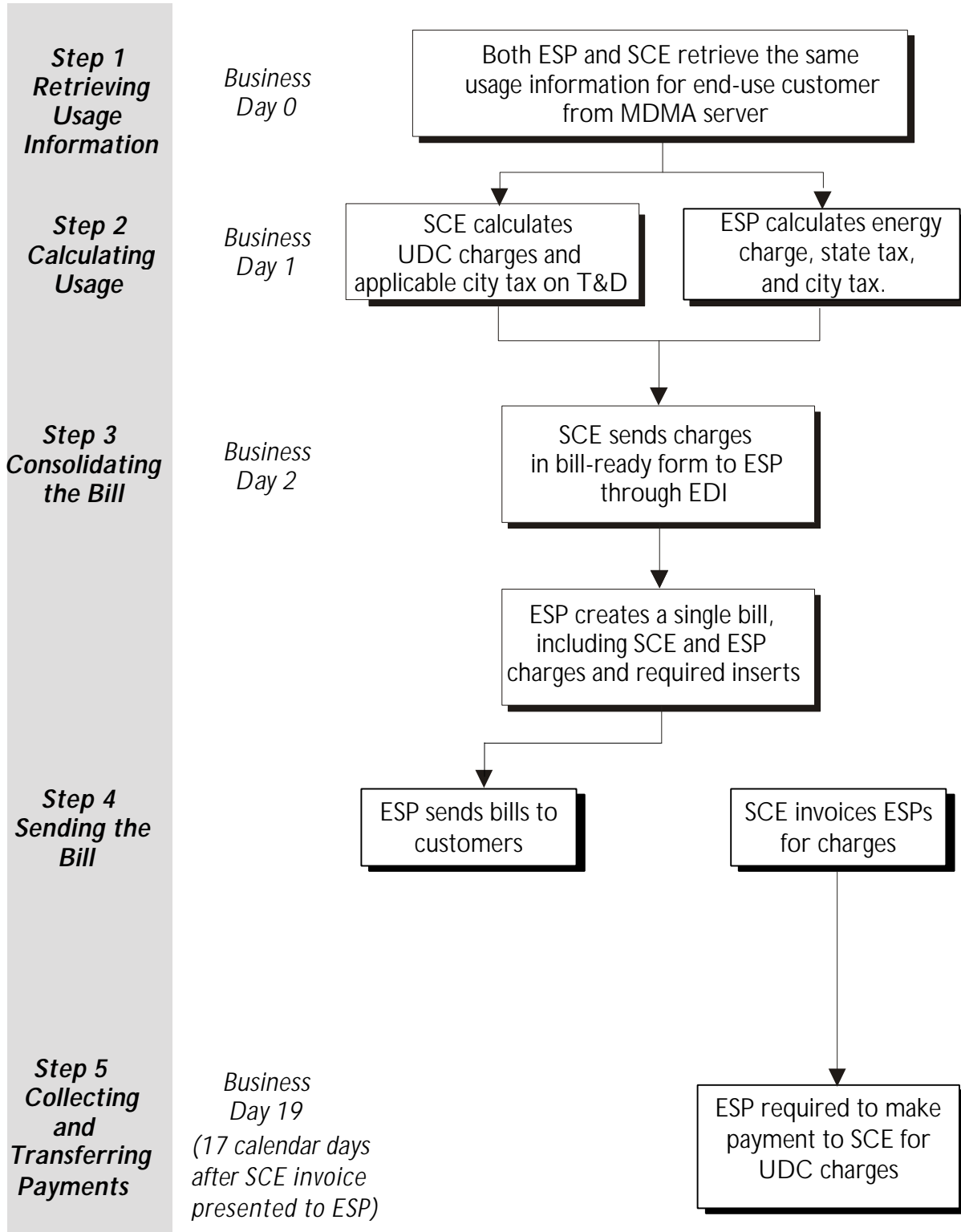
#### **Step 5**

#### **Collecting and Transferring Payments**

SCE will collect payment from customers, and forward funds associated with ESP charges to ESPs. Funds received from customers will be allocated first to SCE charges for which delinquency may result in disconnection, and then any balance will be prorated between the ESP and other SCE non-disconnectable charges.

Payments and payment information will be sent to an ESP via a value-added bank (VAB). This entity can arrange to send payment in a variety of ways to the ESP, usually within one to two business days. The ESP must indicate its preference for receiving payment in the Participant Information Form. For more information on payments, please see Chapter 11 of this kit.

## 8.6 The ESP Consolidated Billing Option



---

## 8.6 A Breakdown of the ESP Consolidated Billing Cycle

### Step 1

#### Retrieving Usage Information

The first step in the billing cycle is for both SCE and an ESP to retrieve a single customer's usage information for the billing cycle. This information can be obtained from the Meter Data Management Agent (MDMA) server.

### Step 2

#### Calculating Charges

In Step 2, both the ESP and SCE must calculate their respective charges. The ESP and SCE have a set of specific charges each must calculate based on the same usage data for a single customer in a given billing period.

ESPs are required to calculate:

- energy charges
- city tax (or Utility User's Tax –see 8.12 for further information)
- state tax
- other charges (based upon agreements with customers)

SCE will calculate its charges using existing CPUC-approved tariff schedules. Included in these are (see 8.10.C for further information on these charges):

- Competitive Transition Charge (CTC)
- Average PX Energy Charge and Credit
- Transmission
- Distribution
- Nuclear Decommissioning Charge
- Public Purpose Programs Charge
- Trust Transfer Amount (TTA) Charge
- Franchise Fee
- City Tax (Utility User's Tax)

### Step 3

## Consolidating the Bill

After calculating its charges, SCE must prepare and send the charges to the ESP in “bill-ready” form. This billing data will be sent through Electronic Data Interchange. Bill data for some accounts will be sent on paper.

The ESP is required to integrate this information into one bill that accurately reproduces all of SCE charges. In addition, any CPUC mandated billing inserts will be found on SCE’s ESP web-site to be downloaded. The ESP also has the option to request hard copies of the billing inserts.

### Step 4

## Sending the Bill

*ESP sends bills to the customer*

At this point, the ESP has received bill-ready data and has included the SCE and ESP charges into a consolidated bill. The ESP can now send the bill to the end-use customer. An ESP can develop its own schedule for collecting payment from customers. CPUC mandated inserts, however, must be sent to customers once per SCE bill-cycle.

*SCE sends invoices to the ESP*

In addition to sending bill-ready data (as described in Step 3), SCE will also send an invoice to the ESP describing the charges on which it expects to receive payment from the ESP. This invoice can be sent in three ways:

### *Electronic Data Interchange*

For ESPs operating in the EDI environment, the EDI transaction set 810 version 3030 will be used by SCE to invoice ESPs. This transaction will provide SCE charges to ESPs on an account by account basis. In other words, ESPs will receive a separate invoice for each of their customer’s accounts. The invoices in total represent a single day’s tally of the charges owed to SCE by the ESP for services provided to all of the ESP’s Direct Access end-use customers.

### *Paper*

An ESP can elect to receive paper invoices from SCE. SCE’s invoices will be in the following format:

- Page 1: A summary page that lists the ESP’s name and address, and the total charges due from the ESP for services provided to an ESP’s Direct Access customers and a one line summary for each Direct Access service account. An invoice



will cover charges for one bill cycle date. In other words, an ESP could receive a single summarized invoice for each of the 21 bill cycle days of the month. Depending on the number of service accounts on the bill, the summary of charges may span multiple pages.

- Page 2: Detail service account billing charges and usage data will span two pages each.

ESPs should note that paper invoices are likely to be large due to the level of billing detail for each customer.

### *Diskette*

Under this option, an ESP will receive a diskette that includes a database with invoice information in spreadsheet format. This information can be sorted by: billing location; kilowatt hours used; comparison of monthly use from previous year; and, bill amount.

## **Step 5**

### **Mandated Bill Inserts**

ESPs who utilize the ESP Consolidated Billing option are required to send CPUC Mandated Bill Inserts to their customers.

- ESP will be notified of all mandated bill inserts by the SCE's Electronic Communication Coordinator (ECC) via e-mail.
- ESPs have the option of downloading the inserts from SCE's web-site at <http://www.sce-esp.com> or they may request pre-folded, mail-ready inserts, by sending their request to [ESPSUPT@sce.com](mailto:ESPSUPT@sce.com).
- All requests should include:
  - 1) Total number of inserts needed
  - 2) Preferred Language of the inserts (English or Spanish)
  - 3) Address where to mail the inserts

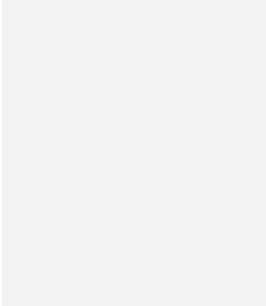
## **Step 6**

### **Paying SCE Charges**

The ESP can develop its own schedule for collecting payment from its customers. The ESP is required to make payment to SCE for all its charges within 17 calendar days of SCE's bill presentation to the ESP.

**The ESP is responsible for paying SCE whether or not it has received payment from end-use customers.**

Payments can be sent to SCE in the following ways:

- 
- 
- Electronic Data Interchange (EDI)
  - Direct payment/Pay-by-Phone
  - Electronic Funds Transfer (EFT)
  - Authorized Payment Agencies (APA)
  - Mail-in

For more information on payments, please see Chapter 11 of this kit.

---

## **8.7 SCE Billing Compliance Requirements**

An ESP must meet SCE compliance requirements to provide consolidated billing. These compliance requirements are designed to allow ESPs to demonstrate that they are able to send and/or receive billing data to/from SCE and, if applicable, produce an actual bill containing SCE charges. The Electronic Communications Coordinator for SCE will coordinate the compliance and testing process. The Coordinator can be reached at (562) 491-2228.

### **8.7.A Compliance Requirements for Dual Billing**

Under dual billing, SCE and an ESP conduct billing completely independently of each other. As such, ESPs are not required to meet any SCE compliance requirements for this billing option.

### **8.7.B Compliance Requirements for SCE Consolidated Billing**

Under SCE Consolidated Billing, the ESP should send bill-ready data electronically to SCE in a test environment. SCE will use this data to consolidate a bill to the end-use customer. This bill will be sent to the ESP for review. Compliance testing requirements must be completed by an ESP at least three business days prior to any scheduled Direct Access switch dates.

SCE will screen incoming DASRs requesting a consolidated billing option on a daily basis to ensure that ESPs submitting these DASRs have completed the consolidated billing compliance testing requirements. If these requirements are not met at least three business days prior to scheduled switch dates, SCE will default those DASR submissions to Dual Billing.

### **8.7.C Compliance Requirements for ESP Consolidated Billing**

ESPs must demonstrate their ability to receive SCE billing data and produce an actual customer statement. An original hard-copy statement must be submitted for review and verification. Successful compliance testing must be completed three days prior to the scheduled Direct Access switch date of a service account.

SCE will screen incoming DASRs requesting a consolidated billing option on a daily basis to ensure that ESPs submitting these DASRs have completed the consolidated billing compliance testing requirements. If these requirements are not met at least three business days prior to scheduled switch dates, SCE will default those DASR submissions to Dual Billing.

---

Electric Service Providers may submit Direct Access Service Requests to change the customers billing option once compliance testing has been successfully completed.

For information on how to complete the compliance requirements for ESP Consolidated Billing, please contact the Electronic Communications Coordinator at the ESP Support Center.

## **8.8 Understanding Changes to SCE Bills Under Restructuring in California**

### **8.8.A Introduction**

Direct Access has brought significant changes to the electricity market in California. Understanding and explaining these changes –especially to the end-use customer –is in the best interest of all parties involved in implementing Direct Access. The section is designed to provide an overview of the changes to SCE bills under restructuring.

### **8.8.B Background Information about SCE’s Customer Groups and Rate Schedules**

As a regulated utility, SCE provides separate, CPUC-approved rates for its 13 major customer groups. SCE’s largest customer groups are:

**8.8.B.1 Residential Customers, Schedule D.** Schedule D is SCE’s basic domestic rate for most residential customers. The residential rate includes two components:

*Basic or Customer Charge.*

A charge that covers some of the fixed costs of serving customers associated with metering, billing, customer service and others.

*Energy Charge.*

The energy charge is based on energy usage by a customer. This charge is divided into the baseline charge –an allocation of electricity billed at a lower rate for residential customers based on the season and climatic region –and over baseline, which is billed at a higher rate. The energy charge is composed of categories of costs, including generation, transmission, distribution, nuclear decommissioning, public purpose programs, and others.

**8.8.B.2 Small Business Customers, Small General Service Rates (GS-1).** Rate Schedule GS-1 is the basic rate schedule for small business customers with maximum demands of no more than 20kW (or about 4,500 kWh) per month. The GS-1 rate includes the following components:

*Customer Charge.*

---

A charge that recovers some of the fixed costs of serving customers associated with transmitting and distributing electricity, and providing metering, billing, customer service and others.

*Energy Charge.*

A charge that recovers energy usage per kWh. The energy charge is composed of categories of costs, including generation, transmission, distribution, nuclear decommissioning, public purpose programs, and others.

**8.8.B.3** Medium General Service Rates (GS-2). Rate Schedule GS-2 is the basic rate schedule for medium-sized business customers with demands between 20 kW and 500 kW. The GS-2 rate has three components:

*Customer Charge.*

A charge that recovers some of the fixed costs of serving customers associated with transmitting and distributing electricity, and providing metering, billing, customer service and others.

*Demand Charge.*

This charge covers the capacity-related costs of SCE's transmission and distribution facilities.

*Energy Charge.*

This charge is based on energy usage by a customer. The first block (up to 300 kWh per kW) is charged at one rate, and the second block (additional kWh) at the second block rate. The energy charge is composed of categories of costs, including generation, transmission, distribution, nuclear decommissioning, public purpose programs, and others.

**8.8.B.4** Larger Power Rates (TOU- 8). The standard large business and industrial rate schedule above 500 kW. This rate includes:

*Demand Charge.*

This charge recovers the capacity-related costs of SCE's transmission and distribution facilities.

*Energy Charge.*

This charge is based on energy usage by a customer. This charge will differ for on-peak, mid-peak and off-peak usage. The energy charge is composed of categories of costs, including generation, transmission, distribution, nuclear decommissioning, public purpose programs, and others.

**8.8.C** Bill Changes under the Electric Industry Restructuring Market in California -- A Customer Example

SCE customers recently received an insert in their bills explaining a few facts about the new bill under restructuring. This insert included an example of a customer who:

- is residential, and falls under rate schedule D
- was billed for a 30 day period
- used 980 total kWh during that billing period

The bill is calculated in the following way:

	Basic Charge (cents/day)	Baseline Energy (cents/kWh)	Nonbaseline Energy (cents/kWh)
Power Exchange Cost of electricity		2.4	2.4
Competition Transition Charge		2.4	3.7
Transmission		.4	.4
Distribution	3.3	4.5	5.4
Public Purpose Program		.4	.4
Trust Transfer		1.7	1.7
Nuclear Decommissioning		.2	.2
Factor	30 days	276 (kWh)	704 (kWh)
Charges (\$)	.99	33.12	99.97
<b>Total Bill for Month</b>	<b>\$134.08</b>		

### Change 1: The Power Exchange Cost of Electricity

The new bill format under restructuring includes the power exchange cost of electricity. This represents the cost to SCE for purchasing electricity from the wholesale market established by state and federal regulations.

### Change 2: The Competition Transition Charge

The Competition Transition Charge represents the uneconomic costs related to the electric generating facilities and power purchase contracts held by SCE prior to deregulation. These costs would ordinarily be recovered over ten, fifteen or more years. The CPUC has established an accelerated schedule for recovering most of these costs; the majority will be collected through March, 2002.

### Change 3: The Trust Transfer Amount

The TTA shows the repayment of part of the fixed costs associated with the generation of electricity. By issuing rate reduction bonds, utilities throughout the state have

---

been able to provide residential and qualifying small business customers with the legislated 10% rate reduction as well as recover past investments made in power plants. The TTA will decline each year over a ten year period.

#### Change 4: The 10% Reduction

Beginning January 1, 1998, all residential customers and certain small business customers (under 20 kW in demand) became eligible for a 10% reduction on their power rates, beginning January 1, 1998. In other words:

Total Bill for Month	\$134.08
10% Reduction	(\$13.41)
Total Bill under Restructuring	\$120.67

This rate reduction applies to usage incurred after January 1, 1998.

#### Change 5: The PX Credit

Under Direct Access, customers may choose to have their electric service provided by ESPs. For these customers, SCE will no longer need to incur the cost of purchasing power for these customers from the PX. As such, the Direct Access customers will receive a PX Credit for the avoided cost of purchasing power from the PX. In this example, the PX price of 2.4 cents per kWh is an estimate of the weighted average costs of rate class electricity purchases from the PX. This average price multiplied by the 980 kWh used in the period equals the \$23.52 credit shown on the customer bill.

Total Bill for Month	\$133.80
10% Reduction	(\$13.38)
PX Energy Credit	(\$23.52)
Total Bill for a DA Customer	\$96.90

## 8.9 The Effects of PX on Revenue

---

When the average PX Energy Credit is greater than the amount of the bundled service bill the credit equals the total tariff cost, so the minimum bill for a direct access customer is zero.

