

**THE STATE OF NEW HAMPSHIRE  
BEFORE THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION**

**JOINT DIRECT TESTIMONY OF**

**Jared Lawrence, Dawn Coskren, Helen Gagnon, Katherine Provencher, and Marisa  
Paruta for**

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE  
ENERGY;**

**Craig R. Huizenga and Jeffrey Pentz for  
UNITIL ENERGY SYSTEMS, INC.; and**

**Daniel Belson and Laura Sasso for  
LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP. D/B/A LIBERTY**

**WAIVER OF CERTAIN PROVISIONS OF PUC 2200 RULES AND PUC 2205.16(d)(1)  
BILL-READY BILLING PROPOSAL**

**Docket No. DE 23-XXX**

**June 14, 2023**

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**I. INTRODUCTION AND QUALIFICATIONS**

1 **Q. Please state your name, business address, company position, and principal**  
2 **responsibilities in your current position.**

3 A: My name is Jared Lawrence. My business address is 247 Station Drive in Westwood,  
4 MA. I am the Senior Vice President of Customer Operations and Digital Strategy and  
5 Chief Customer Officer for all Eversource Energy affiliates, including Public Service  
6 Company of New Hampshire d/b/a Eversource Energy (“Eversource”). I also oversee  
7 call centers, billing, payment processing, credit and collections, and customer assistance  
8 programs for all Eversource Energy affiliates. I am also responsible for digital customer  
9 channel strategy, voice-of-the-customer research and customer experience design. I  
10 joined Eversource Energy in my current role in January of 2022.

11  
12 **Q. Please provide your educational and professional background.**

13 A: I earned a Bachelor of Science degree in civil engineering from Johns Hopkins  
14 University in Baltimore, MD in 1996, and a master’s degree in business administration  
15 from Duke University’s Fuqua School of Business in Durham, NC in 2002. I have over  
16 21 years of utility experience, having joined Eversource Energy from Duke Energy,  
17 where I served in a variety of roles, including as vice president of meter-to-cash  
18 operations and other customer operations and strategy departments.

19

20

1 **Q. Have you previously testified before the New Hampshire Public Utilities**  
2 **Commission (the “Commission”)?**

3 A: No I have not.

4

5 **Q. Please state your name, business address, company position, and principal**  
6 **responsibilities in your current position.**

7 A: My name is Dawn Coskren, I work at 73 West Brook Street in Manchester, New  
8 Hampshire. I work for Eversource Energy Service Company as Manager for Billing and  
9 Data Management for PSNH and Eversource Energy’s affiliate in Western  
10 Massachusetts. In this role I’m responsible for managing activities associated with  
11 billing and meter data management of Eversource Energy and establishing practices to  
12 ensure that accurate bills are issued in a timely manner.

13

14 **Q. Please provide your educational and professional background.**

15 A: I have an Associates of Science in Business Administration Management and a Bachelors  
16 of Arts in Communications from Southern New Hampshire University. I have over 20  
17 years of experience in customer service in leadership positions.

18

19 **Q. Have you previously testified before the Commission?**

20 A: No I have not.

21

22

1 **Q. Please state your name, business address, company position, and principal**  
2 **responsibilities in your current position.**

3 A: My name is Helen Gagnon, my business address is 64 Business Park Drive in Tilton,  
4 NH. I am the IT Regulatory Supervisor for IT Business Solutions Customer Group at  
5 Eversource Energy. I am involved in the development of the IT cost estimates and I am  
6 familiar with the company's billing systems. I have been with Eversource Energy over  
7 43 years first working for Public Service Company of New Hampshire in the  
8 Transportation Department for 18 years and then transitioning to IT for 25 years.

9

10 **Q. Please provide your educational and professional background.**

11 A: I earned a Bachelor of Science in Business Education and an Associates of Science in  
12 Data Processing from Southern New Hampshire University in 2000 and 1992  
13 respectively. I have 25 years of developing, implementing, and maintaining billing  
14 business solutions.

15

16 **Q. Have you previously testified before the Commission?**

17 A: Yes, I recently testified for Eversource in Docket No. DE 20-170 to discuss the IT work  
18 component of the billing system estimates to implement electric vehicle time-of-use rates.

19

20

21

22

1 **Q. Please state your name, business address, company position, and principal**  
2 **responsibilities in your current position.**

3 A: My name is Katherine Provencher. I work with TCS under contract to Eversource as a  
4 Technical Lead. I provide technical expertise for Project Development for NH Large  
5 Power Billing and C2 Supplier Relations.

6  
7 **Q. Please provide your educational and professional background.**

8 A: I graduated with a Bachelors of Science in 1980 from the University of Delaware with a  
9 degree in Computer Information Systems. I have been working with Eversource (and its  
10 predecessors) since about 1983. I started work as a contractor for Eversource with TCS  
11 in June 2014. The majority of my work has been focused on the development and  
12 maintenance of billing applications.

