EUB Alberta Energy and Utilities Board

"To ensure that the discovery, development, and delivery of Alberta's resources take place in a manner that is fair, responsible, and in the public interest."

Tariff Billing Standards Implementation

Steering Committee Presentation

Presented June 1, 2006

Meeting Objectives

- To recap test and transition processes
- To recap milestone 1 progress and update milestone 2 progress
- To discuss milestone 3 transition readiness
- To discuss milestone 3 go/no-go results and next steps

Market Testing

- **Since January of this year, market participants have been engaged in the execution of test processes in preparation for the July 1, 2006 Code cutover.**
- **The market integration test components include:**
  - Discrete test phases for distributor and retailer stand-alone testing
  - Common test windows for retailer stand-alone and market operations testing
  - Standardized, by distributor territory, test data for retailer stand-alone test execution
  - Minimum requirements for control sets of sites to cover tariff and meter combinations by distributor
  - Standard entry and exit criteria for each test phase
  - Standard test cases for distributor and retailer execution to test adherence to Code requirements and evaluate unique aspects of pre and post implementation charge presentation
  - Test data management processes with:
    - Distributor accountability for test data creation
    - EUB accountability for validation of standardized test data for retailer stand-alone testing

Transition Readiness Review

- **The purpose of the market-level readiness review is to judge market readiness to cut over to Code compliant systems and processes on the scheduled transition date.**
- **At each of four (4)† milestones leading up to the scheduled transition date, the EUB will facilitate a review of each market participant's transition readiness according to a common checklist.**
- **The review approach achieves:**
  - Acceptance of pre-transition activities.
  - Confirmation that pre-transition activities are completed.
  - A common level of progress by market participants prior to market transition.
  - Market participant accountability and sign-off on pre-transition activities and results.
- **The planned review milestones are:**
  - M1 = Conclusion of Distributor Stand Alone Testing (February 15, 2006; March 15, 2006 for Gas)
  - M2 = Conclusion of Retailer Stand Alone Testing (March 31, 2006; April 30, 2006 for Gas)
  - M3 = Conclusion of Market Operations Testing (May 31, 2006 for Gas/Electric)
  - M4 = Pre-Cutover (June 23, 2006 for Gas/Electric)

† M1 and M2 review milestones are offset for ATCO Gas and Direct Energy as the RRT gas retailer

Recap of Milestone 1 Results

- **Recall when we met on February 28, 2006, M1 readiness results highlighted test progress and pass rate gaps for various distributors.**

Criteria Item	Acceptable Target	AE	AG†	EDI	EPC	FA
Market test results – stand-alone phase	100% of sequences and applicable Test Case Sets, scheduled for execution before this milestone, have been reported as executed.	100%	N/A	100%	92.2%	100%
	100% of Severity Level 1 and 2 defects have been resolved and the affected test cases have been successfully re-tested ††	0%	N/A	100%	N/A	N/A
	100% of high priority test requirements have passed testing, as evidenced by the market participant's test results and review of these test results by the EUB.	87.9%	N/A	93.8%	80.4%	100%
Review checklist – internal testing	100% of checklist items report 'Yes' (i.e. no checklist items report Partial)	100%	N/A	100%	100%	100%

- **Affected distributors committed to re-test known defects and submit updated results at milestone 2.**

† M1 and M2 review milestones are offset for ATCO Gas and Direct Energy as the RRT gas retailer
†† Total registered severity level 1 & 2 defects: AE – 2; EDI – 1

Update of Milestone 2 Results

- **Recall when we met on April 07, 2006 Milestone 2 results reflect a combination of:**
  - Distributor progress since Milestone 1; and
  - Regulated service provider (RRT electric retailer) results as reported March 31, 2006.
- **Since our last meeting, Direct Energy Regulated Services (natural gas) reported their M2 results.**

Criteria Item	Acceptable Target	AE	AG	EDI	EPC	FA	EEI/ EEAI	DE (EL)	DE (NG)
Market test results – stand-alone phase	100% of sequences and applicable Test Case Sets, scheduled for execution before this milestone, have been reported as executed.	100%	100%	100%	100%	100%	100%	100%	100%
	100% of Severity Level 1 and 2 defects have been resolved and the affected test cases have been successfully re-tested †	100%	100%	100%	N/A	N/A	N/A	N/A	N/A
	100% of high priority test requirements have passed testing, as evidenced by the market participant's test results and review of these test results by the EUB.	100%	100%	100%	100%	100%	100%	100%	100%
Review checklist – internal testing	100% of checklist items report 'Yes' (i.e. no checklist items report Partial)	100%	100%	100%	100%	100%	100%	100%	100%

† Total registered severity level 1 & 2 defects: AE – 2; EDI – 1; AG – 5

Review of Milestone 3 Results

- **Milestone 3 results reflect a combination of:**
  - Distributor progress since Milestone 2; and
  - Regulated service provider (RRT retailer) results as reported May 31, 2006.

