

1 STATE OF NEW HAMPSHIRE

2 BEFORE THE

3 NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

4 Docket No. DE 12-097

5 ELECTRIC AND GAS UTILITIES

6 Investigation into Purchase of Receivables, Customer Referral and Electronic  
7 Interface for Electric and Gas Distribution Utilities  
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13 DIRECT TESTIMONY

14  
15 OF

16 DANIEL W. ALLEGRETTI  
17 MARC A.HANKS  
18 CHRISTOPHER H. KALLAHER  
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22 On Behalf of

23  
24 Retail Energy Supply Association

25  
26 **Issues Addressed:**

27 Purchase of Receivables  
28 Customer Referral Program  
29 Electronic Interface

30  
31 July 13, 2012  
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1 **I. INTRODUCTION AND BACKGROUND**

2 **Q. Mr. Allegretti, please state your full name, position and business address.**

3 A. My name is Daniel W. Allegretti and my position is Vice President, State Government Affairs –  
4 East for Exelon Corporation. My business address is 1 Essex Drive, Bow, New Hampshire  
5 03304.

6 **Q. Mr. Hanks, please state your full name, position and business address.**

7 A. My name is Marc A. Hanks. My position is Senior Manager of Government & Regulatory  
8 Affairs for Direct Energy Services, LLC (“Direct Energy”). My business address is 24 Gary  
9 Drive, Westfield, Massachusetts 01085.

10 **Q. Mr. Kallaher, please state your full name, position and business address.**

11 A. My name is Christopher H. Kallaher. My position is Senior Director of Government &  
12 Regulatory Affairs for Direct Energy. My business address is 162 Cypress Street, Brookline,  
13 Massachusetts 02445.

14 **Q. Mr. Allegretti, please summarize your professional and educational background.**

15 A. In my current position, I am responsible for representing Exelon’s retail and wholesale  
16 commodity business interests on matters related to regulatory and government affairs throughout  
17 the New England, New York and the Mid-Atlantic regions. In that capacity, I regularly  
18 advocate, testify and represent the interests of the company before federal and state agencies,  
19 executive departments and legislative bodies. I have over 20 years of experience in the energy  
20 business and have been working on energy policy issues for Constellation Energy Group, Inc.  
21 (which merged with Exelon Corporation in March 2012) since 2002. I have served on the  
22 Boards of Directors of the Northeast Power Coordinating Council (2001-2008), Independent  
23 Power Producers of New York (2002-2008), Electric Power Generators Association of  
24 Pennsylvania (2008) and Northeast Energy & Commerce Association (2009-2012). I hold a

1 Bachelor of Arts degree in Economics and French from Colby College in Waterville Maine and a  
2 law degree from Georgetown University Law Center in Washington DC.

3 **Q. Mr. Hanks, please summarize your professional and educational background.**

4 A. In my current position, I am responsible for Direct Energy's state government and regulatory  
5 affairs efforts in the New England and Mid-Atlantic regions. In that capacity, I participate in  
6 regulatory proceedings and legislative affairs activities involving market design issues for the  
7 electricity and natural gas markets under the jurisdiction of state utility commissions. I have  
8 over 15 years experience in the energy business.

9 Prior to my employment with Direct Energy, I was the Director of Market Development for  
10 Strategic Energy, LLC, a leading national retail electricity marketer serving the commercial and  
11 industrial market segments throughout the U.S. In this capacity, I was responsible for regulatory  
12 and legislative advocacy designed to advance and sustain competitive retail electricity markets in  
13 the Northeast and Mid-Atlantic regions. Prior to joining Strategic Energy, I was employed by  
14 Northeast Utilities over a ten year period in a variety of capacities that included regulatory  
15 affairs, market planning and sales management for its competitive retail marketing affiliate,  
16 Select Energy, Inc. I hold a Bachelor of Science degree from the University of Massachusetts at  
17 Amherst, Masters of Public Administration degree from the University of Hartford and a  
18 certificate from Carnegie Mellon University's Tepper School on Leadership Development.