13

14 **Q. Have you previously testified before the Commission?**

15 A: Yes, I testified on the Electric Assistance Program several years ago.

16

17 **Q. Please state your name, business address, company position, and principal**  
18 **responsibilities in your current position.**

19 A: My name is Marisa B. Paruta. My business address is 107 Selden Street, Berlin,  
20 Connecticut. I am employed by Eversource Energy Service Company as the Director of  
21 New Hampshire and Connecticut Revenue Requirements and as part of that position, I  
22 provide regulatory support to Eversource. As the Director of Revenue Requirements, I  
23 am responsible for the coordination and implementation of revenue requirements

1 calculations and regulatory filings for the Connecticut and New Hampshire electric and  
2 natural gas subsidiaries, including Eversource. This includes filings associated with  
3 default Energy Service (“ES”), Stranded Cost Recovery Charge (“SCRC”), Transmission  
4 Cost Adjustment Mechanism (“TCAM”), Regulatory Reconciliation Adjustment  
5 (“RRA”) and Distribution rates.

6  
7 **Q. Please provide your educational and professional background.**

8 A: I received a Bachelor of Arts degree in accounting from the University of Connecticut  
9 School of Business. I started my career at Arthur Andersen in the client audit and  
10 assurance practice, continuing at Deloitte in the same practice. I joined Northeast  
11 Utilities, Eversource’s predecessor, and worked in the accounting organization through  
12 multiple positions leading to the Director of Corporate Accounting and Financial  
13 Reporting. I moved to the Regulatory and Revenue Requirements team in my current  
14 position in June 2021. I have been with Eversource Energy for over 19 years.

15  
16 **Q. Have you previously testified before the Commission?**

17 A: Yes, I provided testimony before the Commission in numerous Eversource dockets since  
18 2021.

19  
20 **Q. Please state your name, business address, company position, and principal  
21 responsibilities in your current position.**

22 A: My name is Craig R. Huizenga. I am the Manager of Billing & Revenue Cycle Solutions  
23 for Unitil Energy Systems, Inc. (“Unitil”), and I work at 1-5 McGuire Street in Concord,

1 NH. I am responsible for the accurate billing of all Unitil customers, which includes: the  
2 maintenance of existing tariffs and rates, implementation of new tariffs and rates,  
3 customer billing, reconciliation of data, and the SMART Program.

4

5 **Q. Please provide your educational and professional background.**

6 A: I graduated with a Bachelors of Science in 1997 from Eastern Nazarene College with a  
7 degree in Sports Therapy. In 2007, I received my Master's degree from the University of  
8 Phoenix in Organizational Management. I started at PSE&G in 1997 as a Training  
9 Consultant, and moved into a Customer Operations Supervisor role in 2000, where I  
10 remained until 2007 when I joined Unitil. At Unitil, from 2007 to 2011, I had the title of  
11 Customer Service Supervisor. From 2011 to present, I've been in my current role, with a  
12 brief assignment in 2017 as CIS Transition Manager to support our conversion to a new  
13 CIS software.

14

15 **Q. Have you previously testified before the Commission?**

16 A: No I have not.

17

18 **Q. Please state your name, business address, company position, and principal  
19 responsibilities in your current position.**

20 A: My name is Jeffrey Pentz, I am employed by Unitil Service as a Senior Energy Analyst.

21

22

23



1 **Q. Please provide your educational and professional background.**

2 A: I received my Bachelor of Arts degree in Economics from the University of  
3 Massachusetts. Before joining Unitil Service, I worked as a Contracting and Transaction  
4 Analyst with Mint Energy, a retail electric supplier. My range of responsibilities included  
5 contract negotiation with brokers and customers, retail billing, and sales. Prior to Mint  
6 Energy, I worked as a data analyst for Energy Services Group. My responsibilities  
7 included supplier business transaction testing and integration with regulated utilities. I  
8 joined Unitil Service in February 2016 as an Energy Analyst with the Energy Contracts  
9 department. In January 2019 I was promoted to my current position as Senior Energy  
10 Analyst. I have primary responsibilities in the areas of load settlement, renewable energy  
11 credit procurement, renewable portfolio standard compliance, default service  
12 procurement, market research and operations, and monitoring renewable energy policy.

13

14 **Q. Have you previously testified before the Commission?**

15 A: Yes I have.

16

17 **Q. Please state your name, business address, company position, and principal  
18 responsibilities in your current position.**

19 A: My name is Daniel Belson.

20

21 **Q. Please provide your educational and professional background.**

22 A: I am employed by Liberty Utilities Service Corp. (“LUSC”), as the Vice President of IT  
23 Strategy and Architecture, and provide services to the regulated Liberty affiliates,

1 including Liberty Utilities (Granite State Electric) Corp (“Liberty”). My business address  
2 is 9750 Washburn Road, Downey, California. I have experience managing IT teams that  
3 provide technical services for building and supporting complex SAP environments. I  
4 have a background in application development and system administration.