This minimum bill situation occurred over the 1998 summer season due to hot weather which caused high PX prices. Although these are not the only reasons that minimum bills occur, the majority of the resulting minimum bills were due to this. Minimum bills will most likely occur each summer until 2001, when the rate freeze is over.

### **8.9.A Historical Effect of PX on Pricing**

The rates that may be affected with a minimum bill include: D-APS, DE-APS, D-CARE-APS, DMS-2, and GS-1-APS. Other rates, such as I-6 and TOU-PA-7 may also be affected, depending on the customer load profile due to the high PX and their overall low cost per kW of energy.

The PX price has fluctuated greatly since April 1, 1998. The PX price per megawatt increased more than \$90 dollars from the beginning of summer to the end of summer. The lowest price per megawatt was approximately \$5 on June 14, 1998. Three months later the price jumped to \$98 per megawatt in the first week of September.

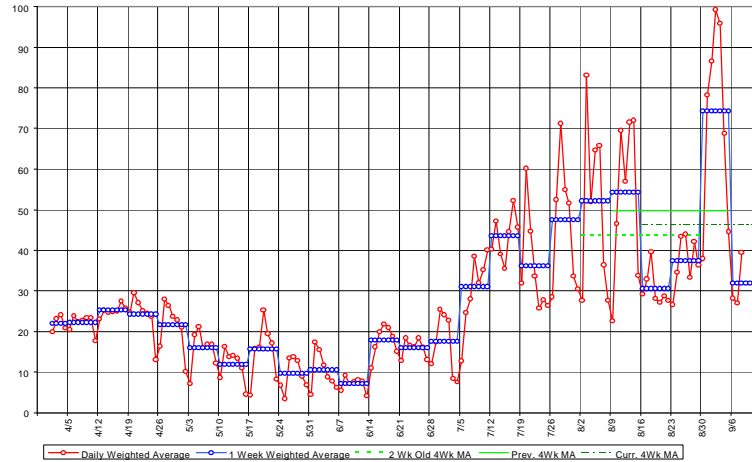
As the PX price decreased, the customer paid more CTC. When the PX price per megawatt was low in May, DA customers bills were higher. As the PX price increased, a customer paid less CTC. When the price per megawatt was very high, DA customer's bills were lower.

There are typical trends associated with the PX price. The PX prices tend to be lower in the spring due to increased run-off to the hydroelectric plants (high supply, low demand). Higher electricity prices occur in the summer due to higher demand with average supply.





## Trends



September 9, 1998

### 8.9.B PX Energy Cost - How to Use the PX in Pricing Rate Groups

The PX Energy Cost is the total hourly cost of procuring energy from the PX. The PX Energy cost equals the sum of the weighted average PX price plus the cost of settlements for imbalance energy, plus uplift charges paid to the PX or ISO.

The average PX Energy cost varies by Rate Group. The rate Group Average PX Energy cost is the hourly PX Energy Cost multiplied by the load percentages from Edison's statistical load profile for that rate Group. The Average PX Energy Cost is also adjusted for line losses and uncollectibles.

### 8.9.C The PX Users Tutorial

The PX prices for the current week are updated each Monday on the Internet by 4pm unless there's a problem with the prices which has caused delays. If Monday is a holiday, then the PX prices are updated on Tuesday. During the change of seasons, the prices are calculated daily instead of weekly. The file is organized in a comma separated value text format. There are six applicable fields when using the weekly average PX prices.

1. The load profile and the Time ID are used to map the PX charge to the rate schedule. In this example, TOU-GS-2 is the Load Profile and the Time ID equals 3. Often more than one rate schedule will be mapped to the load profile. All rate schedules associated with one Load Profile and one Time ID get the same price.
2. The voltage levels (sec, pri, sub) indicate the voltage level service delivered to the customer. To get the right price for a rate schedule,

---

the appropriate level of service must be used. There are three groupings;

- less than 2000,
  - 2,000 to 50,000 and
  - 50,000 volts and above.
3. The charge factors identify the specific time of use for the corresponding price. Charge factors are the time of usage that the PX price is evaluated and affixed to. These are called peaks. All time-of-use customers have peaks which help determine the total price for a specific rate. If a price for a peak does not show, it means that there is no usage for that rate's charge ID during that season. Charge ID's can change at seasonal switches (i.e. summer or winter). If the rate is fixed there will be only one price, not one price per peak.
  4. The dates indicate the time frame for the bills corresponding prices.
  5. The billing period indicates the number of weeks that have been averaged into the PX price. These averages correspond to the number of weeks in a billing period. Since most bills are four weeks long, the four week average would be used. If a bill has less than four weeks, the four week prices are used. Likewise, if there are more than 12 weeks in a billing period, the 12 weeks average prices would be used. The number of weeks is not simply the the number of days divided by seven. The number of weeks equals the number of Sundays in the billing period.
  6. The start date and the end date are the days of use for the PX prices. The prices coincide with the end date of the billing period on the bill. The last day of the billing period on the bill must be between the start date and the end date in order to be properly used.

### 8.9.C. Example of PX Table Found on Internet

Load Profile	Voltage Level	Week	Time ID	Start Date	End Date	Fixed,NTR	On Peak	Off Peak	Mid Peak	Super Off Peak
TOU-GS-2	SEC	5	3	9/20/98	9/27/98	0	0.07491	0.0446	0.03144	0
TOU-GS-2	SEC	6	3	9/20/98	9/27/98	0	0.07749	0.04399	0.03063	0
TOU-GS-2	SEC	7	3	9/20/98	9/27/98	0	0.07813	0.044	0.03033	0
TOU-GS-2	SEC	8	3	9/20/98	9/27/98	0	0.07583	0.04341	0.02955	0
TOU-GS-2	SEC	9	3	9/20/98	9/27/98	0	0.07561	0.04333	0.02981	0
TOU-GS-2	SEC	10	3	9/20/98	9/27/98	0	0.074	0.04305	0.02981	0
TOU-GS-2	SEC	11	3	9/20/98	9/27/98	0	0.07064	0.04141	0.02814	0
TOU-GS-2	SEC	12	3	9/20/98	9/27/98	0	0.06699	0.03948	0.02656	0
TOU-GS-2	PRI	4	3	9/20/98	9/27/98	0	0.06956	0.04344	0.03075	0
TOU-GS-2	PRI	5	3	9/20/98	9/27/98	0	0.07277	0.0435	0.03079	0
TOU-GS-2	PRI	6	3	9/20/98	9/27/98	0	0.07527	0.0429	0.02999	0
TOU-GS-2	PRI	7	3	9/20/98	9/27/98	0	0.07589	0.04291	0.0297	0
TOU-GS-2	PRI	8	3	9/20/98	9/27/98	0	0.07366	0.04233	0.02893	0
TOU-GS-2	PRI	9	3	9/20/98	9/27/98	0	0.07344	0.04225	0.02918	0
TOU-GS-2	PRI	10	3	9/20/98	9/27/98	0	0.07189	0.04199	0.02918	0
TOU-GS-2	PRI	11	3	9/20/98	9/27/98	0	0.06864	0.04038	0.02754	0
TOU-GS-2	PRI	12	3	9/20/98	9/27/98	0	0.06511	0.03851	0.026	0
TOU-GS-2	SUB	4	3	9/20/98	9/27/98	0	0.06687	0.04201	0.02993	0
TOU-GS-2	SUB	5	3	9/20/98	9/27/98	0	0.06995	0.04207	0.02996	0

#### 8.9.C.1. An Example of How to Use the PX Price in Non -Fixed Rate Billing

Assume that these are this weeks PX prices, September 20 through the 27, and that the end date on the bill is September 24. Let's say we have a TOU-GS-2 customer with a voltage level of 480 volts whose billing period started August 13 and ended September 24. Let's also say that the usage was 1000 kW for off peak, 2000 kW for mid peak, and 3000 kW for on peak.

**Question: What is the total cost?**

**Answer:** The bill would use a six week price with the lowest voltage level.

off peak cost = 1000kW \* .04399 = \$ 43.99  
 mid peak cost = 2000kW \* .03063 = \$ 61.26  
 on peak cost = 3000kW \* .07749 = \$232.47  
 total cost for usage = \$337.72

Note: This does not include all the other costs added in each rate schedule.

**8.9.C.1.**

Load Profile	Voltage Level	Week	Time ID	Start Date	End Date	Fixed,NTR	On Peak	Off Peak	Mid Peak	Super Off Peak
TOU-GS-2	SEC	5	3	9/20/98	9/27/98	0	0.07491	0.0446	0.03144	0
TOU-GS-2	SEC	6	3	9/20/98	9/27/98	0	0.07749	0.04399	0.03063	0
TOU-GS-2	SEC	7	3	9/20/98	9/27/98	0	0.07813	0.044	0.03033	0
TOU-GS-2	SEC	8	3	9/20/98	9/27/98	0	0.07583	0.04341	0.02955	0
TOU-GS-2	SEC	9	3	9/20/98	9/27/98	0	0.07561	0.04333	0.02981	0
TOU-GS-2	SEC	10	3	9/20/98	9/27/98	0	0.074	0.04305	0.02981	0
TOU-GS-2	SEC	11	3	9/20/98	9/27/98	0	0.07064	0.04141	0.02814	0
TOU-GS-2	SEC	12	3	9/20/98	9/27/98	0	0.06699	0.03948	0.02656	0
TOU-GS-2	PRI	4	3	9/20/98	9/27/98	0	0.06956	0.04344	0.03075	0
TOU-GS-2	PRI	5	3	9/20/98	9/27/98	0	0.07277	0.0435	0.03079	0
TOU-GS-2	PRI	6	3	9/20/98	9/27/98	0	0.07527	0.0429	0.02999	0
TOU-GS-2	PRI	7	3	9/20/98	9/27/98	0	0.07589	0.04291	0.0297	0
TOU-GS-2	PRI	8	3	9/20/98	9/27/98	0	0.07366	0.04233	0.02893	0
TOU-GS-2	PRI	9	3	9/20/98	9/27/98	0	0.07344	0.04225	0.02918	0
TOU-GS-2	PRI	10	3	9/20/98	9/27/98	0	0.07189	0.04199	0.02918	0
TOU-GS-2	PRI	11	3	9/20/98	9/27/98	0	0.06864	0.04038	0.02754	0
TOU-GS-2	PRI	12	3	9/20/98	9/27/98	0	0.06511	0.03851	0.026	0
TOU-GS-2	SUB	4	3	9/20/98	9/27/98	0	0.06687	0.04201	0.02993	0
TOU-GS-2	SUB	5	3	9/20/98	9/27/98	0	0.06995	0.04207	0.02996	0

## 8.9.D Minimum Bill Sample

CSS



**SOUTHERN CALIFORNIA  
EDISON**

### D-CARE-APS DA High PX Sample

Southern California Edison Company  
An EDISON INTERNATIONAL Company  
P.O. Box 600, Rosemead, CA 91771-0001

Customer and Service Address  
D-CARE-APS SAMPLE  
54321 NEW AVE  
MNTERYPK CA 91755

Date Bill Prepared  
AUGUST 05, 1998  
Next Meter Read on or about  
SEPTEMBER 08, 1998

Your Customer Account Number  
**2-34-567-8888**  
24 - hr. Customer Service  
**1 (800) 799-4723**

Service Account # Old Account # Rate Schedule  
**3-123-4567-89 68-43-234-6666-04 D-CARE-APS - Direct Access**



#### Update

Amount of previous bill 07/07/98	\$ 2.27
Payment received 07/20/98 - Thank you	\$ (2.27)
<b>Account Balance.....</b>	<b>\$ 0.00</b>



#### Summary

Service / Billing Period - 07/08/98 to 08/05/98 (28 days) - Summer Season		
Basic Charge	28 days x \$0.02100	\$ 0.59
CARE Baseline	305 kWh x \$0.10142	30.93
<b>Sub Total</b>		<b>\$ 31.52</b>
A/C Cycling Credit		(19.66)
Legislated 10% Rate Reduction		(1.19)
PX Energy Credit (1)		(10.67)
<b>Current Billing Sub Total</b>		<b>\$ 0.00</b>
Monterey Park City Tax	\$0.00 x 3.00000%	0.00
<b>Current amount must be paid by 08/24/98</b>		<b>\$ 0.00</b>

Average PX Energy Charge during this period was: 4.21 cents/kWh  
\$ 0.00 is your daily average cost this period  
Of your total charges, Franchise Fees represents: \$ 0.09

#### Detail

CTC Charges	\$ (4.75)
Transmission Charges	1.18
Distribution Charges	2.14
Nuclear Decommissioning Charges	0.63
Public Purpose Programs	(4.50)
Trust Transfer Amount (2)	5.26
Other Charges	0.04
<b>Current Amount Due</b>	<b>\$ 0.00</b>

- (1) The Average PX energy charge is based on the weighted average costs for purchases through the Power Exchange. This service is subject to competition. You may purchase electricity from another supplier.
- (2) A portion of historic electric generation costs has been financed through low-cost bonds to reduce your total bill by 10%. The TTA reflects the costs of these bonds, which are less expensive than the type of financing the utilities previously employed. The TTA does not offset your 10% rate reduction, nor does it increase the total amount you otherwise would have paid.

- Please detach stub below and return with your payment -

#### Payment Stub

For payment location, call:  
1-(800) 747-8908  
Make check payable to Southern California Edison

Please pay total amount now due    \$ 0.00

Thank you for paying promptly

Past due if not paid by 08/24/98

Enter the amount you paid  \$

Your Customer Account #: 2-34-567-8888

D-CARE-APS SAMPLE  
54321 NEW AVE  
MNTERYPK CA 91755

P.O. Box 600  
Rosemead, Ca  
91771-0001

34 567 8888 04 0000009 000000000000000000000000

## D-CARE-APS DA High PX Sample



**SOUTHERN CALIFORNIA  
EDISON**

Southern California Edison Company  
An EDISON INTERNATIONAL Company  
P.O. Box 600, Rosemead, CA 91771-0001

Customer and Service Address  
D-CARE-APS SAMPLE  
54321 NEW AVE  
MNTERYPK CA 91755

Date Bill Prepared  
AUGUST 05, 1998  
Next Meter Read on or about  
SEPTEMBER 08, 1998

Your Customer Account Number  
**2-34-567-8888**  
24 - hr. Customer Service  
**1 (800) 799-4723**

Service Account #    Old Account #    Rate Schedule  
**3-123-4567-89**    **68-43-234-666-04**    D-CARE-APS - Direct Access



### Usage

Meter Number	Dates and Readings		Usage
	From	To	
308-422431	07/08/98 19403	08/05/98 19708	305 kWh
Usage Comparison			
	This Year	Last Year	
Kilowatthour (kWh) used	305.00	No	
Number of days	28	Comparable	
Average usage per day	10.89	Usage	



### Message

#### AN EXPLANATION OF THE PX ENERGY CREDIT ON THIS BILL

Last month, electricity prices rose rapidly at the Power Exchange (PX), due largely to high temperatures and heavy demand. This led to an unusually high average PX energy cost. In accordance with CPUC decisions, the monthly amount of the PX Energy Credit can rise until it equals all other charges on the Edison part of your bill. Therefore, the PX Energy Credit this month has reduced your bill greater than usual, up to a \$0 balance. In addition, the high PX energy cost has resulted in a negative CTC line item on your bill.

Please call us Monday through Friday, between 8 a.m. and 5 p.m. at 1-800-799-4723 if you have any questions.

---

## 8.10 Billing for SCE Products and Services (Non-Energy Billing)

In the new Direct Access electricity marketplace, SCE will provide a host of services to ESPs, including:

- selling and installing of SCE meters
- installing meters for third parties
- meter reading and usage calculation (MDMA)
- meter service provider (MSP)
- meter removal of SCE and third-party meters
- SCE Consolidated Billing
- other services

ESPs will be invoiced for these services as applicable on a monthly basis. A copy of SCE Non-Energy bill sample can be found on page 44.

## 8.11 Calculating City Taxes (Utility User Tax (UUT)) and State Taxes

As indicated earlier in this chapter, ESPs are required to calculate the Utility User's Tax as part of their participation in Direct Access. The UUT is a tax that a city charges to its citizens for use of electricity. The tax is subject to increases and decreases and is voted on by the city council.

Both the ESP and SCE are responsible for calculating the UUT for the products and services each provides to the end-use customer under Direct Access, and including these charges in the end-use customer's monthly bill. These products and services include energy, billing and metering services.

For consolidated billing, the ESP or SCE should include these UUT charges as part of its bill-ready data transmission.

The billing agent (whether SCE or the ESP) will collect the UUT along with the other billed charges, and pass those back to the respective service provider. These service providers must then remit the UUT on their respective products and services to the appropriate local government.

The ESP is responsible for collecting and remitting state taxes, which are based on kWh consumption.