19 **Q. Mr. Kallaher, please summarize your professional and educational background.**

20 A. I am Senior Director of Government and Regulatory Affairs for Direct Energy. In that capacity I  
21 am responsible for regulatory policy matters for Direct Energy in a number of jurisdictions in the  
22 North Eastern, Mid-Atlantic and Mid-Western United States. I focus my efforts in particular on  
23 issues of retail electricity and natural gas market design, with the goal of furthering the creation

1 and development of robust retail markets for those commodities and related services. Before  
2 coming to Direct Energy in May 2006, I was a lawyer in private practice in Boston, representing  
3 clients in a range of matters involving the retail and wholesale energy markets in New England  
4 and New York. I served as Senior Counsel at the Massachusetts Department of  
5 Telecommunications and Energy during the implementation of the Massachusetts Electric  
6 Restructuring Act in 1997 and 1998, and was the hearing officer on the first fully adjudicated  
7 restructuring plan filed pursuant to the Act. I also served as Vice President and General Counsel  
8 of Essential.com, an internet-based seller of energy and telecommunications based in Burlington,  
9 Massachusetts. Before moving to Massachusetts, I was an attorney at Quarles & Brady in  
10 Milwaukee, Wisconsin, where I represented Wisconsin Electric Company and other investor-  
11 owned utilities in a variety of matters before the Public Service Commission of Wisconsin and  
12 the Wisconsin State courts. I hold a B.S. in civil engineering from Stanford University, and a  
13 J.D. from the University of Wisconsin at Madison.

14 **Q. On whose behalf are you testifying in this proceeding?**

15 A. We are testifying on behalf of the Retail Energy Supply Association (“RESA”)<sup>1</sup>.

16 **Q. Has RESA ever testified before this Commission?**

17 A. Yes.

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

1 **Q. Please describe your employers, Exelon and Direct Energy.**

2 A. Exelon is the largest competitive U.S. power generator, with approximately 35,000 megawatts of  
3 owned capacity comprising one of the nation's cleanest and lowest-cost power generation fleets.  
4 Exelon has operations and business activities in 47 states, the District of Columbia, and Canada.  
5 Exelon's Constellation business unit provides energy products and services to approximately  
6 100,000 business and public sector customers and approximately one million residential  
7 customers. In addition, Exelon's utilities deliver electricity and natural gas to more than 6.6  
8 million customers in central Maryland (BGE), northern Illinois (ComEd), and southeastern  
9 Pennsylvania (PECO).

10 Direct Energy is one of North America's largest energy and energy-related services providers  
11 with over six million residential and 60,000 commercial customer relationships. Direct Energy  
12 provides customers with choice in energy supply and support in managing their energy costs  
13 through a portfolio of innovative products and services. Direct Energy is a subsidiary of  
14 Centrica, plc, the 7<sup>th</sup> largest utility company globally as ranked by Fortune Magazine's 2007  
15 Fortune Global 500 with 34 million customer relationships and a Standard & Poor's "A-"  
16 financial rating. Direct Energy operates in 46 states and across Canada, owns and operates 4300  
17 natural gas production fields and 1260 megawatts ("MWs") of natural gas-fired generation, has  
18 813 MWs of power purchase agreements for output from wind farms, and provides energy  
19 efficiency related services. Since our inception in 2000, Direct Energy has grown into an  
20 organization of more than 600 employees with approximately \$10 billion in annual revenues.

21 **Q. Please describe the Retail Energy Supply Association.**

22 A. RESA is a nonprofit organization and trade association that represents the interests of a broad  
23 and diverse group of energy suppliers who share the common vision that competitive energy  
24 markets deliver a more efficient, customer-oriented outcome than the regulated utility structure.

1 We are devoted to working with all stakeholders to promote vibrant and sustainable competitive  
2 retail energy markets for all consumers. RESA members currently serve residential, commercial  
3 and industrial (“C&I”) and institutional customers in New Hampshire and other jurisdictions in  
4 North America that have enacted retail choice.

5 **Q. What is the purpose of your testimony?**

6 A. Our testimony will focus on the “retail market enhancements” proposed in the RESA filing dated  
7 April 16, 2012 to the New Hampshire Public Utilities Commission (“Commission”) and noted in  
8 the Commission’s Order of Notice in this docket issued on May 3, 2012. The retail market  
9 enhancements include purchase of receivables, customer referral, and electronic interface  
10 programs and potentially other retail market enhancements to promote the development of retail  
11 electric markets for the residential and small commercial customer.