5

6 **Q. Have you previously testified before the Commission?**

7 A: No I have not.

8

9 **Q. Please state your name, business address, company position, and principal  
10 responsibilities in your current position.**

11 A: My name is Laura Sasso. I am employed by LUSC as a Senior Manager, Billing, East  
12 Region, providing services to the Liberty affiliates in the East Region, including Liberty.  
13 My office address is 15 Buttrick Road, Londonderry, New Hampshire. I have been with  
14 Liberty for 11 years and have been in the industry for 27 years.

15

16 **Q. Have you previously testified before the Commission?**

17 A: No I have not.

18

19

20

21

22

23

## II. PURPOSE

1 **Q: What is the purpose of your testimony?**

2 A: Our testimony describes the work, level of effort, and costs necessary for Eversource,  
3 Unitil and Liberty (together, the “Joint Utilities”) to implement certain provisions of the  
4 Puc 2200 rules. First, we discuss certain issues surrounding sharing net metering data—  
5 particularly net-metered customer export data—with municipal aggregations (“CPAs”) and the possible expanded provision of net metering customer usage data. We then  
6 present in detail the Joint Utilities’ design for an implementation solution for the billing  
7 option represented in Puc 2205.16(d)(1), commonly referred to as “bill-ready billing”,  
8 where the utility delays billing to provide usage data to the supplier, and the supplier in  
9 turn provides charges, or in the case of the Puc 2205.16(d)(1) “charges and credits” to the  
10 utility for presentment on the customer bill. We also discuss the implications of the “bill-  
11 ready” billing option for customers and utility operations, as there are several effects of  
12 implementing and offering this billing option. Our testimony also proposes cost recovery  
13 options for all incremental costs associated with implementing the Puc 2200 rules.  
14  
15

## III. NET METERING DATA ISSUES

16 **Q: Are the Joint Utilities complying with the Puc 2200 rule requirements on providing**  
17 **net metering data?**

18 A: Yes, the Joint Utilities are complying with Puc 2203.02(d), which is the only provision in  
19 the Puc 2200 rules that requires the provision of “consumption power delivered to  
20 customers and exports to the grid from customer generators in kWh for each reported  
21 interval.” No other provisions of the Puc 2200 rules refers to exports to the grid from

1 customer generators as it pertains to usage data. In fact, the other two reporting  
2 requirements in the Puc 2200 rules that refer to providing usage data— Puc 2204.02(a)(2)  
3 and Puc 2205.13(a)(7)—say only that the utilities shall provide “usage data in kWh” and  
4 makes no reference to net-metered customer consumption power and exports to the grid.

5  
6 Nonetheless, in response to the requests of certain municipal aggregation stakeholders,  
7 both Unitil and Liberty are currently voluntarily providing net-metered customer export  
8 data in the Puc 2204.02 and Puc 2205.13 reports. Eversource is currently incapable of  
9 providing such data without system modifications. Eversource has begun making the  
10 necessary system modifications and estimates they will be completed in approximately  
11 three months at a cost of approximately \$40,000.

12  
13 **Q: Is it the Joint Utilities’ understanding that providing net metering information in**  
14 **the Puc 2200 reports is sufficient to satisfy the CPAs interest in net metering?**

15 A: No. It is the Joint Utilities’ understanding that the net-metered customer export data in  
16 the Puc 2200 reports does not allow for an exchange of data that would enable the CPAs  
17 to offer their own net metering programs. *See generally* Docket No. DE 23-047. To  
18 provide the information in the form requested by the CPAs, a change would have to be  
19 made to the Electronic Data Interchange (“EDI”) functionality to accommodate negative  
20 usage numbers (which represent exports). Currently, the EDI 810 can only report zero if  
21 it is presented with a negative number. The reason that modifying EDI is necessary for  
22 CPAs to provide net metering credits is that the EDI transaction will allow for the CPA to  
23 issue credits to CPA net metered customers.

1

2 **Q: Do the Puc 2200 rules address providing net metering data through EDI**  
3 **transactions?**

4 A: No, they do not. There is currently no regulatory path for adding this functionality to  
5 EDI. The Commission would have to order a reconvening of the Electronic Business  
6 Transaction (“EBT”) Working Group to implement changes necessary to EDI to provide  
7 net-metered customer export data.<sup>1</sup>

8

9 **Q: What would be required to enable what you understand to be the CPAs’ preferred**  
10 **functionality regarding net metering?**

11 A: As described above, changes are needed to the EDI to enable the sharing of net-metered  
12 customer export data. For changes to me made to the EDI, the EBT working group  
13 would need to be reconvened by order of the Commission. The overall process would  
14 entail the following:

- 15 • The EBT working group would have to be convened, as the requested change  
16 would impact the entirety of the electric supply industry, and so input from all  
17 impacted stakeholders is needed to ensure the changes avoid any compromises to  
18 existing functionality. The EBT Working Group meets to develop new codes,  
19 new processes and EDI change requests. Its purpose is to ensure all affected  
20 parties understand and agree to all the newly proposed standards. If the existing

---

<sup>1</sup> See Order No. 22,919 (May 4, 1998) (adopting the EDI Working Group Report which provided the standards governing the exchange of information between regulated utilities and providers of competitive services). Information on the EDI Working Group is available on the Commission’s website at <https://www.puc.nh.gov/Electric/edi.htm>.