Criteria Item	Acceptable Target	AE	AG	EDI	EPC	FA	EEI	DE (EL)	DE (NG)
Market test results – market operations phase	100% of sequences and applicable Test Case Sets, scheduled for execution before this milestone, have been reported as executed.	100%	100%	100%†	100%	100%	100%	100%	100%
	100% of defects of Severity Level 1 and 2 have been resolved.	50%	N/A	N/A	100%	N/A	N/A	N/A	N/A
Review checklist – code obligations	90% of checklist reports 'Yes' (i.e. <10% of checklist items report Partial)	100%	100%	100%	100%	100%	93%	100%	100%
Review checklist – billing process flow	90% of checklist reports 'Yes' (i.e. <10% of checklist items report Partial)	100%	100%	100%	100%	100%	100%	100%	100%
Review checklist – transaction validation	90% of checklist reports 'Yes' (i.e. <10% of checklist items report Partial)	100%	100%	100%	100%	100%	100%	100%	100%
Review checklist – exception handling	90% of checklist reports 'Yes' (i.e. <10% of checklist items report Partial)	100%	100%	100%	100%	100%	100%	100%	100%
Review checklist – support processes	90% of checklist reports 'Yes' (i.e. <10% of checklist items report Partial)	100%	100%	100%	100%	100%	100%	100%	100%
Review checklist – delivery system	90% of checklist reports 'Yes' (i.e. <10% of checklist items report Partial)	100%	100%	100%	100%	100%	100%	100%	100%

† EDI is publishing M003 test files for incremental bill cycles (until June 7, 2006)
† † Total registered severity level 1 and 2 defects: AE -2; EPC-1

Market Operations Testing – Distributor Results

- **To provide additional detail with respect to distributor testing, below are Market Operations Testing results by distributor based on weekly reports submitted to the EUB :**

Metric	AE	AG	EDI	EPC	FA
Distributor Cycles Executed for M001 (Transition Period)	5	3	19	5	9
Distributor Cycles Executed for M003 (Post Transition Period)	4	3	5	4	2
Distributor Cycles Executed for M002 (Negative Workstream)	1	1	1	1	1
Count of Tariff Bill Files Generated	88	86	431	333	110
Percentage of Sites Withheld (Average)	0.61%	2.05%	0.10%	4.15%	N/A
Count of Tariff Bill File Rejections	13	11	4	15	5
Count of Unexpected Rejections (Excludes TBRs generated for execution of M002 and invalid TBRs generated by retailers)	9	11	0	8	0

Market Operations Testing – Retailer Results

- **To provide additional detail with respect to regulated retailer testing, below are Market Operations Testing results by regulated retailer based on weekly reports submitted to the EUB:**

Metric	EEI †	DERS † †
TBF Validation		
Total Number of TBFs Validated	134	26
Total Number of TBRs Generated	11	5
Total Number of TBDs Generated	3,705	10
Total Number of Unexpected TBDs (Excludes site ownership disputes)	18	10
Customer Billing		
Total Number of Distributor Cycles Scheduled For Billing	12	8
Total Number of Sites Scheduled For Billing	88,261	113
Total Number of Sites Failed Billing	N/A	0

† Values reported for EEI are based on EEI's processing of TBFs received from all applicable distributors.
†† Values reported for DERS are based on DERS's processing of ATCO Electric and ATCO Gas TBFs only.

Current Severity Level 1&2 Defects

- **At the time of this meeting, the following defects remain outstanding:**
  - ATCO Electric (severity level 2): Demand period overlap.
- **ATCO Electric has an action plan in place to:**
  - Re-code and test demand period processing in their development environment (complete as of May 25, 2006.)
  - Issue an incremental tariff bill file to registered market operations retailers for validation, processing and customer bill production (scheduled for June 6, 2006.)

Milestone 3 Assessment and Next Steps

- **Following the milestone 3 review, we reflect on the following:**
  - Structured market-wide testing has been well received and formed the basis for tangible conclusions of market participant adherence to Code compliant processes and systems.
  - The count of outstanding severity level 2 defects is higher than expected but the affected distributor has a plan in place to remedy their sole remaining defects prior to go-live.
  - Validation of regulated retailer bill production tests is not yet complete but results-to-date are positive.
  - All participating regulated retailers have successfully demonstrated their ability to produce customer bills as required in the retailer stand-alone test phase.
  - At this time, market transition risk is very low.
- **Based on ATCO Electric's defect remedy plan, the EUB is satisfied that M3 results, where deficient, will be improved by June 9, 2006 (well in advance of the M4 review milestone) and that final preparations for transition go-live will not be impaired.**