12 **Q. Does the record support the need to implement such retail market enhancement programs**  
13 **in the State of New Hampshire?**

14 A. Yes. The residential and small commercial customer migration statistics in each of the electric  
15 distribution utilities’ service territories in particular are concerning. Less than 1% of residential  
16 customers are shopping statewide and, at least in PSNH’s territory, only 15.2% of small  
17 commercial customers are shopping. The proposed retail market enhancements should be  
18 designed in such a manner as to encourage as many non-shopping customers as possible to enter  
19 the competitive retail market.

20 **Q. What benefits would the proposed market enhancements provide to the retail market?**

21 A. The development of any competitive market requires rules and structure that provide  
22 transparency and certainty over time, a level playing field for all participants, and sufficient  
23 access and opportunity to serve enough customers to encourage supplier investment in the  
24 market. When adequate incentives exist, suppliers invest more resources in providing products

1 and services that bring additional choice and value to customers. More choice and increased  
2 value attract more customers to the market, which, in turn justifies additional investment. It is at  
3 that point that the market can be considered sustainable, insuring that the benefits of competition  
4 inure to customers into the future. While customers clearly derive a direct benefit from this  
5 market evolution, the state economy, as a whole, benefits from the resulting increase in jobs and  
6 enhanced economic development. While medium and large commercial and industrial customers  
7 in New Hampshire have enjoyed the benefits of a robust competitive market for some time, the  
8 same cannot be said about the residential and small commercial market segments. Based on  
9 RESA member experience in numerous other jurisdictions, it is clear that market enhancements  
10 are needed in New Hampshire to facilitate robust and sustainable competition for residents and  
11 small businesses, as well as to overcome the inherent structural bias that exists with the local  
12 distribution utilities. For these reasons, RESA urges the Commission to consider and then adopt  
13 the retail market enhancements as they are proposed in this testimony so that an increasing  
14 number of customers can benefit from the competitive retail market in New Hampshire.

15 **Q. Does the New Hampshire restructuring law support such retail market enhancement**  
16 **programs in the State of New Hampshire?**

17 A. Yes. One of the stated purposes of the NH restructuring law was to reduce costs for all  
18 consumers by harnessing the power of competitive markets. RSA 374-F:1, I.  
19 Clearly the proposed market enhancements would help to accomplish this purpose. The NH law  
20 also required that restructuring be implemented in a manner that benefits all consumers equitably  
21 and not one customer class to the detriment of another. RSA 374-F:3, VI. One of the problems  
22 with the state of the competitive electricity market in New Hampshire today is the fact that it is  
23 primarily medium and large customers who are benefitting from the competitive market.  
24 Adoption of the market enhancements being recommended here will greatly assist in bringing

1 those benefits to the small customers, thus ensuring more equitable sharing of the benefits of the  
2 market and compliance with the restructuring law.

3 **II. PURCHASE OF RECEIVABLES BILLING PROGRAM**

4 **Q. What is a non-recourse Purchase of Receivables Billing Program?**

5 A. A purchase of receivables or “POR” program is a mechanism available to a Competitive Electric  
6 Power Supplier (“Supplier”) that uses an electric distribution company’s (“EDC”) consolidated  
7 billing or single bill option in which the EDC is required to purchase that supplier’s accounts  
8 receivable. The EDC would be entitled to apply an appropriate discount rate for the purchase of  
9 those receivables specific to the customer class, which is based on the EDC’s actual uncollectible  
10 costs for that class (typically under 1%) and any associated initial program implementation costs.  
11 That is to say, assuming a 1% discount rate and a \$100 receivable, an EDC would pay the  
12 Supplier \$99 and retain \$1 as compensation for bad debt risk and approved program  
13 implementation costs. The EDC will then be responsible for the ultimate collection of both  
14 commodity charges as well as its ordinary non-commodity charges. It should be noted that  
15 RESA believes a POR program is an appropriate transitional tool to an eventual state whereby  
16 suppliers would provide a consolidated billing service.

17 **Q. What types of customers are included in POR programs?**

18 A. POR programs are usually designed for the mass market customers, the residential and small  
19 commercial market segments, which otherwise can be difficult and expensive for a supplier to  
20 individually conduct a credit check and bill.

21 **Q. What options does the local EDC have under a POR program should a customer  
22 of a competitive supplier fail to pay the charges for competitive commodity supply service?**

23  
24 A. In the event a customer of a competitive supplier does not pay charges owed for  
25 commodity supply service provided by the customer’s supplier, the EDC would have

1 the same recourse it has where the utility is the provider of default service to the  
2 customer, i.e. assessment of late fees and disconnection of service.