1 EDI 810 can be used, the EBT group will need to select new codes for new usage  
2 types: sales, purchases and net balance, which would be a fairly straightforward  
3 change. However, if the EDI 810 is too limited and cannot be used there would  
4 be a need to convert to the more adaptable EDI 867 Monthly Usage transaction  
5 which has greater capacity and flexibility. However, the EDI 867 will require a  
6 more involved EBT Working Group process since this will be a bigger system  
7 change for all users.

- 8 • Once the modifications are complete, the Joint Utilities would be able to provide  
9 the net metering purchases (imports), sales (exports) and the net (of both imports  
10 and exports) to the CPAs via the EDI 810 or 867. With this data, the CPAs can  
11 issue credits consistent with their own net metering programs as permitted by the  
12 Puc 2200 rules.
- 13 • Internal changes: for individual company estimates, see Attachment JU-1, page 3-  
14 4 for Eversource, page 5 for Liberty, and page 6 for Unitil.

#### 15 16 **IV. PUC 2205.16(d)(1) BILL-READY BILLING**

##### 17 **a. Overview/background**

18 **Q: Please briefly explain “bill-ready” billing, which is referred to as a type of**  
19 **consolidated billing in Puc 2205.16(d)(1)?**

20 **A:** Puc 2205.16(d)(1) states: “[w]hen a CPA elects to utilize consolidated billing service for  
21 any customer, the CPA shall also elect to . . . [c]alculate the charges or credits for  
electricity supply and services for the customer in accordance with the CPA’s customer  
classes or rate structures, based upon customer usage data provided by the customer’s

1 utility, and provide such charges or credits to the utility for presentment on the  
2 customer's bill".<sup>2</sup> This type of consolidated billing is commonly known as bill-ready  
3 billing. With bill-ready billing, the utility delays issuing bills to allow time to provide  
4 usage data to a third party and is therefore dependent on that third party to provide  
5 calculated results back to the utility for the third party's charges (and credits as is allowed  
6 for CPAs pursuant to Puc 2205.16(d)(1)). The utility then prints the information received  
7 from the third party on the customer bill. The billing option that the Joint Utilities  
8 currently offer is "utility complete" billing also known as "rate-ready" billing, where the  
9 supplier provides a cents-per-kWh price prior to the customer being billed and the utility  
10 billing systems calculate the supplier charges using the supplier price and customer usage  
11 data and print them on the bill. Both bill-ready and complete billing are forms of  
12 consolidated billing. The Joint Utilities will use the term bill-ready billing in this  
13 proceeding to refer to the billing option represented in Puc 2205.16(d)(1).

14  
15 **Q: Can you please explain the differences between "bill-ready" billing and "utility**  
16 **complete" billing?**

17 **A:** There are two key differences between bill-ready and rate-ready, or utility complete,  
18 billing. The first is which entity calculates the charges: under utility complete billing, the  
19 Joint Utilities' billing systems calculate all charges, whereas bill-ready charges are  
20 calculated by a third party. Under bill-ready billing, a third party receives customer  
21 usage data from the utility, calculates the customer -specific charges, and then submits

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<sup>2</sup> This is one of two billing options listed in Puc 2205.16(d); the other option that is described is the currently offered "utility complete" billing. Both are referred to in Puc 2205.16(d) as "Consolidated Billing", but each operates quite differently, so the terms "bill-ready" and "complete billing" are used in this testimony to distinguish the two.

1 that information back to the utility to print on customer bills. The utility then adds the  
2 third-party charges to the non-supply charges calculated by the utility to present the total  
3 bill. Another difference between the two kinds of billing is timing: under utility complete  
4 billing, because the utility is the entity applying the cents-per-kWh rate, complete billing  
5 is done in the normal batch cycle, which means that it is done at the time of the meter  
6 read, consistent with the customer's billing cycle. Bill-ready billing requires the utility to  
7 delay the batch billing process for affected customers while it provides the customer  
8 usage data from the meter read to the third party and then the utility must wait to receive  
9 the third party's calculated charges for presentment on the customer bill.

10

11 **Q: Are the Joint Utilities currently able to offer bill-ready billing under Puc**  
12 **2205.16(d)(1)?**

13 A: No, the Joint Utilities' systems are not built for the option presented in Puc  
14 2205.16(d)(1).

15

**b. Proposal**

16 **Q: What is the Joint Utilities' solution for providing bill-ready billing and what actions**  
17 **will the Joint Utilities need to take to provide it?**

18 A: The bill-ready option will require extensive design and functionality modifications to  
19 each of the Joint Utilities' respective billing systems and internal EDI applications by  
20 Joint Utility IT staff and vendors. Consistent with Puc 2205.16(d)(1) and other existing  
21 iterations of bill-ready billing, the Joint Utilities' billing systems will be able to accept up  
22 to a maximum of ten line items for CPAs: up to seven of which will be dedicated to



1 charges and credits with the tenth line item (or the line following the last charge/credit)  
2 being the total of all charges and credits, to print on customer bills.<sup>3</sup> The total charge for  
3 the energy supply portion of the bill listed on the last line item will be added to the total  
4 bill amount due from the customer. To provide the bill-ready option, the utility billing  
5 systems must delay or hold bill-ready customer bills out of the normal batch billing cycle  
6 that contains all customer bills after usage data is obtained for the account so that the bill-  
7 ready process may be completed. This necessarily delays the issuance of bill-ready  
8 customer bills. To minimize this delay, the Joint Utilities will cap the bill hold at three  
9 business days, which balances the need of CPAs to have sufficient time to calculate their  
10 charges with the need of the utility to issue timely bills and the need of the customers to  
11 receive timely bills.

