

# **Outline of Notes from CCA Workshop on Tariffs**

**March 16, 2005**

## **Next Steps**

- Friday, March 25 – deadline for Parties to submit comments on draft of utilities “Open Season Tariff.” Utilities will incorporate comments in time for March 30 Workshop.
  - Tuesday, March 29 – Utilities and CCAs will meet separately to discuss proposed Tariff Rules in more detail.
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## **Overview of Tariff Rules**

- DA tariff rules were used as basis and edited where unique to CCAs
- Goal of utilities was to set out list of obligations within the tariff for customer/public information purposes; customers are more likely to read tariff than the statute
- Customer contact with Utility or CCA should depend upon which entity is providing the specific service that is at issue (e.g. outage questions would be directed to the utility)

## **Summary of Tariff Issues to be Resolved**

- **Implementation Plans: Why is Section F necessary in Tariffs as part of utility rule?**
  - Utilities: necessary as part of public information process in order to present comprehensive list of obligations
  - CCAs: Misleading that utilities have jurisdiction over CCA Implementation Plan – that is the role of the PUC. This should be in statute, not part of tariff
  - Issue: Can language changes resolve issue and address concerns of both parties?
- **Operational Issues: Sub-contracting Credit worthiness**
  - CCAs: need to be able to assign credit worthiness to 3<sup>rd</sup> party partner/supplier to establish credit
  - Utility: concern that responsibility for credit needs to be assigned to actual customer, i.e., CCA
  - Question: possible to include credit evaluation and deposit for CCA during mass enrollment? (could be done between end of notification period and beginning of mass enrollment)

## Operational Issues (cont'd)

- Everyone agreed that detailed language of operational issues not covered in rule will be worked out in separate meeting with utilities and CCAs
- **Cost Comparison on Bills**
  - Utilities: Rule as proposed in draft of CCA tariff is consistent with DA rule; needed to minimize customer calls
  - CCAs: not applicable to CCAs since not a competitive service, therefore not the same as DA and want flexibility to design their own format of comparison
- **Schedule for Phase-in**
  - 6 mos. in proposed tariff rule
    - CCAs: determination of length of phase-in should be left to individual implementation plans for most smooth transition for customers; CCAs will want to have “pilot study” as part of phase-in (questions: how long is pilot?; what is purpose of pilot?)
    - Suggested solutions:
      - ❖ Need to distinguish language between “rolling sign-ups” and “phase-in” of various customer groups
      - ❖ Define “basic service” rather than “phase-in”
  - Deposits
    - CCAs: customer deposits should decrease because of reduced risk to utility; indifference should dictate that customers shouldn't pay twice for the same service
    - Utilities: worth looking at again – perhaps treated like payment and then prorated
- **Jurisdictional Issues (Interim Rule 23)**
  - CCAs: tariff language is too broad and don't want to give up rights by committing to future, unknown rules by giving blanket concession
- **Synchronicity of Switching-off**
  - Notification
    - Drafting of Public Notice
      - ❖ Proposed drafting of letter by Energy Division to go out under the Public Advisor's signature with utility verification of accuracy of details
    - Utility Review: (H.4.f)
      - ❖ CCAs: remove “approve” language which could be construed by some to hold up moving plans forward

- Dispute Process
  - CCAs: want recourse with PUC or a deadline set for when approval must happen so that they may move forward in a timely way without being held up
- Adequacy of Notification (I-3)
  - Returned Mail
    - ❖ Utilities: proposed tariff removes customer from automatic enrollment if mail is returned
    - ❖ CCAs: the act of mailing itself should be sufficient to meet the “fully inform” requirement since it cannot be known exactly why mail has been returned and customer should not be removed from automatic enrollment
- On-going Switches (K.2.b)
  - Utilities: proposed tariffs has 2 notifications (similar to mass enrollments)
  - CCAs: want to have flexibility to either batch or vary timing
- **Disconnections**
  - Partial Payments (R.2)
    - Utilities: proposed rule states that payment first go to utilities disconnectable charges, then pro-rated to other costs included CCAs, but allows CCAs to send non-paying customers back to utility
    - CCAs: want IOUs to collect unpaid bills from deadbeat customers as part of service and get a portion of those monies; creates high risk for customers to think that they don’t have to pay CCAs and there is no recourse; CCAs need to determine internally how they will want to deal with the “deadbeat” issue
- **Returning to Bundled Service**
  - CCAs: 3 year requirement is a concern; penalties for customers who happen to live in a CCA area is unfair
- **Language Consistency: CCA vs. CCP References**
  - Local Power: raises issue that infusion of a new term (CCP) does not comport with statute language and could cause confusion within the tariff and down the line when referring back to the underlying statute
  - Utilities: Used CCP as language to differentiate the actual “provider” from the CCA as municipality. Rule 1 defines “CCP”
  - Question: can this issue be resolved with wordsmithing? Some suggestions:
    - Clarifying Rule 23/27 to say something like: “...pursuant to PU Code 331.1)
    - “Use CCA provider”

- **Access to Utility Data (section C.3.a)**
  - Language Issue
  
- **Exclusion from Mass Enrollment of Some Customers (G.2)**
  - CCAs: no basis to exclude some customers from having to opt-out (e.g. Net metering and some demand response customers for CCSF)
  - General agreement that issue may be solved with some language tweaking
  
- **Bill Inserts (H-1)**
  - Local Power: CCAs should have access to including inserts in utility mailings as allowed by statute, at CCA expense