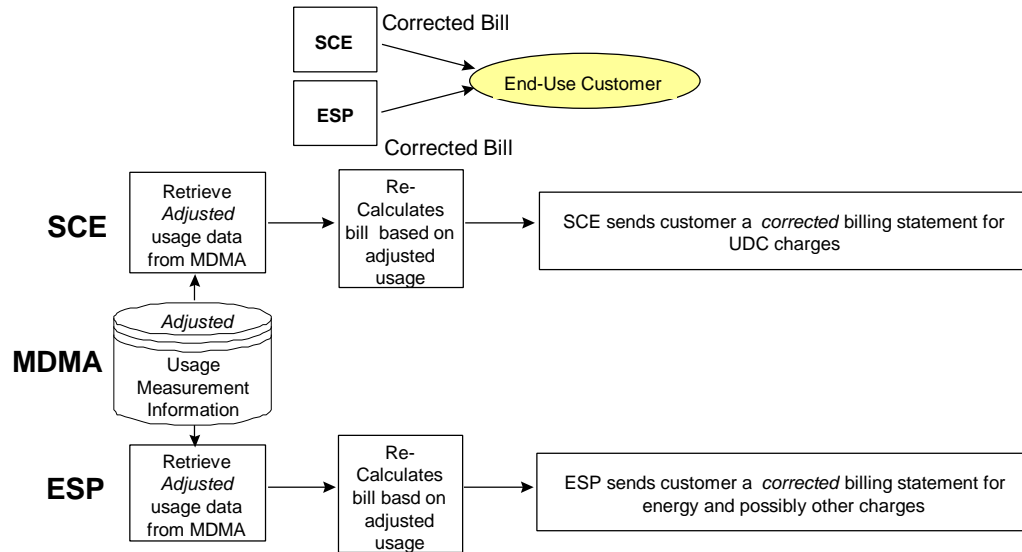
For further information, please contact the ESP Support Center at (800) 795-6723.

## 8.12 Bill Correction

### 8.12.A. Dual Billing

#### 8.12.A.1. Dual Billing Corrections - "Usage" Adjustment

Dual Billing is the process by which SCE and the ESP will each bill the customer separately for their respective corrected charges.

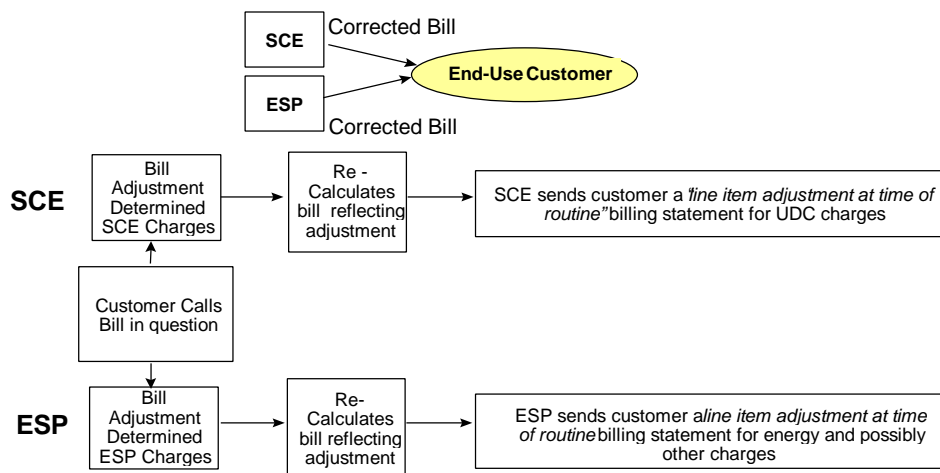


- If the inquiry is usage related the customer may call either party to request that the responsible MDMA verify usage.
- Regardless of MDMA, both the ESP and SCE are responsible for calculating their own corrected billing charges.
- ***Each billing party is responsible for sending the corrected bill to the end-use customer.***

Adjusted usage posted to the MDMA shall reflect the exact billing period originally billed.



## 8.12.A.2. Dual Billing Corrections - "Non Usage" Adjustment



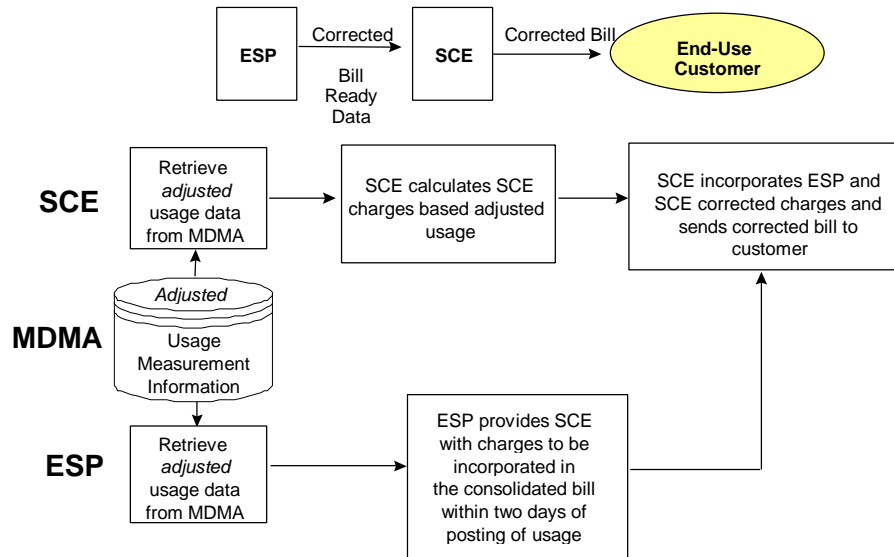
- If the inquiry is non-usage related, the customer will contact their ESP for problems with the ESP's portion of the bill, and call SCE for SCE's portion of the bill.
- Regardless of MDMA, both the ESP and SCE are responsible for calculating their own corrected billing charges.
- ***Each billing party is responsible for sending the corrected bill to the end-use customer.***

Non-usage related bill corrections will be reflected on the next routine billing statement.

---

## 8.12.B. SCE Consolidated

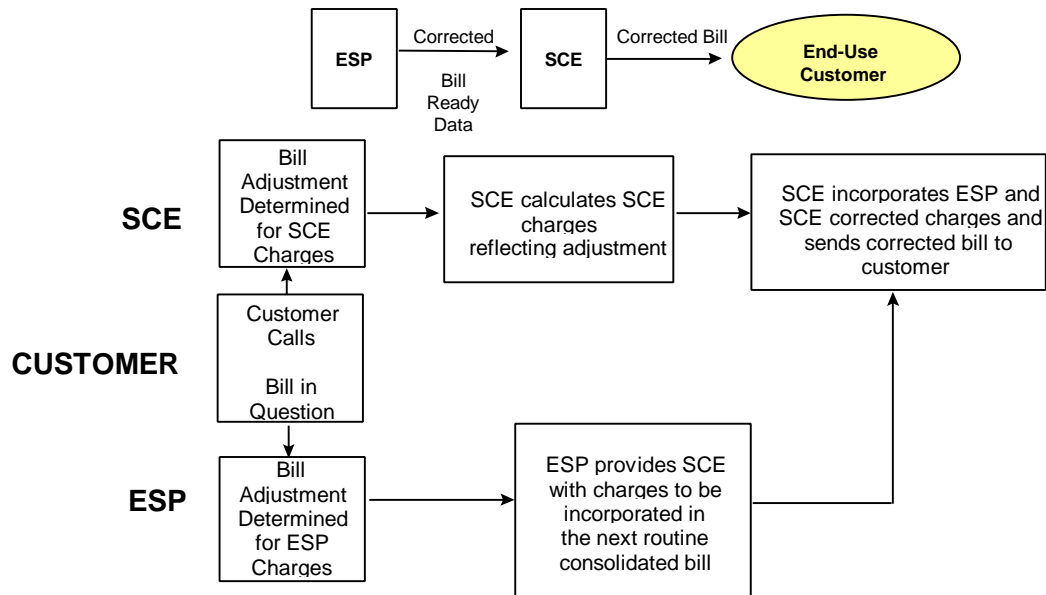
### 8.12.B.1. SCE Consolidated Corrections - "Usage" Adjustment



- If the inquiry is usage related, the customer may call either party to request that the responsible MDMA verify usage.
- Regardless of MDMA, both the ESP and SCE are responsible for calculating their own corrected billing charges.

***From the time the adjusted usage is posted to the MDMA, the ESP has two days to send the corrected "Bill Ready Data" to SCE for consolidation.*** If the data is not received within the two days, the corrected charges will be applied to the next routine billing statement.

## 8.12.B.2. SCE Consolidated Corrections - "Non Usage" Adjustment



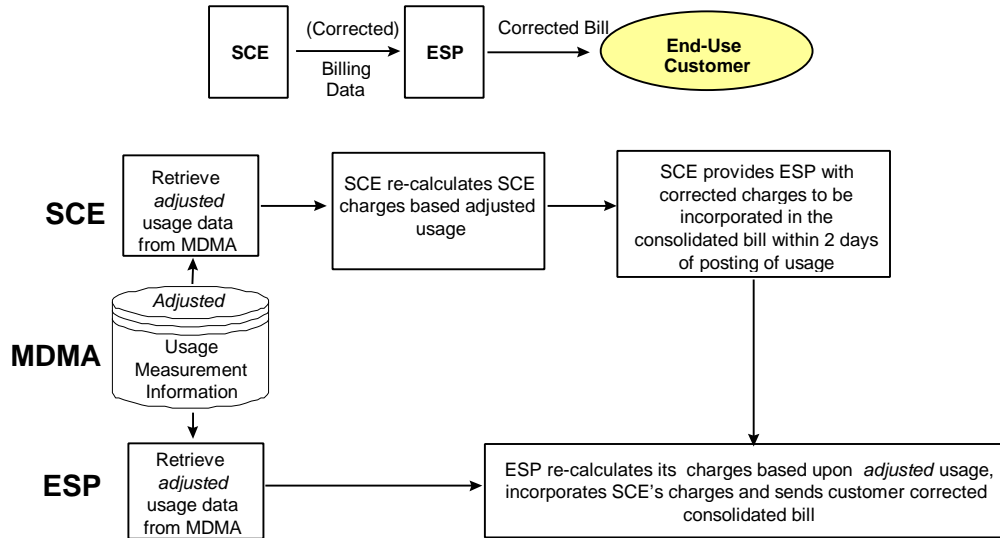
- If the inquiry is non-usage related, the customer will contact their ESP for problems with the ESP's portion of the bill, and call SCE for SCE's portion of the bill.
- Regardless of MDMA, both the ESP and SCE are responsible for calculating their own corrected billing charges.
- Non-usage related bill corrections will be reflected on the next routine billing statement.

The responsible billing party has up to 15 days to reject corrected bill ready data.

## 8.12.C. ESP Consolidated

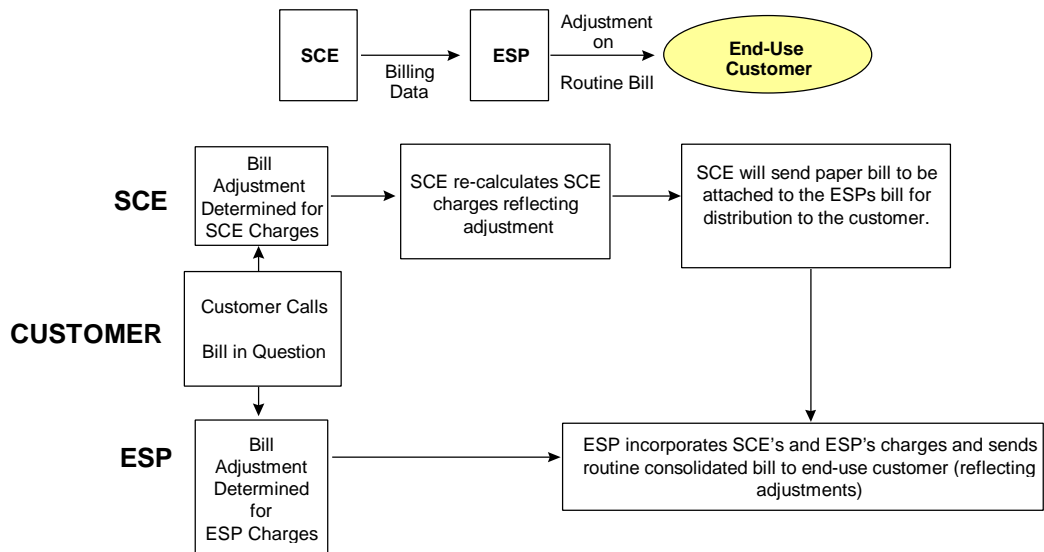
### 8.12.C.1. ESP Consolidated Corrections - "Usage" Adjustment

ESP Consolidated Billing is the option under which the customer receives one single bill, prepared by the ESP, which includes corrected charges from both the ESP and SCE.



- If the inquiry is usage related, the customer may call either party to request that the responsible MDMA verify usage.
- After the MDMA posts adjusted usage to the server, both the ESP and SCE are responsible for calculating their own corrected billing charges. If SCE's data is not sent to the ESP within two days of posting of the adjusted usage, the ESP may apply SCE's charges to the next routine billing statement.

## 8.12.C.2. ESP Consolidated Corrections - "Non Usage" Adjustment



- If the inquiry is non-usage related, the customer will contact their ESP for problems with the ESP's portion of the bill, and call SCE for SCE's portion of the bill.
  - Regardless of MDMA, both the ESP and SCE are responsible for calculating their own corrected billing charges.
- Non-usage related bill corrections will be reflected on the next routine billing statement.



# Domestic DA Sample

CSS



Southern California Edison Company  
 An EDISON INTERNATIONAL Company  
 P.O. Box 600, Rosemead, CA 91771-0001

Customer and Service Address  
 DOMESTIC SAMPLE  
 54321 NEW AVE  
 MNTERYPK, CA 91755

Date Bill Prepared  
 JUNE 04, 1998  
 Next Meter Read on or about  
 JULY 01, 1998

Your Customer Account Number  
**68-43-234-666-04**  
 24 - hr. Customer Service  
**1 (800) 799-4723**

Service Account #    Old Account #    Rate Schedule  
**3-123-4567-89**    **68-43-234-666-04**    DOMESTIC (D) - Direct Access



## Usage

Meter Number	Dates and Readings		Usage
	From	To	
308-422431	04/30/98	05/30/98	504 kWh
	30633	31137	

	Usage Comparison	This Year	Last Year
Kilowatthour (kWh) used		504.00	672.00
Number of days		32	28
Average usage per day		15.75	24.00



## Message

SOUTHERN CALIFORNIA EDISON IS READY FOR YOUR BUSINESS!  
 Please read your enclosed "Customer Connection" newsletter to learn more about what Southern California Edison has to offer.



# GS-1 DA Sample

Southern California Edison Company  
An EDISON INTERNATIONAL Company  
P.O. Box 600, Rosemead, CA 91771-0001

Customer and Service Address		Date Bill Prepared
GS-1 SAMPLE		JUNE 02, 1998
54321 BUSINESS LANE		Next Meter Read on or about
LONG BEACH, CA 90806		JUNE 27, 1998
Service Account	Old Account #	Rate Schedule
3-077-9525-76	60-46-234-6666-04	GS-1 - Direct Access

Your Customer Account Number  
**2-00-111-1116**  
24 - hr. Customer Service  
**1 (800) 799-4723**



## Update

Amount of previous bill	\$ 437.04
Payment received 05/15/98 - Thank you	\$ (437.04)
<hr/>	
Account Balance.....	\$ 0.00



## Summary

Service / Billing Period - 04/29/98 to 05/28/98 (29 days) - Winter Season		
Energy Charge	1,800 kWh x \$0.11760	\$ 211.68
Basic Charge		13.92
<hr/>		
Sub Total		\$ 225.60
Legislated 10% Rate Reduction		(22.56)
PX Energy Credit (1)		(43.20)
<hr/>		
Current Billing Sub Total		\$ 159.84
Long Beach City Tax	\$159.84 x 10.0000%	15.98
<b>Current amount must be paid by 06/21/98</b>		<b>\$ 175.82</b>

\$ 5.51 is your daily average cost this period  
Average PX Energy Charge during this period was 2.4 cents/kWh  
Of your total charges, Franchise Fees represents \$ 1.29.

## Detail

CTC Charges	\$ 53.47
Transmission Charges	5.79
Distribution Charges	56.18
Nuclear Decommissioning Charges	3.98
Public Purpose Program Charges	7.40
Trust Transfer Amount (2)	32.80
Other Charges	16.20
<hr/>	
Current Amount Due	\$ 175.82

- (1) The Average PX energy charge is based on the weighted average costs for purchases through the Power Exchange. This service is subject to competition. You may purchase electricity from another supplier.
- (2) A portion of historic electric generation costs has been financed through low-cost bonds to reduce your total bill by 10%. The TTA reflects the costs of these bonds, which are less expensive than the type of financing the utilities previously employed. The TTA does not offset your 10% rate reduction, nor does it increase the total amount you otherwise would have paid.