3 **Q. Do competitive electric power suppliers have the same level of options as the EDCs should**  
4 **a customer fail to pay charges for competitive commodity supply service?**

5  
6 A. No. In the event a residential and/or small commercial customer in New Hampshire chooses not  
7 to pay charges owed for commodity supply service provided by the customer's supplier, the  
8 retail supplier can impose a late fee assessment and ultimately terminate service provided it  
9 supplies written notice of termination at least 10 business days prior to termination, which must  
10 be upon the customer's next meter read date, and provided it gives at least two business days  
11 notice to the EDC. The supplier's notice to the customer must include a statement that  
12 termination of service will not result in disconnection from the grid and that the customer may  
13 obtain service from another supplier or return to default service. Admin. Rules Puc 2004.06 and  
14 2004.07. EDCs, on the other hand, may disconnect service to non-paying customers provided  
15 they follow Admin. Rule Puc 1203.11 and their tariffs. In many markets, the imposition of late  
16 fee assessment and termination by the supplier is not enough to compel the customer to pay the  
17 unpaid or delinquent portion of its bill. Oftentimes, customers simply switch to another retail  
18 supplier or back to the EDC leaving the supplier to assume the loss of payment. For retail  
19 suppliers serving mass market customers, the credit risk associated with payment loss is a  
20 significant barrier to new market entry. Further, this uncollectible risk is a factor included in an  
21 offered price, thereby leading to higher prices than would result under a POR program. In states  
22 with a well-designed POR program, this risk has been eliminated, thus encouraging new market  
23 entrants and significant retail market development.

1 **Q. Who benefits from a well-designed non-recourse POR program?**

2 A. RESA believes a well designed POR program can benefit customers, EDCs and retail suppliers  
3 alike.

4 For customers, the biggest advantage of a POR program is simplicity. Each month a residential  
5 or small commercial customer will receive just one consolidated bill from their local utility and  
6 only needs to make one payment for both delivery and commodity supply services. Customers  
7 take advantage of existing rate-base resources, thereby avoiding duplicative costs associated with  
8 customer billing and collection efforts. Additionally, the likely increase in new market entrants  
9 brought about by POR will benefit customers via commensurate rise of competitive supply offers  
10 and related products and services that offer value and benefit. A significant increase in customer  
11 shopping activity has been demonstrated in states where well-designed, non-recourse POR  
12 programs have been established, e.g., Connecticut, New York, Illinois, Maryland, and  
13 Pennsylvania. Moreover, a POR program enables customers with poor credit ratings – who can  
14 most benefit from lower prices currently offered by retail suppliers – to take full advantage of  
15 these offers. A sustainable market enhanced by POR also gives suppliers more confidence in the  
16 stability and value of the market, thereby leading to better prices for customers.

17 For the EDCs, a discount rate mechanism will compensate EDCs for any uncollectibles  
18 associated with retail competitive supply, making the EDC whole and not subject to any price  
19 risks. Consistent with the New Hampshire restructuring law, the EDCs support of a well-  
20 designed POR program would significantly contribute to the public policy objective to help  
21 reduce costs for all consumers by harnessing the power of competitive markets.

22 From the perspective of competitive suppliers, a POR program has several advantages. First, it  
23 maximizes the utilization of the existing rate-based utility resources since competitive suppliers

1 avoid duplicative costs associated with customer billing and collection efforts. Second, it ensures  
2 that competitive suppliers receive payment for the commodity service they provide to their  
3 customers in a timely manner, thereby reducing the suppliers' cash and financing requirements.  
4 Third, it eliminates the need for suppliers to screen mass market customers for credit eligibility.  
5 It also allows customers with poor credit and repayment histories to switch to a supplier and  
6 potentially save on energy costs. Lastly, it allows suppliers to focus on what they do best:  
7 procuring energy at competitive prices and passing on the potential savings and/or value added  
8 services to prospective customers.

9 **Q. Will the EDC be financially harmed by POR?**

10 A. No. In order to ensure that the POR program is revenue neutral from the  
11 perspective of the local utility, the amounts the local utility reimburses competitive  
12 suppliers for commodity charges are discounted at an appropriate rate, typically the  
13 class specific uncollectible rate approved by the applicable Public Utilities Commission. The  
14 local utility's costs for collection efforts and customer service associated with the customers of  
15 competitive suppliers are rate based the same as the costs associated with the utility's own  
16 customers. Alternatively, the local utility's incremental administrative costs for the POR  
17 program can be included in the calculation of the discount rate. Both the utility consolidated  
18 billing and utility administrative costs can be adjusted each year to reflect actual experience and  
19 reflected in the new discount rate.