12  
13 Once the usage data is collected it will be sent the following business day from the utility  
14 to the third-party CPA, or its agent, via EDI. The third party must, within three business  
15 days of receipt of the usage data (i.e. the CPA receives the data on Tuesday morning, the  
16 CPA must submit data before the Joint Utilities run their bill batch on Thursday), submit  
17 the line items containing the charges, credits, and total of all charges and credits back to  
18 the utility via EDI. The utility will then add the supply charges to customer bills and  
19 expeditiously complete processing the bills and issue the bills to customers. Just as with

---

<sup>3</sup> The Joint Utilities will be providing a total of ten line items: the first will be the aggregation name, the second line will be the date range for the charges presented on the bill. Then lines three through nine can be used for charges and credits, with the tenth (or whatever line follows the last charge or credit if all lines are not used) used for totaling all charges and credits provided by the CPA.

1 utility complete billing, bill-ready customers must pay all charges by the due date on the  
2 bill.

3  
4 To ensure that bill-ready billing is properly executed to minimize customer confusion and  
5 mitigate impacts to utility operations, a service agreement must be executed by the CPA  
6 to elect bill-ready billing for its customers. The Joint Utilities have drafted a bill-ready  
7 service agreement and have included it with this filing as Attachment JU-2. This  
8 agreement will be in addition to and consistent with the existing supplier services  
9 agreement required by each of the Joint Utilities for CPAs and competitive suppliers.

10

11 **Q: Please describe any conditions proposed by the Joint Utilities in connection with**  
12 **bill-ready billing, as well as any assumptions required to design the proposal.**

13 A: While Puc 2205.16(d)(1) permits CPAs to elect “bill ready” billing, it does not prescribe  
14 implementation requirements for the Joint Utilities. In recognition of the Joint Utilities’  
15 operational requirements and the expectations of customers - including customer billing  
16 requirements established in the Puc 1200 rules - the Joint Utilities propose certain  
17 parameters and assumptions necessary to produce a working process for bill-ready  
18 billing. For a detailed presentation of all conditions and assumptions made by the Joint  
19 Utilities for implementing bill-ready billing, please refer to Attachment JU-1 pages 1-2,  
20 which also includes the cost estimates of each of the Joint Utilities.

21

22 Critical parameters and assumptions proposed by the Joint Utilities include:

- 1       • Three business day bill hold: to provide bill-ready billing, usage data must be sent by  
2       a utility to a CPA, which must calculate customer charges and credits and send those  
3       back to the utility, necessarily delaying bills. A three-day turnaround period  
4       minimizes the length of bill issuance delays while giving the CPAs sufficient time to  
5       prepare and submit charges and credits to the utilities.
- 6       • No holding bills more than three days/no off-cycle billing: if the CPA misses the  
7       three-day deadline, for any reason, the customer bills will be issued with a zero for  
8       supply charges for that billing period. It would be extremely time consuming and  
9       costly to provide off-cycle billing for CPAs that miss the deadline, and holding bills  
10      longer than three days will penalize both the customers and the Joint Utilities. This is  
11      discussed further later in this testimony.
- 12     • Maximum of ten (10) line items, seven reserved for charges and credits: this is  
13      consistent with industry practice for those utilities offering bill-ready billing.  
14      Capping line items at ten keeps the added bill length (and therefore cost to print)<sup>4</sup>  
15      reasonable, and seven lines for charges and credits should be more than sufficient for  
16      the CPAs. Adding lines will likely result in increased IT and bill printing costs.
- 17     • Requirement to include a description of all factors contributing to each charge and  
18      credit: this requirement of Puc 1203.06(b)(6) enables customers to perform their own  
19      calculations and assure accuracy of bills.
- 20     • Character restriction per line item: this is due to billing system constraints and applies  
21      to competitive suppliers as well as CPAs.

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<sup>4</sup> For Eversource the additional page created by the ten line items will cost approximately four cents per bill.