- Please detach stub below and return with your payment -

## Payment Stub

For payment location, call:  
1-(800) 747-8908  
Make check payable to Southern California Edison

Please pay total amount now due \$ 175.82

Thank you for paying promptly

Past due if not paid by **06/23/98**

Enter the amount you paid  \$

Your Customer Account #: 2-00-111-1116

P.O. Box 600  
Rosemead, Ca  
91771-0001

GS-1 SAMPLE  
54321 BUSINESS LANE  
LONG BEACH CA 90806

00 111 1116 00000009 0000000000000000000017582





# GS-1 DA Sample

Southern California Edison Company  
An EDISON INTERNATIONAL Company  
P.O. Box 600, Rosemead, CA 91771-0001

Customer and Service Address  
GS-1 SAMPLE  
54321 BUSINESS LANE  
LONG BEACH, CA 90806

Date Bill Prepared  
JUNE 02, 1998  
Next Meter Read on or about  
JUNE 27, 1998

Your Customer Account Number  
**2-00-111-1116**  
24 - hr. Customer Service  
**1 (800) 799-4723**

Service Account    Old Account #    Rate Schedule  
**3-077-9525-76**    60-46-234-6666-04    GS-1 - Direct Access



## Usage

Meter Number	Dates and Readings		Difference	Multiplier	Usage
	From	To			
TP705-022150	04/29/98 5636	05/28/98 5681	45	40	1800 kWh

	Usage Comparison	This Year	Last Year
Kilowatthour (kWh) used		1800.00	No
Number of days		29	Comparable
Average usage per day		62.06	Usage

## Message



SOUTHERN CALIFORNIA EDISON IS READY FOR YOUR BUSINESS!  
Please read your enclosed "Customer Connection" newsletter to learn more about what Southern California Edison has to offer.





**SOUTHERN CALIFORNIA  
EDISON**

Southern California Edison Company  
An *EDISON INTERNATIONAL* Company  
P.O. Box 600, Rosemead, CA 91771-0001

## GS-2 DA Sample

Customer and Service Address  
GS-2 SAMPLE  
54321 BUSINESS LANE  
GOLETA, CA 93117

Date Bill Prepared  
DECEMBER 12, 1998  
Next Meter Read on or about  
JANUARY 09, 1999

Service Account    Old Account #  
**3-077-9525-76**    58-43-234-6666-04

Rate Schedule  
GS-2 - Direct Access

Your Customer Account Number  
**2-00-111-1121**  
24 - hr. Customer Service  
**1 (800) 799-4723**

### Usage



Number Meter	Dates and Readings From	To	Difference	Multiplier	Usage
P0714-002859	11/10/98 13724	12/10/98 17789	4065	6	24,390 kWh

#### Demand Meter Information

Maximum Demand: **79.0 kW**

Usage Comparison	This Year	Last Year
Kilowatthour (kWh) used	24,390.00	Data Not
Number of days	30	Not
Average usage per day	813.0	Available

### Message



**SOUTHERN CALIFORNIA EDISON IS READY FOR YOUR BUSINESS!**

Please read your enclosed "Customer Connection" newsletter to learn more about what Southern California Edison has to offer.





SOUTHERN CALIFORNIA  
**EDISON**

## TOU-8 DA Sample

Southern California Edison Company  
An EDISON INTERNATIONAL Company  
P.O. Box 600, Rosemead, CA 91771-0001

Customer and Service Address  
TOU-8 SAMPLE  
54321 BUSINESS LANE  
PLACENTIA, CA 92670

Date Bill Prepared  
MAY 09, 1998  
Next Meter Read on or about  
JUNE 07, 1998

Your Customer Account Number  
**2-00-111-1126**  
24 - hr. Customer Service  
**1 (800) 799-4723**

Service Account    Old Account #    Rate Schedule  
**3-077-9525-76**    **58-48-234-6666-04**    TOU-8 - Direct Access



### Usage

Meter Number	Dates		
	From	To	
TP714-2161	04/07/98	05/07/98	629,000 kWh

Demand Date	Demand Time		Season	Peak	Demand
	From	To			
04/18/98	20:15	20:30	Winter	Mid Peak	936 kW
04/19/98	00:45	01:00	Winter	Off-Peak	936 kW

#### Demand Meter Information

Maximum Demand: 936.0 kW  
Reactive Demand: 266.0 kVar

	Usage Comparison	This Year	Last Year
Kilowatthour (kWh) used		629,000.00	663,400.00
Number of days		30	31
Average usage per day		20,966.70	21,400.00

### Message



SOUTHERN CALIFORNIA EDISON IS READY FOR YOUR BUSINESS!  
Please read your enclosed "Customer Connection" newsletter to learn more about what Southern California Edison has to offer.





**SOUTHERN CALIFORNIA  
EDISON**

## GS-1 SCE Consolidated Sample

Southern California Edison Company  
An *EDISON INTERNATIONAL* Company  
P.O. Box 600, Rosemead, CA 91771-0001

Customer and Service Address  
GS-1 SAMPLE  
12345 LA COCINA  
COVINA CA 91722

Date Bill Prepared  
JUNE 05, 1998

Page 2 of 4

Your Customer Account Number  
**2-10-332-3960**  
24 - hr. Customer Service  
**1 (800) 799-4723**



### Update

Amount of previous bill 05/29/98	\$ 178.87
Previous Charges Due Immediately.....	\$ (178.87)



### Summary Of Billing Detail

Service Account	Rate Schedule	Service Address	Current Charges
-----------------	---------------	-----------------	-----------------

#### **Southern California Edison:**

3-123-4567-89	GS-1	12345 LA COCINA COVINA, CA	\$ 171.03
---------------	------	-------------------------------	-----------

#### **POWER R US:**

T87B452A	ESP-GS-1	12345 LA COCINA COVINA, CA	\$ 46.58
----------	----------	-------------------------------	----------

<b>Current amount must be paid by 06/24/98</b>	<b>\$ 223.61</b>
--	------------------

### Message



NOT JUST ENERGY...

We are committed to delivering you creative energy services that add to your comfort and convenience.



**SOUTHERN CALIFORNIA  
EDISON**

## GS-1 SCE Consolidated Sample

Southern California Edison Company  
An EDISON INTERNATIONAL Company  
P.O. Box 600, Rosemead, CA 91771-0001

Customer and Service Address  
GS-1 SAMPLE  
12345 LA COCINA  
COVINA CA 91722

Date Bill Prepared  
JUNE 05, 1998

Page 3 of 4

Your Customer Account Number  
**2-10-332-3960**  
24 - hr. Customer Service  
**1 (800) 799-4723**

### Summary



Service / Billing Period - 04/29/98 to 05/28/98 (29 days) - Winter Season

Energy Charge	1,800 kWh	x	\$ 0.11760	\$	211.68	
Customer Charge					13.92	
<hr/>					Sub Total	\$ 225.60
Leaslated 10% Rate Reduction					(22.56)	
PX Energy Credit (1)					(43.20)	
<hr/>					Current Billing Subtotal	\$ 159.84
Covina City Tax					\$ 159.84 x 7.00000%	11.19

**Current amount must be paid by 06/21/98 \$ 171.03**

\$ 5.51 is your daily average cost this period  
Average PX Energy Charge during this period was: 2.40 cents/kWh  
Of your total charges, Franchise Fees represents: \$ 1.64

### Detail

CTC Charges	\$	48.48	
Transmission Charges		5.80	
Distribution Charges		56.18	
Nuclear Decommissioning Charges		3.98	
Public Purpose Program Charges		7.38	
Trust Transfer Amount (2)		37.80	
Other Charges		11.41	
<hr/>		Current Amount Due	\$ 171.03

- (1) The Average PX energy charge is based on the weighted average costs for purchases through the Power Exchange. This service is subject to competition. You may purchase electricity from another supplier.
- (2) A portion of historic electric generation costs have been financed through low-cost bonds to reduce your total bill by 10%. The TTA reflects the costs of these bonds, which are less expensive than the type of financing the utilities previously employed. The TTA does not offset your 10% rate reduction, nor does it increase the total amount you otherwise would have paid.

### Electricity Usage



Meter Number	Dates and Readings		Usage
	From	To	
TP705-002150	04/29/98	05/27/98	1800 kWh
	5636	7436	

Usage Comparison		This Year	Last Year
Kilowatthour (kWh) used		1800.00	No
Number of days		29	Comparable
Average usage per day		62.1	Usage

**\* \* \* Important Message regarding this Service Account \* \* \***

\* \* \* \* \*

#### SUMMER IS COMING!

When the temperature increases, so does your electric bill. To keep costs down, set your air conditioning thermostat no lower than 78 degrees. Also, remember that evaporative coolers and fans will keep you cool, and they're less expensive to operate than air conditioners.





SOUTHERN CALIFORNIA  
EDISON

## GS-1 SCE Consolidated Sample

Southern California Edison Company  
An EDISON INTERNATIONAL Company  
P.O. Box 600, Rosemead, CA 91771-0001

Customer and Service Address  
GS-1 SAMPLE  
12345 LA COCINA  
COVINA CA 91722

Date Bill Prepared  
JUNE 05, 1998

Service Account  
T87B452A

Rate Schedule  
ESP-GS-1

Your Customer Account Number  
**2-10-332-3960**  
24 - hr. Customer Service  
**1 (800) 799-4723**

### Energy Service Provider: POWER R US

#### Summary



Service / Billing Period - 04/29/98 to 05/28/98 (29 days) - Winter Season

ESP Energy Charge	\$ 43.20
City Tax (1)	3.02
State Tax	.36

**Current Charges For This Account** **\$ 46.58**

**\* \* \* Important Message regarding this Service Account \* \* \***

\* \* \* \* \*

Call Power R Us between 9AM and 5PM PST at 1-800-GO-POWER.

(1) Covina City Tax



SOUTHERN CALIFORNIA  
**EDISON**

Southern California Edison Company  
An EDISON INTERNATIONAL Company  
P.O. Box 600, Rosemead Ca. 91771-  
0000

ESP Name and Service Address  
NON-ENERGY BILL SAMPLE  
12345 LA COCINA  
COVINA CA 91722

Date Bill Prepared  
JUNE 05, 1998

Your Customer Account Number  
**2-10-332-3960**  
24 - hr. Customer Service  
**1 (800) 795-6723**



**Update**

Amount of previous statement MM/DD/YY	\$ 8,210.35	
Previous Charges Due Immediately:		
	\$ 8,210.35	
Current Charges:		
Meter Installation	\$ 4,174.00	
Meter Maintenance/Repair	\$ 1,641.85	
Meter Read	\$ 566.45	
Meter Sales	\$ 29,534.00	
Billing Services	\$ 1,899.50	
Current Charges Subtotal:		
	\$ 37,815.80	
<b>Current amount must be paid by MM/DD/YY</b>		<b>\$ 46,026.15</b>

**Your Account's Total Balance Due \$ 46,026.15**

- Please detach stub and return with your payment. -

- Please detach stub and return with your payment. -

Payment Stub

*Mail with payment*  
SCE  
P.O. Box 750  
Rosemead, CA 91770  
Make check payable to Southern California Edison

Previous Charges	Current Charges	Total Charges Due:	
\$ 8,210.35	+ \$ 37,815.80	\$ 46,026.15	➔
Thank you for paying promptly	Past due if not paid by MM/DD/YY	Enter the amount you paid ➔ \$	

Customer Account #2-##-###-####

<ESP NAME>  
ATTN: <CONTACT NAME>  
<STREET ADDRESS>  
<CITY STATE & ZIP>

## Non-Energy Bill Detailed Summary

Non-Energy Services Provided By Southern California Edison  
 Billable Charges - 09/98

ESP Customer #: XXXXXXX                      ESP Name: CUSTOMER  
 ESP Name: PG&E  
 ENERGY  
 SERVICES

	WO #	Work Order Desc	Billing Action	Post Date	Serv Acct	Serv Address	Zone	Meter Package	Hours/Units
1)	000387RIN	Meter Install	Mtr Install	24-Apr-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	2	BIM+2	1.00
2)	000387SM	Meter Sale	Meter Sales	14-Apr-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	2	BIM+2	1.00
3)	002213RIN	Meter Install	Mtr Install	01-Jun-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	1	BIM1	1.00
4)	002213SM	Meter Sale	Meter Sales	05-Jun-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	1	BIM1	1.00
5)	003395RIN	Meter Install	Mtr Install	26-Aug-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	5	BIM1	1.00
6)	003395SM	Meter Sale	Meter Sales	26-Aug-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	5	BIM1	1.00
7)	003433RIN	Meter Install	Mtr Install	02-Sep-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	3	BIM1	1.00
8)	003433SM	Meter Sale	Meter Sales	02-Sep-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	3	BIM1	1.00
9)	004947RIN	Meter Install	Mtr Install	30-Sep-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	1	BIM1	1.00
10)	004947SM	Meter Sale	Meter Sales	30-Sep-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	1	BIM1	1.00
11)	004948RIN	Meter Install	Mtr Install	28-Sep-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	1	BIM1	1.00
12)	004948SM	Meter Sale	Meter Sales	29-Sep-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	1	BIM1	1.00
13)	005387RIN	Meter Install	Mtr Install	04-Sep-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	1	BIM1	1.00
14)	005387SM	Meter Sale	Meter Sales	04-Sep-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	1	BIM1	1.00
15)	005415RIN	Meter Install	Mtr Install	31-Aug-98	XX-XXX-XXXX-XX	STREET, CITY, ZIP	2	BIM1	1.00

-----  
TOTAL

SUMMARY:  
 Mtr Install  
 Meter Sales

TOTAL



## *The ESP Handbook*

---

### *Chapter 9* *Providing Electronic Billing Information to SCE* *The 810 and 824 Mapping Guide*

*Version 2.5*  
*November 23, 1998*



SOUTHERN CALIFORNIA  
**EDISON**

An *EDISON INTERNATIONAL* Company

*ESP/UDC Consolidated Billing  
Conventions*

**Mapping Guide**

**Invoice Inbound - 810**

ANSI X12

Version 3070

## 810 EDI CUSTOMER BILLING CONVENTIONS

(810 Mapping goes here)

Functional Group ID=IN

***UDC/ESP Application Advice  
Conventions***

***Mapping Guide***

**Application Advice Outbound - 824**

ANSI X12

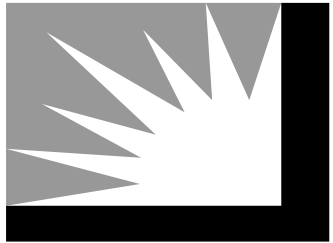
Version 3070

## 824 EDI APPLICATION ADVICE CONVENTIONS

(824 Mapping goes here)

Functional Group ID=AG





SOUTHERN CALIFORNIA  
**EDISON**

An *EDISON INTERNATIONAL* Company

*EDI Customer Billing Conventions*

*Mapping Guide External*

**Invoice OutBound - 810**

ANSI X12

Version 3030

# 810 EDI CUSTOMER BILLING CONVENTIONS

(810 Mapping goes here)

Functional Group ID=**IN**

# *The ESP Handbook*

---

## *Chapter 10* *Credit Policies for ESPs in Direct Access*

*Version 2.5*  
*November 23, 1998*

---

## ***Chapter 10: Credit Policies for ESPs in Direct Access***

---

### **10.1. Initial Credit Set-up**

#### **All ESPs entering into a SCE-ESP Service Agreement must complete a Credit**

**Application.** The credit application is used to conduct a creditworthiness evaluation, as well as to set up and establish the initial credit profile for an individual ESP. Once the evaluation is complete, those ESPs offering the ESP Consolidated Billing Option must establish credit and/or negotiate security with SCE prior to switching end-use customers to ESP Consolidated billing through DASRs.

As part of the credit evaluation process, ESPs are required to provide Dun & Bradstreet numbers. This information should be included in the Participant Information Form. If you do not know or have your Dun & Bradstreet number, please call Dun & Bradstreet at (800) 234-3867.

### **10.2. Establishing Credit by Demonstrating Creditworthiness**

An ESP providing consolidated billing within SCE's service territory, must first demonstrate its creditworthiness by meeting one of the following criteria:

- An ESP must have an acceptable long-term debt rating from at least one of the four credit rating agencies unless SCE determines that a material change in the ESP's creditworthiness has occurred. The rating agencies and levels of acceptable debt ratings are as follows:
  - Baa2 from Moody's
  - BBB from Standard & Poor's (S&P)
  - BBB from Fitch
  - BBB from Duff & Phelps
- Post security as described in 10.3— Security Requirements.

### **10.3. Security Requirements**

If an ESP is not deemed creditworthy, the ESP will be required to establish credit by providing security to SCE. Initial security will be based on the estimate of the ESP's highest monthly bill, including TTA charges, and will be re-evaluated on a daily basis through new DASRs that are received as well as any increased consumption by an ESP's end-use customer base. ESPs should ensure that their security is always sufficient to cover new Direct Access customers. The security will be equal to two times the highest 12 month estimated monthly bills.

---

Credit can be established by posting security in one of the following forms:

- **Cash Deposit**— will be held in an account that earns interest as described in the CPUC’s October 30, 1997 decision, provided bills are paid within SCE terms.
- **Assignment of Certificate of Deposit**— Must be from a financial institution that is FDIC approved and has a green Veribanc rating.
- **Irrevocable Letter of Credit**— Must be from a financial institution that is FDIC approved and has a green Veribanc rating.
- **Surety Bond**— Must be from at least an A rated bonding/insurance company as defined by A.M. Best.
- **Corporate Guaranty**— The Guarantor must have an acceptable credit rating as defined above, unless SCE determines that a material change in the guarantor’s creditworthiness has occurred. In addition, Edison will request the Guarantor to provide complete financial statements on a quarterly basis. If the Guarantor’s financial condition in the opinion of Edison materially changes, and/or its credit rating becomes unacceptable, the ESP is required to provide another form of acceptable security.

All forms of security excluding cash will be held in SCE’s Corporate Documentation Vault.

In the event the security instrument provided falls below acceptable ratings, the ESP will be required to provide another form of acceptable security.

The security forms are included in this handbook. All forms are subject to SCE’s approval.