20 **Q. Have POR programs been successful in other States?**

21 A. Yes. Many states, including Connecticut, New York, Maryland, Illinois, Indiana, and  
22 Pennsylvania have well-designed and functioning POR programs for gas and electric utilities,  
23 leading to robust growth in the competitive market in the residential and small commercial

1 sectors. Moreover, POR has contributed to the increase of new market entrants in these markets,  
2 thus providing consumers with increasing alternative pricing options and related energy services.  
3 POR programs are also in the process of being implemented in the states of Ohio and  
4 Massachusetts.

5 **Q. Is there something else needed in order for POR programs to have the best chance of**  
6 **advancing customer choice?**

7 A. Yes. In order to establish and maintain a properly functioning market that provides the greatest  
8 opportunity for customer choice, the most important element is to develop a procurement process  
9 for utility backstop supply service where costs are appropriately categorized between bypassable  
10 and non-bypassable charges, updated fairly regularly and frequently in order to properly track  
11 with changing market conditions. After that, POR programs remove market entry barriers  
12 through economies by greatly reducing duplicative administrative and cash management  
13 functions that, in the aggregate, yield benefits to the customer groups who elect to take  
14 advantage of the choices being offered. Connecticut provides an impressive example of a  
15 successful market that has both elements. At the beginning of 2007, before POR was  
16 implemented on a statewide basis, customer shopping was extremely weak. In the service  
17 territory of PSNH affiliate CL&P, only 3.25 percent of customers (3.4 percent of residential  
18 customers) were shopping, accounting for only 9.5 percent of total load. In the United  
19 Illuminating service territory, only 0.01 percent of customers were shopping (36 C&I customers  
20 were the only ones shopping in the entire service territory), accounting for 1 percent of total  
21 load. In their last reports dated June 14, 2012 in docket 06-10-22, CL&P showed total shopping  
22 of 43.6 percent (including 41.8 percent of residential customers), accounting for 69.4 percent of  
23 the load, while UI showed total shopping of 49.6 percent (including 48.4 percent of residential

1 customers) accounting for 73.9 percent of the load. While other factors may have contributed to  
2 this trend, there is no question that the implementation of POR on a statewide basis in mid-2007  
3 was one of the catalysts that drove the high migration rate seen now in Connecticut.

4 Massachusetts on the other hand, has a procurement process that fairly meets the threshold  
5 requirements, but without POR, migration in the residential space is only at 14%<sup>2</sup>, much lower  
6 than the 42% migration rate in CT.

7 **III. CUSTOMER REFERRAL PROGRAMS**

8 **Q. Why is enhancing the customer referral program important?**

9 A. In its core, the customer referral process of disseminating helpful information pertaining to  
10 available supply offers provides customers with the ability to review competitive supply prices  
11 and related terms and conditions in a format where the customers can effectively compare and  
12 contrast offers and directly access the competitive suppliers to follow-up. However, the  
13 customer must still take additional steps to initiate and take full advantage of these offers from  
14 the retail suppliers.

15 **Q. Please describe the RESA proposal for its customer referral program and how it would**  
16 **operate.**  
17

18 A. The RESA proposal consists of two separate but related components. First, customers  
19 contacting their utility to initiate new utility service or to reinstate service following a change of  
20 residence or business location would no longer be placed automatically on utility default service.  
21 Rather, they would be given an equal and nondiscriminatory opportunity to enroll with a  
22 competitive supplier at the time of service initiation or reinstatement. This could be done  
23 through several mechanisms but the critical feature of this first aspect of the referral program is  
24 that it must be no more difficult for customers begin service with their commodity being

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<sup>2</sup> Massachusetts Department of Energy Resources, Electric Customer Migration Data, May 2012.