- 1       • All calculations and edits performed by CPAs: the Joint Utilities will not calculate,  
2       edit, verify, or in any way monitor what the CPA provides to the utility for  
3       presentment on the bill. To do so would delay bills far more than the allowed three  
4       days and it would become uncertain which entity is ultimately responsible for the  
5       charges and credits provided by the CPAs. Additionally, Puc 2205.16(d)(1) states  
6       that the CPAs shall calculate the charges and credits, and the utilities shall simply  
7       present those charges and credits on the bill. The Joint Utilities will take the total of  
8       the charges and credits as provided by the CPA and add that total to the utility  
9       charges of the customer bill for the bill total. But the CPA would assume the sole  
10      responsibility for any errors in the calculation of the charges; the Joint Utilities shall  
11      not be liable for any errors in calculations of CPA charges and credits.
- 12      • Service agreement: The terms and conditions of bill-ready billing must be  
13      memorialized between the utilities and the CPAs.
- 14      • Credits: Any negative balances on the supply portion of the bill due to CPA-issued  
15      credits must be issued directly from the CPA to avoid deducting from the Joint Utility  
16      bill balances. The negative number can be presented on the bill and can be carried  
17      over by the CPA for calculations on following bill cycles, but in no event will the  
18      Joint Utilities be netting CPA credits against the other parts of the utility bill or issue  
19      checks to CPA customers for CPA-issued credits.

20  
21  
22

1 **Q: Are EDI modifications required to implement bill-ready billing, and are they**  
2 **included in the estimates?**

3 A: Yes, EDI modifications are required. and the Joint Utilities can only provide high level  
4 estimates for the modifications at this time, as there are numerous variables that must first  
5 be addressed by the EBT Working Group. After discussion with EDI vendors, it became  
6 clear that the EBT Working Group must be convened because the EDI changes necessary  
7 to implement bill-ready billing will impact the entire supplier community, not just the  
8 utilities and CPAs. All relevant stakeholders must participate so that implementation of  
9 the EDI changes for bill-ready billing do not compromise any existing functionality. Due  
10 to these circumstances, at this time the Joint Utilities can only provide order of magnitude  
11 estimates for the EDI portion of the bill-ready work. However, the Joint Utility EDI  
12 costs are not the only EDI costs that need to be incurred. These changes will also have to  
13 be adopted by all supplier entities, which could take additional time and will incur  
14 additional costs for all suppliers, regardless of their participation in bill-ready billing.

15  
16 It is expected the following EDI records will need to be updated: EDI 814 – needs a new  
17 billing type for bill-ready, but this code text already exists in other markets, so this is a  
18 straightforward change; EDI 810 – billing invoice, if necessary, will be replaced by the  
19 more capable and adaptable EDI 867 monthly usage – as mentioned above this will  
20 impact the entire supplier community; supplier billing detail will be sent via a repurposed  
21 EDI 810, which is commonly referred to as ESP consolidated bill transaction; and finally  
22 a new EDI 824 will be necessary to notify suppliers of either confirmation of receipt or  
23 rejection of the new EDI 810. Altogether, these comprise substantial changes EDI.

1 **Q: What is the cost and level of effort required to implement bill-ready billing?**

2 A: The estimated total cost for all of the Joint Utilities implementing bill-ready billing,  
3 including internal EDI modifications, is approximately, and likely upward of, \$8.9  
4 million: \$4.7 million plus for Eversource; \$1,043,882 for Unitil plus an estimated annual  
5 cost of \$63,600 for ongoing maintenance; and \$3.1 million for Liberty. It should be  
6 noted that the EDI costs included in the Joint Utilities' estimates only account for the in-  
7 house portion of the EDI work for each of the Joint Utilities, and the EDI portion of the  
8 estimate could only be made at a high level at this time, due to currently undetermined  
9 variables that will have to be finalized by the EBT Working Group.

10

11 As for the time to implement, the Joint Utilities can only estimate how long it will take to  
12 complete the internal Joint Utility system work. The duration of the EBT Working  
13 Group process and subsequent EDI changes (external to the Joint Utility EDI changes),  
14 while they could happen concurrently, are at this time unknown. The internal work for  
15 this effort for Eversource will take approximately 15 months; for Unitil approximately  
16 18-24 months; and for Liberty approximately 8 months.

17

18 **Q: What would happen if the parameters and assumptions above were modified?**

19 A: Any changes to the parameters and assumptions described above will directly impact the  
20 costs and timeline to implement bill-ready billing and may create unforeseen impacts to  
21 customers as well.

22

23

**c. Cost Recovery**

1 **Q: How do the Joint Utilities propose recovering these costs?**

2 A: The Joint Utilities propose that the costs for bill-ready billing and all other incremental  
3 costs, both to implement the Puc 2200 rules and for ongoing compliance and maintenance  
4 be recovered through a new annual reconciling rate mechanism that accounts for any  
5 incremental costs incurred pursuant directly to a State-mandate without a corresponding  
6 method of recovery.<sup>5</sup> Having such a mechanism in place will allow for the most  
7 administratively efficient process for the Commission to review and determine the  
8 prudence for costs incurred while also providing timely recovery for costs necessitated by  
9 a state action outside a utility's control, therefore balancing the interests of the Joint  
10 Utilities and their customers. This is not an unprecedented approach; there have been  
11 provisions for this type of recovery in the past. For instance, in the Eversource rate case  
12 Docket No. DE 09-035, and more recently in the Liberty rate case Docket No. DE 19-  
13 064, both Commission-approved settlement agreements allowed for the companies to  
14 adjust rates upward or downward to account for exogenous events. One category of such  
15 events contemplated was state mandates:

16 A. Liberty may, subject to review and approval of the Commission, adjust  
17 distribution rates upward or downward resulting from Exogenous Events,  
18 as defined and described below.