Failure to establish or re-establish credit will lead to any DASR(s) that do not have adequate security at least three (3) full business days prior to the ESP Consolidated Billing switch date to be switched to the Dual Billing Option.

SCE will monitor accounts and track changes in an ESP’s customer base, increasing load, or bill payment schedules. If an ESP becomes under-secured, SCE will request additional security. Failure to provide adequate security as requested will result in DASR(s) submitted for ESP Consolidated Billing being processed under the Dual Billing option or the reversion of customers billed through the ESP Consolidated Billing Option back to dual billing. Any ESP must have adequate security at least three (3) full business days prior to end-use customers switch date for all new DASRs. Any ESP that undergoes such reversion of customers may not provide ESP Consolidated Billing for a period of six (6) months.

---

#### 10.4. Re-establishment of Credit

An ESP may be required to re-establish credit by providing a security deposit as described in 10.3— Security Requirements when any of the following occurs:

- Conditions of the ESP's service(s) materially changed or
- The basis on which credit was originally established, have, in the opinion of SCE, materially changed.

The ESP will be notified in writing of the need for a Re-establishment of Credit deposit; this will be transmitted through E-mail, FAX, express mail, or certified mail. The letter will contain the following:

- Reasons for security deposit
- Amount of deposit required
- Time frame to pay deposit
- A contact for further information



## *The ESP Handbook*

---

### *Chapter 11 Payments and Remittances in Direct Access*

*Version 2.5  
November 23, 1998*

**Important Note:**

**All references to “ESP Consolidated Billing” in this chapter and throughout the ESP Kit Version 2.2 should be understood by readers to mean Partial ESP Consolidated Billing, as described in SCE’s Rule 22. SCE will provide information associated with conducting Full ESP Consolidated Billing in future versions of this kit.**

## **11.1 Introduction**

ESPs can expect to make payments to SCE for at least two sets of transactions: (1) for purchases of certain SCE products and services such as meter installations, meter data management and usage calculation, and others; (2) for SCE transmission and distribution charges billed to customers through ESP consolidated billing. In addition, ESPs will receive payment from SCE for energy services provided by ESPs but billed to customers through SCE consolidated billing.

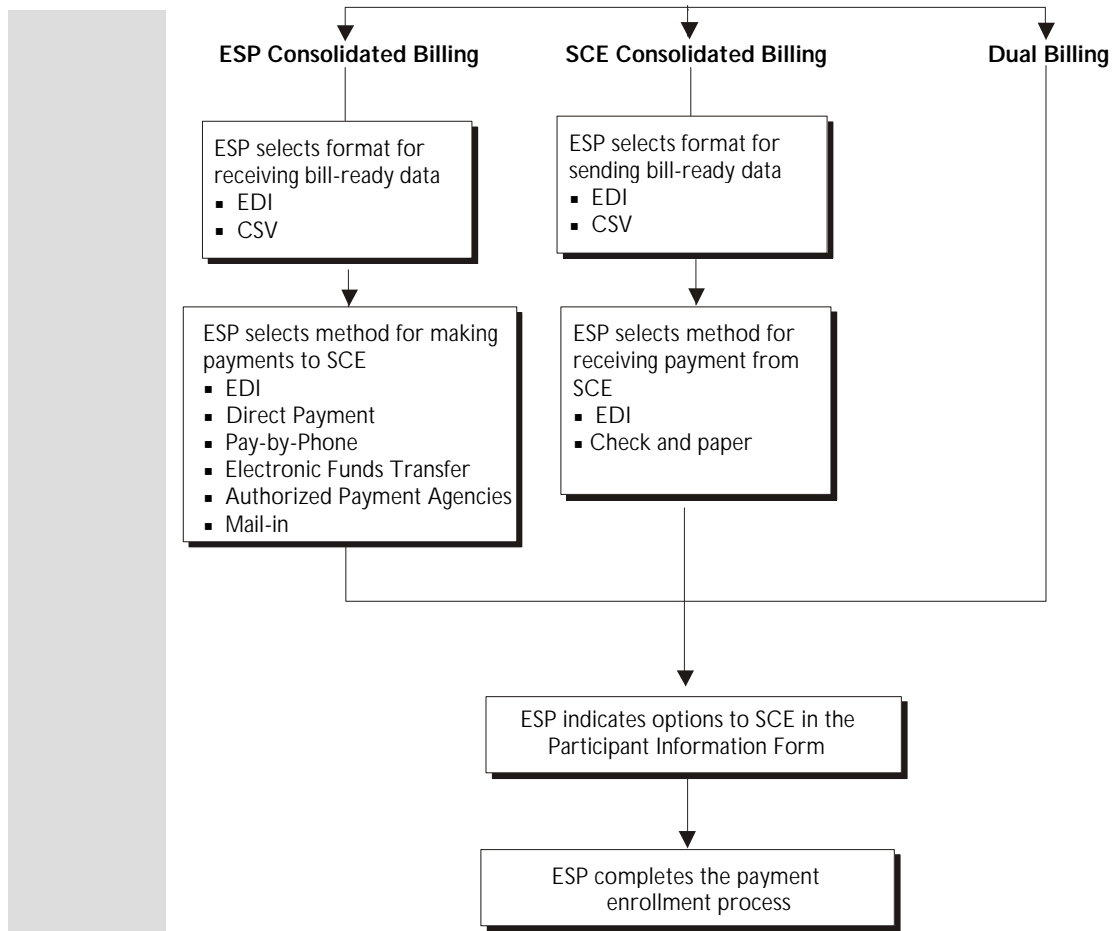
The policies and procedures associated with making and/or receiving these payments is described below.

## **11.2 SCE Invoicing for Non-Energy Products and Services**

ESPs will receive paper invoices for products and services purchased from SCE such as meter installations, metering services, MDMA services, consolidated billing, and others. These products and services are listed in the “Directory of SCE Products and Services”, and is included in the appendix of this kit. These invoices will be sent separately once per month.



## SCE's Payment Process for ESPs



## 11.1 ESP Consolidated Billing

### 11.2.A. Payments Process

ESPs planning to provide ESP Consolidated Billing must take the following steps as part of the payments process:

Step 1: Determine how to receive invoices from SCE for transmission and distribution charges billed to the end-use customer through ESP Consolidated Billing.

Under ESP Consolidated Billing, SCE will send an invoice to the ESP describing the charges for which it expects to receive payment from the ESP. This invoice can be sent in three ways:

#### *Electronic Data Interchange*

For ESPs operating in the EDI environment, the EDI transaction set 810 version 3030 will be used by SCE to invoice ESPs. This transaction will provide SCE charges to ESPs on an account by account basis. In other words, ESPs will receive a separate invoice for each of their customer's accounts. The invoices in total represent a single day's tally of the charges owed to SCE by the ESP for services provided to all of the ESP's Direct Access end-use customers.

#### *Paper*

An ESP can elect to receive paper invoices from SCE. SCE's invoices will be in the following format:

The first page is a summary that lists the ESP's name and address, the total charges due from the ESP for services provided to an ESP's Direct Access customers, and a one line summary for each Direct Access service account. An invoice will cover charges for one bill cycle date. In other words, an ESP could receive a single summarized invoice for each of the 21 bill cycle days of the month.

ESPs should note that paper invoices are likely to be large. Depending on the number of service accounts on the bill, the summary of charges may span multiple pages. Detail billing charges and usage data will span two pages per service account.

### *Diskette*

Under this option, an ESP will receive a diskette that includes a database with invoice information in spreadsheet format. This information can be sorted by: billing location; kilowatt hours used; comparison of monthly use from previous year; and, bill amount.

### Step 2: Determine how to pay SCE for charges

Payments can be sent to SCE in the following ways:

**Electronic Data Interchange.** With EDI, an ESP can use electronic data interchange-based, electronic funds transfer/Automated Clearing House transactions. The SCE 820 3030 Mapping Guide is available on page 7 of this Chapter.

**Direct Payment.** Using Direct Payment, an ESP checking account will be debited each month, 10 calendar days after a bill is produced.

**Pay-by-Phone.** Utilizing Pay-by-Phone, an ESP can process a payment by dialing an SCE 800-phone number.

**Electronic Funds Transfer.** With EFT, SCE is able to accept payments from customers who utilize home banking through a local bank, credit union or payment service.

**Authorized Payment Agencies.** Under this option, an ESP may use one of over 400 business agents located within the SCE service territory.

**Mail-in.** For this option, an ESP will receive a paper bill with information about how to make payment to SCE.

### Step 3: Indicate Options in the Participant Information Form

Once an ESP selects how to receive invoices and receive payment, the ESP must communicate this information to SCE through the Participant Information Form. This form is available in Chapter 3 of this kit.

### Step 4: Complete payment enrollment process

Different methods of payment require an ESP to complete the enrollment process in different ways.

For EDI— Complete the Electronic Funds Transfer Agreement, and complete the ESP EDI Trading Partner Profile for transaction set 810, 820, and 824. Both forms are available in Chapter 3 of this kit.

For Direct Payment— Complete SCE's Direct Payment and Pay-by-Phone form. This form can be obtained from the ESP Support Center.

For Pay-by-Phone— Complete SCE's Direct Payment and Pay-by-Phone form. This form can be obtained from the ESP Support Center.

For Electronic Funds Transfer— Please contact your financial institution for the enrollment procedure.

For Authorized Payment Agencies— No enrollment is required; simply visit one of SCE's 400 locations or call 1-800-747-8908 for the location nearest you.

For Mail-in— an ESP will receive a paper invoice that includes instructions and pay stubs necessary to mail payment to SCE.

Southern California Edison  
Attn: A/R Room G-44  
2244 Walnut Grove  
Rosemead, CA 91770

#### 11.2.B. Payment Policies

**ESPs should note that the ESP is required to pay amounts owed to SCE for SCE charges whether or not the customer has paid the ESP.** Payment is due upon receipt of the SCE invoice and will be considered past due if not paid within 17 days. Late payment charges will be assessed after bill becomes past due. Penalties associated with late and non-payments are described in SCE's Rule 22.

### 11.3 SCE Consolidated Billing

#### 11.3.A. Payments Process

Step 1: Determine how to receive payment from SCE

SCE can pay ESPs in two ways for charges billed on their behalf through SCE Consolidated Billing. These options include:

- Electronic Data Interchange/EFT (electronic funds transfer with EDI remittance)
- Check and Paper (Check with hard copy remittance)

In each of these cases, a value-added bank will serve as the financial intermediary between ESPs and SCE.

## Step 2: Indicate Options to SCE in the Participant Information Form

Once an ESP selects how it prefers to receive payment from SCE, the ESP must communicate this information to SCE through the Participant Information Form. This form is available in Chapter 3 of this kit. As noted above, ESPs using EDI or Paper Electronic Data Interchange will need to provide further information in the Electronic Funds Transfer Agreement form and the EDI Trading Partner Agreement and Profile for transactions 810/820/824.

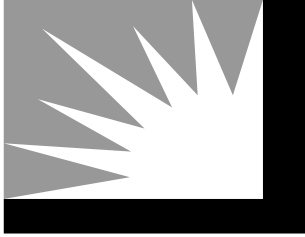
### **11.3.B. Payment Policies**

SCE will collect payment from customers, and forward funds associated with ESP charges to ESPs. Funds received from customers will be allocated first to the Trust Transfer Amount, then to SCE charges for which delinquency may result in disconnection, and then any balance will be prorated between the ESP and other SCE charges that do not result in disconnection.

SCE will compile all payments received from customers on a daily basis, and transmit applicable payments and remittances to its value-added bank, which will forward payment to ESPs in the agreed-upon format the following business day. Depending on the payment method an ESP selects, the day an ESP receives funds may vary. For example, an electronic funds transfer will occur more quickly than a hardcopy mailing.

In addition to making payments, SCE currently intends to send remittance information to all ESPs using SCE consolidated billing. SCE intends to be able to send remittance information via EDI, fax, or U.S. mail. Remittance information will include returned items, which will be subtracted from amounts collected from customers.

SCE will process payments, post SCE charges paid to customer service accounts, and transfer funds owed to the ESP. On the billing statement for the following month, SCE will debit to the ESP any amounts resulting from returned payments and assess returned payment charges to the appropriate customers.



SOUTHERN CALIFORNIA  
**EDISON**

An *EDISON INTERNATIONAL* Company

*Payment Order/Remittance  
Advice*

*Mapping Guide*  
*External*

**Inbound / Outbound - 820**

ANSI X12  
Version 3030

# 820 Payment Order/Remittance Advice

(820 Mapping goes here)

Functional Group ID=**RA**

*From  
SDG&E's Manual*



## DIRECT ACCESS BILLING & PAYMENT

---

This section summarizes the DA billing options and guidelines that are found in SDG&E's tariffs. It also contains additional details to facilitate a smooth transition for billing services in DA.

SDG&E supports these billing services:

- Dual Billing
- ESP Consolidated Billing
- SDG&E Consolidated Billing - Bill Ready

<b>Billing Type</b>	<b>Bill Processing</b>	<b>Payment Processing</b>	<b>Payment Exchange</b>
<b>Dual</b>	Separate	Separate	None
<b>Partial ESP Consolidated</b>	ESP prepares consolidated bill showing ESP charges and SDG&E charges calculated by SDG&E	ESP processes customer payments	ESP responsible for amounts owed SDG&E
<b>SDG&amp;E Consolidated</b>	SDG&E prepares consolidated bill showing ESP calculated by ESP and SDG&E charges	SDG&E processes customer payments	SDG&E remits customer payment after receipt

The DASR establishes the billing options the ESP and customer have chosen for each service account. A service account's billing option can be changed with the submittal of a DASR and will follow the same procedures and timing as the initial DASR submittal.

## DUAL BILLING

Under dual billing, the ESP and SDG&E are each responsible for separately preparing and sending their own bills to the customer and for processing customer payments. Although the billing method and accuracy of charges are the sole responsibility of each billing party, accurate and timely meter read data must be shared between the ESP and SDG&E. (See appendix for exhibits.)

### Timing

Meter reading data is required by the SDG&E on the scheduled meter reading date which conforms to existing SDG&E billing cycles.

### Billing Errors

The ESP and SDG&E are separately responsible for correcting their own billing errors. Both are expected to use the meter readings on the MDMA server. The MDMA is responsible for correcting any meter read errors and for providing notice to the other party. SDG&E will contact the ESP if an error is suspected.

### Disputed Charges

Customer inquiries about SDG&E charges, services or Trust Transfer Amount billing should be referred to and handled by SDG&E. Customer inquiries concerning the ESP's charges or services will be directed to the ESP. The customer will be solely responsible for obtaining refunds of both current and prior ESP electric power overcharges attributable to a fast meter from its current and prior ESPs, as appropriate.

### Summary Billing

SDG&E now provides a summary billing (also known as Group Billing) service to customers where a grouping of the customer's bills are summarized and mailed under selected conditions. SDG&E will continue to provide Summary Billing for DA customers choosing dual billing if they currently participate in this service. New requests for Summary Billing by dual billing customers will be at the sole discretion of SDG&E.

### 3<sup>rd</sup> Party Notification

3<sup>rd</sup> party notification is available to direct access customers under Dual Billing

### Misdirected Payments

Although the ESP and SDG&E are responsible for processing their own payments, there will be times when a customer accidentally includes both receipts and payments in one envelope. If these misdirected payments are discovered during payment processing, the payment should be sent to the other party.

### SDG&E Pay-By-Phone and Automatic Pay

SDG&E offers its customers two electronic payment services: SDG&E Pay-By-Phone and Automatic Pay. SDG&E Pay-By-Phone allows customers to call a toll-free 800 number to pay their gas and electric bill from their checking account. The Automatic Pay service automatically debits a customer's bank account 10 days after the customer is billed. DA customers who elect dual billing may continue these services without taking any additional actions. New customers may enroll in these services. However, any payments made using these services will only account for the SDG&E portion of the bill. The customer should pay the ESP portion of the bill directly to the ESP.

#### Nonpayment

SDG&E may disconnect electric service to the customer for the non-payment of SDG&E charges by the customer, but SDG&E will not disconnect electric service to the customer for the non-payment of ESP charges. In the event of non-payment of SDG&E charges, and to the extent authorized by the CPUC, a service charge will be imposed on the customer if a field call is performed to disconnect electric service.

If the customer's service is disconnected for non-payment, SDG&E will notify the ESP if the service has not been reconnected after 2 days.

In the event of non-payment of ESP charges by the customer, the ESP may submit a DASR requesting transfer of the service account to bundled UDC service according to the normal processing schedule for DASRs.

## ESP CONSOLIDATED BILLING

Under this billing option, the ESP will send a consolidated bill to the customer for both ESP and SDG&E charges. SDG&E will calculate its charges and send them electronically to the ESP. SDG&E will include a summary line to be included on the ESP's bill and a detail page explaining all utility charges. SDG&E charges should be included in the ESP bill exactly as provided unless the ESP has arranged customized billing with the customer as identified below. SDG&E charges which are not transmitted to the ESP will not be included in the consolidated bill. The ESP has no obligations regarding the accuracy of SDG&E charges

The ESP may offer ESP Consolidated billing services to its DA customers when approved in the ESP Service Agreement. As a part of the ESP Service Agreement, ESPs wishing to offer this billing service will be required to meet CPUC approved creditworthiness requirements and compliance testing to demonstrate the ESP's ability to perform the functions required to provide this service. ESPs must also be Electronic Data Interchange (EDI) capable and must enter into the appropriate agreements unless alternate billing communication methods have been approved by SDG&E.