1 provided by a competitive supplier than it would be to begin service taking the utility default.  
2 Second, the EDCs would be also be required to offer residential and small commercial customers  
3 the option to learn about their electricity supply options when they contact the company for  
4 certain other purposes, namely (a) to make an inquiry regarding their rates or the amount of their  
5 bill; or (b) to seek information regarding energy efficiency or other value-added services. In this  
6 part of the program, if the customer is interested in learning more about competitive supply  
7 options, the company directs the customer to the company's webpage, which contains the  
8 company's existing Default Service rates, information on electric offers available from  
9 competitive suppliers and contact information for each competitive supplier. The proposed  
10 EDC's "choice webpage" would include the hyperlinks to every licensed retail supplier that has  
11 opted to participate in the program and their respective competitive supply offer(s) where a  
12 customer may decide to enroll via the web or telephonically. In addition, several times per year,  
13 especially prior to the new default service rate reset period, the EDCs would be required to  
14 disseminate bill inserts to customers that also provide information about participating  
15 competitive suppliers and their offerings.

16 **Q. What benefits will result from enhancing the customer referral program?**

17 A. Many residential and small commercial customers are still receiving their generation service  
18 from the EDCs because (a) they are automatically placed on default service when they initiate  
19 new service or reinstate service after a move; (b) customers are not aware that they have a choice  
20 of competitive supply offers; or (c) these customers are not fully aware of the process to switch  
21 away from their local EDC. While customer awareness initiatives have been attempted by the  
22 EDCs, the enhancements proposed by RESA would allow consumers to participate more easily  
23 in the retail competitive market and to immediately take advantage of competitive offerings,

1 including allowing customers to make demand response and energy efficiency modifications to  
2 better manage their electricity consumption and costs. It would also break the EDCs' current  
3 monopoly on new and moving customers, which serves to perpetuate the dominance of default  
4 service by tying enrollment for distribution service to enrollment in the commodity service  
5 provided by the EDC. Furthermore, RESA believes that a robust customer referral program  
6 incorporating the described program elements could be implemented quickly and provide  
7 immediate benefits to customers in the residential and small commercial market segments.

8 **III. ELECTRONIC INTERFACE**

9 **Q. Why is improved access to customer information important?**

10 A. RESA believes that the quality and timely access to customer information from EDCs requires  
11 further improvement and will contribute to retail market development. Like the financial  
12 services industry, the timeliness and accuracy of data is critical to effectively pricing and billing  
13 customers, thus impacting the retail supplier's ability to acquire and retain customers and the  
14 viability of its business operation.

15 **Q. What changes to the process would RESA recommend?**

16 A. First, EDCs should develop and maintain dedicated and secure web-based interface sites that  
17 allow suppliers direct access to key customer usage and account data, presented in a format that  
18 can be automatically pulled and scraped. Such data access should include customer-specific data  
19 such as account number, meter number, service address, next scheduled meter read date, rate  
20 code, ICAP tag, historic usage data, payment history, service status (EDC or supplier), and other  
21 relevant information. Such a website could be constructed to permit suppliers the ability to pull  
22 information from a collection of accounts in a single request. Second, the EDCs should provide  
23 each supplier on a confidential basis a quarterly updated sync-list showing the accounts that are

1 enrolled with the ESG. The list would contain information such as service start date and bill  
2 method. Third, suppliers should be permitted to use language in their contracts with their  
3 customers as authorization to secure historical monthly usage data. Suppliers, not the EDCs,  
4 should be responsible for maintaining Letters of Authorization and these forms should be subject  
5 to audit by the Commission. Finally, the current Electronic Data Interchange (“EDI”) standards  
6 should be reviewed to ensure that they include the key data elements necessary for retail  
7 suppliers to effectively prepare and structure pricing offers for their customers. For example,  
8 PSNH does not provide to EDCs annual ICAP tag updates via EDI as a change transaction as is  
9 done by nearly all other EDCs in New England. As another example, any EDC not presently  
10 doing so should provide to suppliers complete historical monthly usage information using  
11 standard EDI protocols.

12 **Q. What benefit(s) will result from enhancing access to customer information?**

13 A. Making customer information more easily accessible, in a secure, and standard format will result  
14 in the following benefits: (a) a consistent, complete, and standardized format of the data  
15 available; (b) improved timeliness and accuracy of competitive service offerings to prospective  
16 customers; (c) ability to check on the service status of a prospective customer; and (d)  
17 development of a strong, competitive electric marketplace.

18 **V. CONCLUSION**

19 **Q. Does this complete your direct testimony?**

20 A. Yes. However, RESA reserves the right to supplement this testimony as may be necessary as  
21 this proceeding progresses.