19 B. To the extent that the revenue impact of such event is not otherwise  
20 captured through another rate mechanism that has been approved by the

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<sup>5</sup> This new mechanism could account for legislative mandates as well: mandates unlike those developed through an adjudication where the Joint Utilities are afforded an opportunity to address cost recovery. All costs included for recovery in this mechanism would be subject to a standard prudency review to qualify for recovery.

1 Commission, for any singular (not collective) event defined as a State  
2 Initiated Cost Change, Federally Initiated Cost Change, Regulatory Cost  
3 Reassignment, or Externally Imposed Accounting Rule Change, Liberty  
4 may adjust distribution rates upward, and shall adjust distribution rates  
5 downward if the total distribution revenue impact (positive or negative) of  
6 such event exceeds \$150,000 (Exogenous Events Rate Adjustment  
7 Threshold) for calendar years 2020 and 2021.

8  
9 1. “State Initiated Cost Change” shall mean any externally imposed changes  
10 in state or local law or regulatory mandates or changes in other precedents  
11 governing income, revenue, sales, franchise, or property or any new or  
12 amended regional, state or locally imposed fees (but excluding the effects  
13 of routine annual changes in municipal, county and state property tax rates  
14 and revaluations), which impose new or expanded obligations, duties or  
15 undertakings, or remove existing obligations, duties or undertakings, and  
16 which individually decrease or increase Liberty's distribution costs,  
17 revenue, or revenue requirement.

18 Liberty Settlement Agreement, Section III, Bates page 17, Docket No. DE 19-064,  
19 Tab 59 (May 26, 2020); *See also* Eversource Settlement Agreement, Section 12,  
20 page 12, Docket No. DE 09-035, tab 76 (April 30, 2010) (exogenous events clause  
21 described verbatim). While a reconciling rate mechanism would function  
22 somewhat differently than the exogenous events provision, in that the rate  
23 mechanism would be a non-bypassable adder to distribution rates, adjusted



1 annually, as opposed to a change to base rates triggered by a discreet event, the  
2 intent and overall outcome of both mechanisms is the same.

3  
4 Absent a dedicated recovery mechanism, the Joint Utilities would need a regulatory  
5 asset designated for complete recovery of incremental costs for implementation of  
6 the Puc 2200 rules.<sup>6</sup> Without either a recovery mechanism or a regulatory asset,  
7 recovery of the full incremental costs of this mandate will not be possible.

8

**d. Issues and Considerations**

9 **Q: Does bill-ready billing potentially create any customer or utility issues or regulatory**  
10 **conflicts for the Joint Utilities and all customers?**

11 A: Yes it does. As a first matter, it is unclear the extent to which a three-day bill hold affects  
12 the billing cycle. For example, even though the bill issuance will be delayed by three  
13 business days the corresponding due date will not be extended by the corresponding  
14 amount of days, so the amount of time customers have to pay their bills will be shortened  
15 by three days resulting in a 27-day payment period.<sup>7</sup> This also means late payment  
16 charges will post in a shorter period of time, which could result in more customer bills  
17 falling into credit status due to late payments. Generally, it is unclear what effect or the  
18 degree to which the delay to issuing bills will have on the timing of accumulation of  
19 arrearages.

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<sup>6</sup> If the Commission authorizes a regulatory asset for cost recovery in lieu of a reconciling rate mechanism, the Joint Utilities request that all deferred costs get placed into the regulatory asset at the time they are placed in service, and accrue carrying charges at the utility's weighted average cost of capital.

<sup>7</sup> A 27-day billing period is consistent with and allowed by Puc 1202.08: "Due date" means the date no less than 25 calendar days from the bill date when the bill is sent electronically or via first class mail.

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The Joint Utilities are also concerned about customer impacts surrounding the possibility of bills being issued with no supply charges for a given month should the CPA miss the three-day window. If this happens, customers will face double charges on the supply portion of their bills the following month. There are also potential conflicts with Puc 1203.06(b)(4) and (7) which require, on each customer bill, “any applicable penalty date” and “the charges,” respectively. The ability to provide “the charges” for a given month will be compromised without supply charges to present on the bill, and it will be difficult to impossible to ascertain a penalty date for charges that have not yet been provided.