If SDG&E fails to provide the ESP with its charges, the ESP may render the bill without SDG&E's charges within the period approved by the CPUC (RSIF decision). The ESP is not required to estimate SDG&E's charges or delay billing if SDG&E's charges are not received.

### Customized ESP Consolidated Billing

With written consent of the customer, ESPs may offer customized billing cycles or payment plans which permit the customer to pay the ESP for SDG&E's charges in amounts for any given billing period different than SDG&E charges to the ESP for that period as specified in Rule 25, section K(3)c(5). The ESP must notify SDG&E of all accounts where customized billing has been arranged with the customer and provide a summary description of the arrangement as it pertains to SDG&E charges.

Such plans must ensure that the charges as billed by SDG&E are provided to the customer as soon as is feasible. The customer's payment of SDG&E charges will be adjusted such that over a reasonable time, not exceed one year, the customer pays no more than SDG&E charges as billed by SDG&E.

This plan does not affect in any manner the obligation of the ESP to pay SDG&E's charges as billed by SDG&E.

### Timing

ESPs may render bills more or less frequently than once of month. However, SDG&E will continue to bill the ESP for the amounts due from the customer according to the published electric meter reading schedule. SDG&E will provide billing charges to the ESP based on the normal monthly meter reading schedule, by service account for the period as specified in the tariff.

Billing information will be transmitted to the ESP within the period approved by the CPUC (the RSIF decision). The meter reading date will continue on the same schedule as prescribed by SDG&E's existing billing cycles. If SDG&E fails to provide SDG&E charges to the ESP within the period approved by the CPUC, the ESP may render the bill without SDG&E charges. SDG&E will either wait until the next billing period or bill the customer for the SDG&E charges.

### Billing Communications

EDI is SDG&E's primary billing communication method for consolidated billing. ESPs are required to use EDI unless they have less than 25 accounts and other alternate communication methods have been approved by SDG&E. SDG&E will pass an EDI record to the ESP that includes a summary of charges. SDG&E will also provide a detailed explanation page for this amount which will include current charges, any unpaid balance forward amounts, rebates and credits.

ESPs must have the capability to exchange data with SDG&E via the Internet. Alternative arrangements may be allowed if a mutual agreement is made between SDG&E and the ESP.

SDG&E's telephone number must be included on the ESP's bill for use in emergencies. This phone number will be included in SDG&E's monthly submittal of utility charges.

#### Disputed Bills

Under ESP Consolidated Billing, the customer must notify both the ESP and SDG&E of any SDG&E disputed charges. These charges are due unless the customer or ESP has made arrangements approved by SDG&E or the disputed portion of the charges has been paid to the CPUC in accordance with Rule 10.

Billing adjustments will follow the process as described under *Billing Errors*.

#### Summary Billing

Summary Billing, as described under *Dual Billing*, is not available to customers or ESPs under ESP Consolidated Billing. Customer accounts on Summary Billing will be returned to their published billing cycle upon DA switch.

#### Billing Errors

The ESP and SDG&E will be separately responsible for correcting their own billing errors. Both are expected to use the meter readings on the MDMA server. The MDMA is responsible for correcting meter read errors and for providing notice to the other party. If an error is suspected, SDG&E will contact the ESP to work out a solution that best meets the customer's needs. SDG&E will work with the ESP to coordinate the timing of the re-bill and the correction for inclusion in the corrected ESP consolidated bill.

In cases of a meter or billing error, SDG&E will transmit adjusted SDG&E and Trust Transfer Amount charges to the ESP.

Within 15 days after SDG&E transmits the adjusted charges for a slow, a non-registering meter, or billing error, the ESP may either:

- pay SDG&E the adjusted charges and assume responsibility for issuing a bill reflecting the adjusted charges to, and collecting the adjusted charges from, the DA customer, or
- submit a DASR to SDG&E to change the affected DA service account to the Dual Billing option. After the approval of the DASR, SDG&E will issue an adjusted bill to the customer and collect amounts owing from the customer.

#### Payments

ESPs providing ESP Consolidated Billing are responsible under D.97-05-039 to pay amounts owed to SDG&E for utility charges, whether or not the customer has paid the ESP. The payment is due in full from the ESP within 17 days from the date SDG&E renders the charges to the ESP. The remittance must identify the account number and amount applied to each account number. Late payments will be subject to a 1 ½ percent late fee. ESPs will send payment and remittance advice using EDI unless alternative payment methods have been approved by SDG&E.

#### Partial Payments & Credit

SDG&E holds the ESP liable for any late payments or unpaid bills and will not take credit action on the end-use customer for these bills.

The ESP is responsible for collecting both unpaid ESP and SDG&E charges, sending notices informing customers of unpaid ESP and SDG&E balances, and taking appropriate action to recover the amounts owed. SDG&E will not assume any collection obligations under this billing option.

Unpaid and undisputed overdue balances owed to SDG&E will be considered late and subject to a 1 ½ percent late payment fee. ESPs should familiarize themselves with these provisions which can result in discontinuance of ESP consolidated billing services. If the ESP's payment has not been received by day 17, SDG&E will transmit a past due notice to the ESP requiring payment in the next 7 days. If payment is not received by day 24, both the ESP and all its ESP consolidated billed customers will be notified that the ESP has not met its financial commitments to SDG&E and as a result, customers will be switched to dual billing starting with their next bill.

If the customer does not pay its ESP charges, the ESP may submit a DASR requesting a change in billing options or transfer of the service account to bundled SDG&E service according to the normal processing schedule for DASRs. However, the failure of a customer to pay the ESP's charges does not change in any way the ESP's obligations to pay SDG&E.

SDG&E will not hold the ESP responsible for any customer's unpaid charges prior to the customer's switch to DA. Unpaid SDG&E charges will not delay the processing of DASRs and will remain the customer's responsibility. SDG&E will follow current CPUC rules in the event of customer non-payment, which could, in some cases, result in disconnection.

With ESP Consolidated Billing, deposits cannot be used as payment for past-due bills to avoid or delay the switch to Dual Billing resulting from the ESP's non-payment of bills owed to SDG&E.

#### SDG&E Pay-By-Phone and Automatic Pay

SDG&E with electric only service customers who select ESP Consolidated Billing will be canceled from these services if currently enrolled. However, if the customer maintains a gas account with SDG&E, the electronic payment service will remain in effect for this account.

#### Compliance

ESPs planning to provide ESP Consolidated Billing will be required to demonstrate their ability to perform the required electronic communication and billing functions. SDG&E's compliance testing will comprise of sending the ESP several test service account bills through EDI. The ESP will be required to demonstrate to SDG&E it has been able to accept the transmittal, read it, and present it as a part of its bill to the customer. If the ESP fails to complete the compliance testing, SDG&E may change the ESP's billing service to Dual Billing and notify all affected customers that the ESP will not be able to provide consolidated billing until compliance testing has been completed and passed.

## SDG&E CONSOLIDATED BILLING

Bills under this option will be rendered once a month. SDG&E will require that its charges and ESP charges be based on the same billing period to avoid confusion.

Under SDG&E Consolidated Billing, SDG&E will send a consolidated bill to the customer for both ESP and SDG&E charges. The ESP will provide SDG&E with a summary of ESP charges by electronic transmittal or other means acceptable to SDG&E. The ESP may provide billing-related details of the ESP charges including the ESP's telephone number on a separate page that will be included in SDG&E's bill.

SDG&E is not responsible for computing or for the accuracy of the ESP charges. ESP charges which are not transmitted as required will not be included in the consolidated bill. The ESP may include any information directly related to the calculation or understanding of ESP charges as part of the bill. The ESP may not include any text on the separate detail page which is not specifically related to the charges or their explanation.

The ESP may offer SDG&E Consolidated Billing to its DA customers when approved in the *ESP Service Agreement*. As a part of the *ESP Service Agreement*, ESPs wishing to offer this billing service must be EDI-capable and enter into the appropriate agreements unless SDG&E approves an alternate billing communication method. ESPs working with SDG&E who have not demonstrated they are EDI ready can communicate bill-ready data, in a format acceptable to SDG&E, during the initial implementation period. ESPs billing less than 25 service accounts can communicate bill-ready data in a format acceptable to SDG&E on an on-going basis.

SDG&E will use its current billing options to produce customers' bills. These include paper, EDI and magnetic tape. (See appendix for exhibits.)

### Timing

SDG&E will bill its customers once a month and will require that both the ESP and SDG&E charges be based on the same billing period data to avoid customer confusion. The ESP will provide billing charges to SDG&E based on the published monthly meter reading schedule, by service account within the CPUC-approved period (RSIF decision). ESP charges must be received by SDG&E the day following SDG&E's scheduled meter reading date according to the provisions in Section J, *Meter Reading Data Obligations*. If billing charges have not been received from the ESP by this date, SDG&E will render the bill for SDG&E charges only, without ESP charges. The ESP must wait until the next billing cycle, or send a separate bill to the customer for ESP charges

### Billing Communications

SDG&E will accept an EDI record from the ESP that includes a *total amount due* to be included on SDG&E's summary of charges. The ESP should only send its current month's billing for each account. SDG&E will carry forward any unpaid balances from month to month and track customer payments to these amounts. As a part of the ESP's current billing charges, the ESP should include in its detail explanation and summary any special billing credits or debits, such as customer payments made directly to them, or credits or rebates which allow for the appropriate accounting for the account. The detailed explanation of the ESP's bill will be included on a separate detailed page included with SDG&E's bill to the customer.

The ESP's phone number must be included as part of the ESP's detail page transmittal for customer reference.

### Disputed Bills

Customer billing inquiries or disputes concerning SDG&E charges should be referred to SDG&E for resolution. SDG&E will direct any customer inquiries concerning ESP charges to the ESP.

#### Summary Billing

SDG&E now provides a Summary Billing (also known as Group Billing) Service to customers where a selected group of the customer's bills is summarized and mailed to the customer under certain conditions. With the ESP's agreement, SDG&E will continue to provide Summary Billing for those accounts currently enrolled in the service for customers choosing SDG&E Consolidated Billing. SDG&E will contact the ESP to review the customer, affected accounts and timing of the summary billing. If the ESP agrees, summary billing will continue. If the ESP does not agree, SDG&E will advise the customer that the affected accounts will be dropped from summary billing at the request of the ESP.

Although summary billing groups the billing of several accounts across a specific period, the ESP must continue to submit its billing charges, by service account, to SDG&E on SDG&E's normal billing cycle schedule.

New requests for Summary Billing under SDG&E Consolidated Billing will be at SDG&E's sole discretion.

#### Billing Errors

The ESP and SDG&E will be separately responsible for correcting their own billing errors. Both are expected to use the meter readings on the MDMA server. The MDMA is responsible for correcting any meter read errors and providing notice to the other party. If SDG&E suspects an error, we will contact the ESP to develop a solution which best meets the customer's needs, and to coordinate the timing for the rebill and the correction from the ESP for inclusion in the corrected SDG&E consolidated bill.

#### Payments

SDG&E is required to pay the ESP the amounts paid to SDG&E for ESP charges only after the payment is received from the customer. Payments will be transmitted to the ESP using EDI unless alternate payment methods are made with SDG&E. Payments and remittance information will be sent to the ESP specifying the amount paid by service account or group of service accounts if the customer is Summary Billed.

Payments will be transmitted on or before, but not later than:

- 17 days after the bill was rendered to the customer, or
- the next business day after the payment is received from the customer,

Upon receipt of SDG&E's payment, the ESP will promptly and accurately post the payment information to the customer's service account. The ESP will be responsible for any follow-up inquiries either with SDG&E or the customer if there is question concerning the posting of that payment amount.

SDG&E will debit the ESP for any charges resulting from returned payments. These charges will be added to the billing statement for the following month.

#### SDG&E Pay-By-Phone and Automatic Pay

Unless otherwise notified in writing, customers who select SDG&E Consolidated Billing and who are already enrolled in one of the electronic payment services through the utility may continue to use these services to pay their gas and electric bills.



#### Partial Payment & Credit

Partial payments by customers will be allocated first to the Trust Transfer Amount, then to SDG&E charges for which delinquency may result in service disconnection. The balance, if any, will be pro-rated between the ESP and SDG&E charges.

SDG&E is responsible for collecting, noticing and taking appropriate action to recover unpaid amounts owed to the ESP as well as to SDG&E. SDG&E has the same collection responsibilities for its charges and will comply with CPUC rules regarding non-payment of bills. SDG&E will not take credit action on a customer's account for unpaid ESP charges. SDG&E will notify the customer of its right to disconnect electric service for the non-payment of SDG&E charges pursuant to Rule 9.

The customer, and not SDG&E, is responsible for contacting the ESP in the event it receives notice of late payment or service termination from SDG&E for any of its DA service accounts. If a customer has been disconnected, and is not reconnected within 2 days, SDG&E will promptly notify the ESP. To the extent authorized by the CPUC, a service charge will be imposed on the customer if a field call is performed to disconnect electric service.

SDG&E is responsible for collecting the unpaid balance of all charges from customers, sending notices informing customers of unpaid balances, and taking the appropriate actions to recover the unpaid amounts owed the ESP.

SDG&E will not disconnect electric service to the customer for the non-payment of ESP charges. In the event of non-payment of ESP charges by the customer, the ESP may submit a DASR requesting transfer of the service account to bundled SDG&E.

CPUC rules will apply to late or non-payment of SDG&E charges by the customer. SDG&E will reconnect electric service for a CPUC-authorized service fee when the criteria for reconnection, as specified in Rule 11, *Discontinuance of Service*, have been met.

#### Customer Payment Arrangements

SDG&E reserves the right to make payment arrangements for customers being billed under SDG&E Consolidated Billing. DA customers will be handled under the same credit policies as other utility customers. For payment arrangements extending less than one month, SDG&E may make payment arrangements for SDG&E charges. The customer will be referred to the ESP to make arrangements on ESP charges. The process for handling longer-term payment arrangements still has not been detailed. This procedure will be updated by 1/15/98.

ESPs may have a need to direct customer payments to ESP charges due to credit arrangements. This can be done in two ways:

- the customer must make the payment in an SDG&E company office and specifically direct the payment to the ESP charges, or
- the customer may pay the ESP directly. The ESP is then required to show a special payment (credit) on the account's next bill.

If the customer's service is disconnected for non-payment, SDG&E will notify the ESP if the service has not been reconnected after 2 days.

In the event of non-payment of ESP charges by the customer, the ESP may submit a DASR requesting transfer of the service account to bundled SDG&E service according to the normal processing schedule for DASRs.

## Compliance

ESPs will be requested to work with SDG&E to ensure that SDG&E is able to receive ESP billing charges through EDI and transmit payments to the ESP. This will be accomplished through several test accounts.

## OTHER BILLING ITEMS COMMON TO ALL OPTIONS

---

### Billing Errors (general)

A customer shall not be entitled to a credit adjustment for a billing error involving the failure of the ESP and/or the customer to notify SDG&E of changes in the customer's connected load, equipment or operation, or failure of the ESP or customer to take advantage of any noticed rate option or condition of service for which the customer becomes eligible subsequent to the date of application for Direct Access service.

### Unauthorized Use of Energy

Once evidence of unauthorized energy use is detected, an investigation may be conducted by SDG&E in accordance with Rule 18 regardless of ownership of the meter or provision of billing or metering services. Customers, ESPs, and their agents are required to preserve evidence of any unauthorized use and to cooperate in such investigations.

Once evidence of unauthorized energy use by a customer has been detected, SDG&E shall notify the ESP, who in turn shall remedy the situation, or electric service to the customer shall be terminated. Once evidence of unauthorized energy use by an ESP has been detected, SDG&E may terminate provisioning of services to the ESP.

At the conclusion of its investigation, if SDG&E determines there has been unauthorized use, SDG&E has the legal right to recover, from any customer, ESP, or other person who caused or benefited from such unauthorized use, the total estimated amount of the undercharge, including the DA electric power component, for the full period of such unauthorized use. SDG&E will calculate the amount of the undercharges in accordance with Rule 18 and as otherwise provided by law.

SDG&E will issue adjusted bills for unauthorized use (including but not limited to all the costs and charges referenced in this section) to the customer in accordance with Rule 18 (or to the ESP in the case of ESP Consolidated Billing).

Whenever possible, upon completion of SDG&E's investigation, the customer, ESP, or other person being billed for an unauthorized use adjustment will be advised of SDG&E's claim. The customer, ESP, or other person being billed will be given an opportunity to respond to the claim.

SDG&E retains its right to collect from the ESP or the customer causing or benefiting from unauthorized use associated costs resulting from the unauthorized use as provided in Rule 18, or otherwise allowed by law.

### Franchise Fees and Other Charges

DA customers are responsible to pay all applicable fees, surcharges and taxes as authorized by law. SDG&E will bill and collect for these applicable authorized fees, taxes and surcharges for energy services performed by an ESP.

SDG&E is required to collect a Direct Access Fee Surcharge from all customers. This fee will appear on all bills for DA as follows:

**Direct Access Franchise Fee Surcharge                      0.X0**

#### Notices

All SDG&E customers, including DA end-use customers, will receive legal, mandated legal and safety notices, and SDG&E will be responsible for creating these notices. If the ESP is providing ESP Consolidated Billing, SDG&E will make these notices available to the ESP for distribution to the customer or, at the ESP's request, available in an electronic format to the ESP for production and communication to electronically-billed customers.

At the ESP's request and expense, SDG&E will make a special mailing to end-use customers. The following is SDG&E notice schedule for 1998. This schedule does not include notices which have not been planned for at this time.

TASK NAME	DURATION	START	FINISH	DISTRIB
Steve Peace	42 days	1/2/98	2/28/98	All
Prop 65 #1	21 days	3/17/98	4/14/98	All
CARE	21 days	4/17/98	5/15/98	Res
Prop 65 #2	21 days	5/2/98	5/30/98	All
Prop 65 #3	21 days	7/7/98	8/4/98	All
Prop 65 #4	21 days	8/15/98	9/12/98	All
EMF	21 days	9/3/98	10/1/98	All
CO Safety	21 days	11/10/98	12/10/98	Res

The finished size of all SDG&E notices is 3" x 6". ESPs should advise SDG&E of their preferred method of receipt, the number of copies they will require and the mailing address.

#### 10% Rate Reduction

All small customer as defined in Rule 1 definitions, except for agricultural and lighting customers, are eligible for a 10 percent reduction in rates effective January 1, 1998. The 10 percent reduction is based on total electric energy charges (generation, transmission and distribution) and will be included in SDG&E charges for DA bills.

#### Trust Transfer Amount (TTA)

All reference to SDG&E charges shall include TTAs, a non-bypassable, separate charge that is authorized by the CPUC to be charged to residential and small commercial customers to allow SDG&E to recover financed transition costs, including the costs of issuing, servicing and retiring rate reduction bonds.

#### Billing Envelope

ESPs may include any additional material in their billing envelope at their own discretion.

SDG&E may use the mailing envelope as it does in current practice for providing information to all SDG&E customers, including DA customers.

#### Competition Transition Charges (CTCs)

DA customers will be responsible to pay for all CTCs and other non-bypassable charges authorized by the CPUC for SDG&E to recover from customers in accordance with state law. DA customers are required to confirm this responsibility in writing provided to the ESP, unless the customer is exempt from the requirement to provide such a confirmation in writing pursuant to Public Utilities Code Section 370.

#### Return to Default Service

Customers returning to default SDG&E service during the transition period will be returned to the customer's previous rate schedule at the frozen rate level. SDG&E will not require removal of a meter

which meets CPUC-required specifications as a condition of a customer's return to bundled SDG&E service provided that SDG&E can read the meter.

#### New Customers

For new customers without a history of electric use, SDG&E will estimate new meter loads using existing criteria and use these estimates to evaluate the customer's eligibility for unbundled meter services and statistical load profiles.

#### Emergency Situations

SDG&E will be responsible for responding to all inquiries related to distribution service, emergency system conditions, outages and safety situations. Customers contacting the ESP with such inquiries should be referred directly to SDG&E. ESPs performing ESP Consolidated Billing must show SDG&E's phone number on their bills for use in emergencies.

All customers affected by a planned outage will be notified according to existing procedures. In addition, ESPs will be notified when feasible in the event that a planned outage affects their customers. Information about planned outages will appear in the ESP's directory on SDG&E's FTP server.

#### Switching Billing and Metering Options

Billing and metering options can be changed no more frequently than once a month by the ESP.

#### Master Metered Customers

Individual master metered customers who provide sub-metered tenant billings may participate in DA as a single account. A master metered customer may not partition the electric loads of a single master meter among more than one service option.

#### Billing Inquiries

Billing inquiries for DA customers will be handled by the entity producing the charges on the bill, not necessarily the entity mailing the bill. Customer Service Representatives (CSRs) will be able to determine the appropriate ESP for any given customer by accessing the account. The information available to CSRs, shown on the sample screen below, includes the ESP name, contract number and phone number, and the customer's billing and meter options, shown in the shaded cells below.

		LANG INDICATOR		WARN CONDITION	N
		OWNER	N	BLNG CONTRACT	N
MKTG PROG	N	EMPLOYEE	N	<b>ESP NO.</b>	<b>1234567</b>
SOLICIT	Y	CARE	N	<b>ESP NAME</b>	<b>ABC ENERGY CO</b>
CUST TYPE	CORPORATION	MED INFO	N	<b>ESP PHONE NO</b>	<b>(619) 123-4567 X9999</b>
VIP	N	ALTO PMT OPT	N	<b>BILLING OPTION</b>	<b>E</b>
SIC CODE	0000	RTO AGMT#		<b>**METER OPTIONS**</b>	
		CABLE COMPANY	ABC	<b>OWNER: Y</b>	<b>READ: Y</b>
		# ACCTS/CUST	NNN	<b>INSTALL: Y</b>	<b>MAINT Y</b>

#### New Account Numbers

In all cases when a customer switches to DA, SDG&E will assign a new electric account number and notify the ESP of this change. If the account number should change, other than when it changes on the switch date; SDG&E's ESP Administration will again notify the ESP. In the case of reroutes, SDG&E's DAPCs will attempt to notify the ESP 10 days before the scheduled change.

**Levelized Payment Plan (LPP)**

Levelized Payment Plan (LPP) is a billing service that provides the customer with levelized payment across several months. Due to system constraints, this service is currently not available to DA customers. SDG&E hopes to be able to offer LLP to DA accounts mid-1998. At that time, the service will relate only to SDG&E charges which will be considered in the LPP calculation. The ESP charge will be the full amount billed by the ESP.

**Summary Billing (Group Bill)**

<b>Customer's Billing Option</b>	<b>Summary Billing Option</b>
DUAL	Available if customer is currently participating in this service; new requests are subject to approval
ESP Consolidated	Is not available; customer accounts currently participating will be returned to their normal billing cycle
SDG&E Consolidated	Available if customer is currently participating in this service and ON CONDITION it is agreeable to the ESP

**C.A.R.E.**

Customers qualifying for CARE will still receive the applicable CARE rate even if they select direct access. The electric energy charges will be based on the PX credit for DA customers.

<b>Type of Customer</b>	<b>Calculation</b>
<b>SDG&amp;E</b>	CARE rates applicable to SDG&E customers already reflect a 15% discount, calculation is not changing.
<b>ESP</b>	CARE rates applicable to SDG&E customers already reflect a 15% discount (from otherwise applicable residential rates). The actual percentage discount on the commodity, after the "electric energy charge" is applied to the customer's bill, may be higher or lower than 15% because SDG&Es calculations are based on the AVERAGE PX price and the ESP may have charged a different price for the commodity.

**Select a Cycle**

The MDMA shall read interval meters on SDG&E's scheduled meter reading date, or on such other date as may be mutually determined by the MDMA and SDG&E. At the customer's request, the customer or the customer's ESP may elect a different meter reading date. SDG&E may provide this service at its option on a first-come, first-served basis (by geographic area as appropriate), subject to existing resources, capacity, and other system constraints which may exist in the geographic area where the customer is located. SDG&E currently charges for this service. ESPs interested in this service should contact ESP Administration for details.

**Meter Calibration and Testing**

The party whose meter has been requested to be tested by the other party may require a \$50 deposit prior to such testing. The requesting party has the right to witness the testing. The requesting party will receive

notification of the test date and written test results from the other party. If the meter is found to be within CPUC-approved standards, the requesting party shall pay the other party for all expenses related to the test.

## **SUNDRY BILLING**

### **Introduction**

---

Direct Access was implemented on March 31, 1998 allowing Energy Service Providers (ESP) an opportunity to compete in the deregulation of the electric industry. The Direct Access (DA) Tariff details miscellaneous charges that may be assessed to an ESP who has completed a Direct Access Service Agreement (DASR) with SDG&E. These charges will be billed to the corresponding ESPs each month through a sundry billing system.

### **Overview**

---

Marketing developed and implemented an ESP Sundry Billing database, using Microsoft Access for data collection and ESP billing. This database interfaces with SDG&E's Corporate Sundry billing system. The source and ownership for each data element and sundry charge billed through this system come from Schedule DA.

### **Charge Codes**

Each billable and non-billable service has been assigned a specific 'charge code' when a service has been identified for billing in the ESP Sundry Billing database.

(Refer to attachment "ESP Sundry Billing Code Table")

### **Invoices and Billing**

On the fifth business day of each month, SDG&E will send a bill to the corresponding ESPs with attached detailed billing information. The ESPs will have 30 days from the date that the bill is rendered, to remit payment as indicated in Rule 25. If the payment is not received within 30 days, a *Late Payment* charge of 1.5% will be assessed on the past due amount and will be included in the next months bill.

### **Contact**

---

The contact for Direct Access Sundry Billing is Makissa Bevels at 619-654-1278 or mbevels@sdge.com.

### ESP SUNDRY BILLING CODE TABLE

No.	CODE	DESCRIPTION	UNIT	COST PER UNIT	Billable
1	31101	Installation - Basic/Residential	1.0	\$57	Yes
2	31201	Installation - Basic/Sm Commercial	1.0	\$67	Yes
3	31516	Installation - Basic/Poly Phase <i>(waived for New Construction)</i>	1.0	\$80	Yes
4	32101	Installation - Next Day/Residential	1.0	\$190	Yes
5	32201	Installation - Next Day/Sm Commercial	1.0	\$194	Yes
6	32501	Installation - Next Day/Poly Phase	1.0	\$236	Yes
7	33201	Installation - Real Time/Sm Commercial	1.0	\$171	Yes
8	33501	Installation - Real Time/Poly Phase	1.0	\$197	Yes
9	31103	Basic Change Single Phase Residential	1.0	\$57 + \$10 = \$67	Yes
10	31203	Basic Change Single Phase Commercial	1.0	\$67 + \$10 = \$77	Yes
11	31503	Basic Change Poly Phase	1.0	\$80 + \$10 = \$90	Yes
12	32103	Next Day Change Single Phase Residential	1.0	\$190 + \$10 = \$200	Yes
13	32203	Next Day Change Poly Phase	1.0	\$194 + \$10 = \$204	Yes
14	32503	Next Day Change Poly Phase	1.0	\$236 + \$10 = \$246	Yes
15	33203	Real-Time Change Single Phase Commercial	1.0	\$171 + \$10 = \$181	Yes
16	33503	Real-Time Change Poly Phase	1.0	\$197 + \$10 = \$207	Yes
17	34420	Maintenance Service - Parts	1.0	Parts (at cost)	Yes
18	34421	Meter Testing - Parts	1.0	Parts (at cost)	Yes
19	34410	Sale of Existing UDC Meter	1.0	higher of cost or market \$	Yes
20	34411	Consolidated UDC Billing (greater than 1 line)	1.0	\$.25 per page	Yes
21	34412	Re-Bill UDC Charge	1.0	\$15	Yes
22	34413	Returned Meter - Materials	1.0	\$1.25	Yes
23	34414	Returned Meter - Handling/Labor	1.0	rate / hr x time (5 minutes)	Yes
24	34415	Returned Meter - Postage	1.0	distance + service + weight	Yes
25	34217	Dual Socket Installation	1.0	\$0	No
26	34455	Process DASRs	1.0	\$8	No
27	34456	Process Meter Data Setup	1.0	\$15	No
28	34470	Late Payment (Sundry Bill @ 30 days)	1.0	1.5% of balance	Yes
29	34471	Return Payment Charge (Sundry Bill)	1.0	\$20	Yes
30	34490	Late Payment (ESP Consolidated Bill @ 17 days)	1.0	1.5% of balance	Yes
31	34491	Return Payment Charge (ESP/UDC Consolidated Bill)	1.0	\$20	Yes
32	34492	ESP Credit Worthiness Check	1.0	\$500	No



***From  
PG&E's Manual***

# Chapter 7

---

## ESP Account Billing

*This chapter was last updated on: 4/27/98*

### Overview

This chapter focuses on ongoing DA billing and credit related issues which are not a part of the initial DA setup process. The material covers bill processing; the collection and disbursement of funds for either PG&E or the ESP with respect to Consolidated UDC billing; Consolidated ESP billing, and Separate billing.

### Bill Components and Billing Options

#### ***Summary of bill components***

Utility bills which are sent to end-use customers are required to show “unbundled” charges listed on the bill. These unbundled charges consist of the following components:

- Generation
- Transmission
- Distribution
- Public Purpose Programs (PPP)
- Competitive Transition Charges (CTC)
- California Energy Commission Tax (ECT)

#### ***About the California Energy Commission Tax***

In keeping with the developments of electric direct access, the California State Board of Equalization decided that the Energy Commission Tax (ECT), will be billed and collected by the customer’s ESP. The utility distribution company will cease billing of this tax immediately when the customer’s service is switched to direct access. The customer’s current ESP will assume the responsibility of billing and collecting this tax from the customer effective with the direct access service switch date. The ESP is responsible for remitting the ECT to the California State Board of Equalization.

The ECT, also known as the California Energy Resources Surcharge, applies to the consumption of electrical energy. It is intended to provide funding for the California Energy Commission. The regulations for ECT are covered in the California Administrative Code, Title 18, Chapter 2, Subchapter 5, Article 1, which states:

**“Every electric utility making sales of electrical energy to consumers in this state shall collect the surcharge from each consumer other than a consumer that is an electric utility or is exempt under Chapter 3, part 19, of the Revenue and Taxation Code, at the time it collects its billing from the consumer for the electrical energy sold. A consumer is any person receiving electrical energy furnished by an electric utility and includes a person receiving electrical energy for redistribution for the use of this tenants.”**

The ECT rate, which is subject to revision from time to time, is currently set at two-tenths of a mil (\$0.0002) per kilowatt-hour. It is shown as a separate line item on the customer’s bill.

The ECT is based on the consumption of electrical energy and applies to all but the following end-use customers:

1. The United States, its unincorporated agencies and instrumentalities
2. Any incorporated agency or instrumentality of the United States wholly owned by either the United States or by a corporation wholly owned by the United States
3. The American National Red Cross, chapters, and branches

4. Insurance companies, including title insurance companies, subject to taxation under the California Constitution, Article XIII, Section 28
5. Indians purchasing and consuming electrical energy on Indian reservations
6. Career consular officers and employees of certain foreign governments who are exempt from tax by treaties and other diplomatic agreements with the United States
7. Federal credit unions organized in accordance with the provisions of the Federal Credit Union Act.

Questions regarding the tax exemption and remittance timelines should be directed to the State Board of Equalization. Additional information may be found in the Revenue and Taxation Code.

## ***Billing options***

Customer bills will reflect the total amounts charged for each of the bill items described in the table above regardless of the billing option which the customer chooses at the time of DA sign-up. Again the billing options available to end-use customers are:

### **CONSOLIDATED UDC BILLING**

Under the Consolidated EDC billing option, the ESP will send its rate schedules to PG&E. PG&E will then compute the ESP's charges based upon the ESP's rate schedules and customer meter data and send a consolidated invoice to the DA customer which will include both ESP's and PG&E's charge amounts. Rate schedule information is available within PG&E's Web Tariff Book website, located at [http://www.pge.com/customer\\_services/business/tariffs/](http://www.pge.com/customer_services/business/tariffs/). PG&E will purchase the ESP's receivables under the terms and conditions set forth in PG&E's tariffs.

### **CONSOLIDATED ESP BILLING**

ESPs who elect to offer Consolidated ESP billing may choose Partial Consolidated ESP billing or Full Consolidated ESP billing pursuant to PG&E's DA Rule 22. Prior to providing either of these billing options, The ESP must meet CPUC-specified creditworthiness requirements. The differences between Partial Consolidated ESP and Full Consolidated ESP billing options are described below.

### **PARTIAL CONSOLIDATED ESP BILLING**

Under Partial Consolidated ESP billing, PG&E will calculate and send its bill to the ESP. The ESP in turn will then send a consolidated bill to the customer. The ESP is not responsible for the accuracy of PG&E's charges.

### **FULL CONSOLIDATED ESP BILLING**

Under the Full Consolidated ESP billing option, the ESP will read the meter, calculate both the UDC and ESP charges and bill the customer. The ESP will detail PG&E's charges in conformance with PG&E's specifications. The ESP must obtain PG&E's consent and approval prior to offering Full Consolidated ESP billing to its customers, and must also comply with all relevant provisions under PG&E's DA Rule 22.

### **SEPARATE BILLING**

Under Separate billing, customers receive two bills, one from the ESP detailing their fees and one from PG&E detailing PG&E fees.

Although an ESP can select Separate billing as a service option, PG&E may also under certain circumstances require an ESP to proceed under Separate billing for reasons including but not limited to the items below.

- If the ESP selected Consolidated UDC billing but the ESP's rate schedule was not properly received when the DASR was transmitted, PG&E will establish Separate billing for the corresponding end-use customers. Consolidated UDC billing, in this case would be established once the ESP resubmitted the rate schedule and the schedule data was entered into PG&E's systems.
- If the current ESP has defaulted on the terms and conditions of ESP Consolidated billing under either PG&E's ESP Service Agreement or DA Rule 22, PG&E will establish separate billing for that end-use customer.
- If an ESP has indicated that it would like to offer Consolidated ESP billing but has not fulfilled creditworthiness and/or EDI requirements, PG&E will require the ESP to proceed under Separate billing.