The Joint Utilities considered the option of providing estimated charges if the CPA misses the deadline, as the Joint Utilities do on occasion for some of their own default energy service customers under certain specific conditions. However, providing bill estimates for the CPAs results in a potential regulatory and a logistical problem. From a regulatory perspective, the Puc 1200 and 2200 rules do not authorize the Joint Utilities to make estimates on behalf of unregulated third parties, including CPAs. Moreover, Puc 2205.16(d)(1) states that the utilities are only to present on the bill the charges and credits given to them by the CPAs, not make those calculations or estimate what the charges may be. Logistically, having the Joint Utilities provide estimates will create a potentially untenable amount of additional work, as the Joint Utilities would have to add the estimates to the new usage data the following month. The CPAs would then have to adjust for the estimates from the previous billing cycle in their calculations for the current month, and that would have to be reflected in the line items allotted to CPA charges and

1 credits on the customer bill. While presenting nothing in the supply portion of a  
2 customer bill for a given month has significant issues, it is the best, and arguably the only  
3 feasible option available if a CPA misses the three-day window. The Joint Utilities are  
4 concerned with the rule conflicts and the impacts on the customer experience.  
5 Nonetheless, this approach for bill-ready billing is both feasible and creates the fewest  
6 complications and unanswered questions while avoiding as many regulatory and legal  
7 issues as possible.

8  
9 There are additional customer and utility concerns surrounding bill-ready billing.  
10 Generally, if customers are not well informed of this option, there is likely to be customer  
11 confusion which could lead to disputes and complaints. Specifically, under bill-ready  
12 billing, since the Joint Utilities will not be monitoring or verifying the line item inputs  
13 from the CPAs, customers could potentially be billed unknown or insufficiently detailed  
14 rates; the line items provided by the CPAs are not required to conform to standard billing  
15 formats so customers may be confused on how the charges were calculated or what each  
16 line is for; and as discussed above, customers may not be billed any supply charges for a  
17 given month if the charges are not received by the three-day deadline. Lastly, but also  
18 important, bill-ready billing will possibly put the Joint Utility billing processes at risk  
19 because interrupting and restarting bill processing (as will be required to execute the  
20 three-day hold for CPAs to calculate their charges) has not been done before, and so at  
21 this time the risks and consequences are unknown.

22

1 **Q: Is there additional clarity needed regarding the ability of CPAs to issue credits to**  
2 **customers?**

3 A: Yes. The Puc 2200 rules do not specify to which portion of the bill credits apply. While  
4 it is assumed that the credits can only apply to the supply portion of the bill since that is  
5 the only portion of the bill that concerns CPAs, the rules are not explicit. Any broader  
6 application of the credits beyond the supply portion of the bill would violate  
7 Commission-approved, tariffed transmission and distribution rates of the Joint Utilities.  
8 Puc 2205.16 also does not address whether the Joint Utilities would have to honor  
9 municipal aggregation-issued credits should a customer leave the aggregation and return  
10 to default service. The Joint Utilities don't believe this would be appropriate as  
11 municipal aggregation rates and credits are not regulated and are not necessarily  
12 consistent with the Joint Utility tariffs, and so it would be impermissible for the Joint  
13 Utilities to honor credits issued outside the parameters of tariffed rates.

14  
15 **Q: Are there any additional factors that the Commission should consider regarding**  
16 **Puc 2205.16(d)(1)?**

17 A: There are an unknown amount of process complications that could be created by the bill-  
18 ready billing process. Because this is a novel process which has not yet been tested, we  
19 cannot be sure of every implication or consequence of the execution and provision of bill-  
20 ready billing.

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**V. JOINT UTILITY REQUEST and CONCLUSION**

1 **Q: What are the Joint Utilities seeking from the Commission?**

2 A: At a minimum, Eversource will need a temporary waiver while it does the work needed  
3 for the provision of net metering data in the Puc 2204.02 and 2205.13 reports (should the  
4 Commission decide that net-metered customer export data is required to be included in  
5 those reports), and all the Joint Utilities will need temporary waivers until bill-ready  
6 functionality can be completed. The Joint Utilities would also respectfully request that  
7 the Commission authorize a method for cost recovery of all incremental costs necessary  
8 to comply with the adoption of the Puc 2200 rules. To avoid confusion, the Joint Utilities  
9 also seek clarification from the Commission that any CPA-issued credits apply only to  
10 the supply portion of the customer bill, and that the Joint Utilities shall not honor any  
11 such credits should customers leave the CPA to return to default service. Finally, in the  
12 event that the Commission determines that the costs required to implement bill-ready  
13 billing combined with the impacts to both aggregation and non-aggregation customers are  
14 not in the public interest, the Joint Utilities would require a permanent waiver from Puc  
15 2205.16(d)(1).

16

17 **Q: Do you believe that a waiver of Puc 2205.16(d)(1) is in the public interest?**

18 A: Temporary waivers as requested above are in the public interest because the Joint  
19 Utilities are currently incapable of complying with Puc 2205.16(d)(1) and Eversource  
20 cannot currently provide the net metering data in either of the Puc 2204.02 and 2205.13  
21 reports. The Joint Utilities believe that the total costs to be borne by all customers while  
22 only benefitting a select few, combined with the risks to customers and the potential for

1 regulatory conflicts, should be considered in making a public interest determination that  
2 would be required for a permanent rule waiver.

3

4 **Q: Does this conclude your testimony?**

5 **A:** Yes it does, thank you.