### **Consolidated UDC Billing**

The ESP and PG&E will work together to establish the ESP's billing information in PG&E's billing system. For a fee, PG&E can generate Consolidated UDC bills for ESPs and serve as the collection agent as well. On average, the start up cost for a given ESP to have PG&E handle billing and collections services is estimated at \$700, based upon PG&E rate schedules.

When DA begins, PG&E will offer ESPs Rate Ready pricing options. In order to calculate the ESPs charges for Rate Ready options, PG&E will need the rate structure(s) and rate schedules that the ESP has selected. The ESP may have up to 100 rate schedules. The ESP will then populate the rate schedules with their respective rates and prices. PG&E anticipates the capability of offering Bill Ready pricing options by 9/1/98.

### ***Pricing options***

ESPs communicate Rate-ready pricing options by completing the *PG&E Consolidated Billing Pricing Worksheet*. The following exhibit is an example of the worksheet.



Pacific Gas and Electric Company  
**PG&E-Consolidated Billing Pricing Worksheet**

Distribution:  
 ESP (Copy)  
 PG&E ESP Billing Services (Orig.)

<input type="checkbox"/> NON-VOLUMETRIC FIXED OR FLAT PRICE		
Rate Name (6 characters): _____		
Rate Description: _____		
Effective Date: _____		Ending Date: _____
Rate Component(s): _____	Price(s): _____	Unit _____
Customer Charge: _____	\$ _____	per account, per month
Energy Charge: _____	\$ _____	per account, per month

<input type="checkbox"/> ONE-TIER PRICE		
Rate Name (6 characters): _____		
Rate Description: _____		
Effective Date: _____		Ending Date: _____
Rate Component(s): _____	Price(s): _____	Unit _____
Customer Charge: _____	\$ _____	per account, per month
Energy Charge: _____	\$ _____	per KWH or Therm

<input type="checkbox"/> TWO-TIER PRICE		
Rate Name (6 characters): _____		
Rate Description: _____		
Effective Date: _____		Ending Date: _____
Rate Component(s): _____	Price(s): _____	Unit _____
Customer Charge: _____	\$ _____	per account, per month
Energy Charge, per KWH threshold: _____		
Tier One (threshold _____ KWH)	\$ _____	per KWH or Therm
Tier Two (over threshold)	\$ _____	per KWH or Therm

<input type="checkbox"/> TIME-OF-USE PRICE (based on PG&E time-of-usage measurement periods)		
Rate Name (6 characters): _____		
Rate Description: _____		
Effective Date: _____		Ending Date: _____
Rate Component(s): _____	Price(s): _____	Unit _____
Customer Charge: _____	\$ _____	per account, per month
Energy Charge, per peak period: _____		
On-Peak Usage	\$ _____	per KWH or Therm
Part-Peak Usage	\$ _____	per KWH or Therm
Off-Peak Usage	\$ _____	per KWH or Therm

Submitted By: \_\_\_\_\_ Fax: \_\_\_\_\_  
 Title: \_\_\_\_\_ E-Mail: \_\_\_\_\_  
 Date: \_\_\_\_\_ Telephone: \_\_\_\_\_

Revised 12/03/97  
 rvhl pricing.doc

**EXHIBIT: PG&E - CONSOLIDATED BILLING PRICING WORKSHEET**

The ESP must complete and submit the *PG&E-Consolidated Billing Pricing Worksheet* for every pricing change that it wants to make. The worksheet can be downloaded from the “**DA Documents**” link on the PG&E’s *ESP Resource Center* website at <http://www.pge.com/esp/> or obtained by contacting ESP Relations at 415-973-1666. Completed worksheets should be faxed to ESP Relations at 415-973-8494.

The following Rate Ready pricing options will be available in on the DA implementation date:

**FLAT (\$/MONTH)**

Also referred to as fixed price, a flat rate structure is a non-volumetric set cost that is billed per month regardless of the amount of the customer’s usage. An additional flat rate to cover monthly ESP administrative customer charges may be combined with this rate structure.

## **SINGLE-TIERED (\$/KWH)**

A single-tiered rate structure is a set cost billed per usage unit (kilowatt-hour or therm). The customer's energy charge will vary according to the amount of electricity consumption per month.

A flat rate to cover monthly ESP administrative customer charges may be combined with this rate structure.

## **DOUBLE-TIERED (\$/KWH, ESP DESIGNATES TIERS)**

A double-tiered rate structure has two set costs billed per usage unit (kilowatt-hour or therm) which is charged whenever a usage baseline or threshold is designated. The first-tier price will apply until the usage threshold is exceeded. The second-tier price will apply to any usage above the designated threshold. The customer's energy charge will vary according to the amount of electricity consumption per month.

A flat rate to cover monthly ESP administrative customer charges may be combined with this rate structure.

## **TIME-OF-USE - TOU (\$/KWH, BASED ON PG&E'S TIERS)**

A TOU structure is a combination of set costs billed per usage unit (kilowatt-hour or therm) based on consumption during a particular period of the day. Depending on the customer class and the installed metering device, TOU pricing may have up to three different rates for three different peak periods. The TOU periods are on-peak, partial-peak, and off-peak. Rates are more expensive during the on-peak periods, when more customers demand energy. Customers may tailor their energy consumption during the off-peak hours to take advantage of the low off-peak rates. The customer's energy charge will vary according to the amount of electricity consumed during a particular time of the day.

## **CUSTOM PRICING**

A rate plan that does not fit with any of the above four pricing structures is considered custom pricing. On an individual case basis, PG&E will evaluate an ESP's customized pricing structure to determine whether it can be accommodated and implemented by PG&E.

## **SUBMITTING RATE-READY DATA TO PG&E**

ESPs should contact PG&E's ESP Billing Services (ESPBS - see the **DA Contacts** link on PG&E's **ESP Resource Center** website at <http://www.pge.com/esp/>) to discuss transmission requirements prior to submitting rate-ready data.

## **DEADLINES FOR THE SUBMISSION OF RATE-READY DATA**

In order for PG&E to send out consolidated bills which include ESP billing information for a given DA billing cycle, the ESP must provide the following information to ESPBS by the dates specified:

- ESP billing rates and structures at least thirty (30) days prior to the billing cycle end date.
- Customer list with associated ESP billing rates at least fifteen (15) days before the billing cycle end date.

If the ESP should require custom programming, ESPBS will make a concerted effort to fulfill the requirements specified within the time frame above but cannot guarantee billing implementation for that billing cycle period.

### ***Bill format***

PG&E will include the ESP's logo on the page of the customer's bill which details ESP charges. However, the ESP must provide ESPBS with the company information that must appear on the bill (i.e. ESP's name, address, telephone number) as well as the ESP's company logo. The logo should be provided in the form of a bitmap image file. All details regarding the ESP bill page format are addressed in the *Direct Access Consolidated Billing Options Worksheet* which can be located and downloaded from the "DA Documents" link on the **ESP Resource Center** website at <http://www.pge.com/esp/>.

### ***Bill preparation and processing***

PG&E will prepare the consolidated bill according to the procedures outlined below.

1. PG&E will calculate the ESP's energy cost charges. The ESP's rate schedule is used to calculate the energy cost component. Information regarding the submission of rate schedule information by the ESP is covered within Chapter 3, "**Processing DASRs.**"
2. PG&E's charges for transmission, delivery, PPPs, CTC, and other charges that may apply to a given customer, are calculated separately using the customer's PG&E rate schedule.
3. The ESP's charges are then combined with PG&E's charges onto one bill.
4. Utility user taxes, if applicable, are calculated on the total of the PG&E and ESP combined charges.
5. Other processing functions such as the update of receivables, payments, credits, debits, and other adjustments are performed by PG&E to generate the Consolidated UDC bill.

### ***Bill Printing and Delivery***

1. Bills will follow the format designated by the ESP in the *Direct Access Consolidated Billing Options Worksheet*, to include the layout, logos, and other enclosures specified.
2. A printed copy of the bill is mailed to end-use customers on Summary Billing and to those end-use customer not on Electronic Data Interchange (EDI).
3. If the customer has an *EDI Trading Partner Agreement* in place with PG&E and has followed the requirements for implementing EDI as outlined in Chapter 2, "**DA Setup**", PG&E can submit invoices to the end-use customer electronically.

### ***Reports generated by PG&E***

Since the billing process is a collaborative effort, it requires constant communication between the ESP and PG&E. Reports are the method by which PG&E and the ESP coordinate their consolidated billing effort. Reports are sent automatically by PG&E in electronic or hard copy format, to the ESP. Contents of the report include data relating to rate schedule changes, end-use customer changes, as well as reporting on billed data and revenues. Reports are created and sent daily, monthly and quarterly.

There are three (3) types of ESP reports:

- **Daily**, which provides summary information on service accounts billed on the day when the report is generated. The field level data on the Daily billing report includes billed charges, adjustments, usage, and rate schedule.
- **Monthly**, which provides summary information on service accounts billed during a given month. The field level data is the same as that of the Daily billing report but reflects monthly totals.
- **Quarterly**, which provides supporting information on collections activities for use in the uncollectible true-up process on service accounts.

### ***Utility User Tax Application***

Under the rate-ready billing type, PG&E will calculate any applicable utility user taxes on the total of the PG&E and ESP combined charges. PG&E will apply the utility user tax, including exemptions and caps based on PG&E's agreement with the governing cities and counties in PG&E's service territory.

Under the bill-ready billing type, PG&E, will apply utility user taxes on the ESP's charges.

Remittance of utility user tax is the responsibility of each party, PG&E, and ESP for their respective taxable charges. PG&E will report the taxes billed on the ESP charges to the ESP. PG&E will only remit the utility user tax collected to the ESP. The ESP is responsible for remitting the utility user tax to the governing authority.

### ***How PG&E manages receivables and makes payments to ESPs***

Under Consolidated UDC billing, PG&E will buy the ESP's energy receivables for a given service account at full cost less the sum of energy charge adjustments to include bad debt estimates. The ESP's energy receivables consist of ESP energy charges billed by PG&E during a given calendar month. Disputed amounts are deducted from the current month's purchase until the dispute is resolved between the ESP and the DA customer.

Refer to Attachment B of Rule 22 for a complete discussion of how receivables will be managed and paid to the ESP. In the event of any conflict between the guidelines contained within this section and DA Rule 22, the rule shall control.

### **HOW PG&E CALCULATES ESP PAYMENTS**

PG&E calculates the resulting adjusted receivable using the following formula:

1. **Total electric commodity charges billed accepted for billing during the month, *minus***
2. **Any taxes or surcharges imposed by the ESP on the direct access customer, *plus* or *minus***
3. **ESP-initiated adjustments unrelated to PG&E's calculation of ESP charges (ex: policy or customer satisfaction, promotional discount), *minus***
4. **estimated uncollectible allowance (bad debt), *plus* or *minus***
5. **quarterly true-up of uncollectible allowance based on ESP's historical net bad debt rate *equals***



## 6. Total amount due ESP for purchase of accounts receivable.

The next section “*Adjustments*” discusses different types of adjustments and how they are calculated and applied to monthly charges.

### **ADJUSTMENTS**

PG&E will make adjustments to invoiced service accounts for bill calculation errors, ESP errors, ESP policy, ESP promotions, and bad debt. If adjustments are the result of ESP error, the ESP must pay for the adjusted bill to be re-issued.

The five basic types of adjustments are described below.

#### ***BILL CALCULATION ERROR ADJUSTMENT***

PG&E will perform an adjustment if an error occurs in calculating the bill. Charges to the customer are reversed and recalculated. Bill calculating errors are generally related to discrepancies in:

- Usage
- Rates Schedule
- Price
- Billing Period

#### ***ESP ERROR ADJUSTMENT***

PG&E will perform an ESP Error Adjustment if there is a bill calculation error that occurs as a result of incorrect data provided by the ESP. Charges to the customer’s account are reversed and recalculated.

#### ***ESP POLICY OR RECOURSE ADJUSTMENT***

PG&E performs an ESP Recourse Adjustment when a customer disputes the ESP charges portion of the Consolidated UDC bill. If PG&E’s determines that its calculations are not in error, a net adjustment may be made based upon whatever dispute resolution the customer and the ESP reach.

The ESP may request PG&E to issue a Policy Adjustment to satisfy a customer’s inquiry or complaint regarding the ESP’s service.

#### ***ESP PROMOTIONAL ADJUSTMENT***

PG&E performs an ESP Adjustment at the request of an ESP. Sometimes an ESP will request that a customer’s account be adjusted as a gesture of goodwill. There are no disputes or miscalculations associated with this type of adjustment. ESPs may request this type of adjustment as a price break for new customers or in conjunction with a promotional activity.

#### ***BAD DEBT CALCULATIONS***

PG&E will reduce its payment to the ESP based upon the ESP’s Net Bad Debt Rate. Until an ESP has an **actual** historical Net Bad Debt Rate, PG&E will **estimate** the ESP’s initial Net Bad Debt Rate based on PG&E’s actual, average “Net Write-off” for the most recent 12 months of data available, rounded up to the nearest one percent. At its discretion, PG&E also reserves the right to base the initial Net Bad Debt Rate on PG&E’s collection history with the ESP’s customer pool. The estimated Net Bad Debt Rate will be multiplied by the ESP’s **Current Amount Accepted for Billing**, less surcharges and adjustments, to determine the amount withheld as an estimated bad debt.

Subsequently, an ESP's bad debt estimate for the current quarter is based upon its reconciled bad debt from the previous quarter. Therefore, it is possible for a given ESP to have an estimated bad debt of zero if all of the ESP's service accounts pay their bills on time.

Additionally, as a function of its collection activities, PG&E can charge the ESP a percentage of total fees paid by PG&E to outside collection agencies in a given month. This percentage will be the ratio of total ESP charges recovered after write-off to the total of all charges recovered after write-off.

PG&E will adjust the ESP's initial and subsequent bad debt estimates every quarter after the initial purchase of receivables based on the ESP's average cash lag and actual net bad debt. If the actual net bad debt is greater than the previously estimated bad debt, PG&E will deduct the difference from our next payment. If the actual net bad debt is less than our previously estimated debt, PG&E will refund the difference to the ESP.

## **WHEN PG&E PAYS THE ESP**

In accordance with PG&E's DA Rule 22 and PG&E's bad debt calculations, PG&E will pay the ESP once per month within seventeen (17) calendar days of the month's close. If applicable, a late charge of one percent (1%) per month on outstanding balances will be added to overdue payments by PG&E to the ESP.

If the ESP wishes to receive payment before the specified payment date, PG&E will adjust the amount of the receivable payment to the ESP to reflect the time value of money, based upon the cash float rate. The cash float rate is based on PG&E's cost of capital at the time of the advance payment request.

PG&E will transmit payment to the ESP electronically, either through fund or wire transfer. The ESP must provide PG&E with their banking institution information.

## ***Payments from ESP to PG&E***

Payments from the ESP to PG&E encompass service charges for billing services which PG&E provides on behalf of the ESP. The ESP will be responsible for the payment of PG&E's charges on an ongoing basis while Consolidated UDC billing is in effect. Charges are dependent upon the transactions incurred during a given month, and ESPs are billed once a month for these charges by PG&E. Service charge amounts billed can vary for each account specified under the Consolidated UDC billing option. Charges associated with Consolidated UDC billing are specified on PG&E's *Web Tariff Book* website at [http://www.pge.com/customer\\_services/business/tariffs/](http://www.pge.com/customer_services/business/tariffs/). PG&E, upon ten (10) days written notice, may net any past due payment for associated Consolidated UDC billing services, as outlined in Rate Schedule E-ESP (see PG&E's *Web Tariff Book* website at [http://www.pge.com/customer\\_services/business/tariffs/](http://www.pge.com/customer_services/business/tariffs/)), against payments by PG&E on the ESP's accounts receivable.

## **Consolidated ESP Billing**

Consolidated ESP billing involves the transmission of charges for transmission, distribution, PPP, and CTC from PG&E to the ESP.

## ***Bill format requirements***

PG&E requires that ESPs provide detailed page showing PG&E related charges according to a standardized format. ESPs should consult the *PG&E Bill Format for Consolidated ESP Billing* document for detailed requirements on the representation and transmission of PG&E billing information. The document can be downloaded from the "DA Documents" link on the *ESP Resource Center* at <http://www.pge.com/esp>.

## ***Calculation of charges owed to PG&E***

PG&E calculates charges for a given service account's electric transmission and distribution services. Transmission and distribution charge information is then sent electronically to the ESP for inclusion in the ESP's bill.

## ***Payment Processing***

Once PG&E's charges are calculated, these charges are transmitted to the ESP through Electronic Data Interchange (EDI). The ESP is responsible for payment to PG&E regardless of whether or not it receives payment from the end-use customer. The ESP must submit payments to PG&E via EDI as discussed below.

### **ELECTRONIC DATA INTERCHANGE (EDI)**

ESPs wishing to provide billing services for PG&E must meet EDI requirements (see Chapter 2, "**DA Setup**" for detailed information). EDI is the adopted standard for the transmission of charge information from PG&E to the ESP and for PG&E's subsequent receipt of payments from the ESP. Service accounts that are billed through Consolidated ESP billing must be added to the list of EDI customers for a given ESP.

### **Separate Billing Procedures**

Under the Separate billing option, both PG&E and the ESP will bill the end-use customer individually for their respective charges. Neither billing nor payment information is exchanged between the ESP and PG&E since each entity is responsible for the billing and collection of payments associated with Separate billing service accounts.