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 February 28, 2006

Meeting Objectives

- To discuss milestone 1 transition readiness
- To discuss re-test and defect remedy plans
- To discuss milestone 1 go/no-go results and next steps
- To discuss the ISO compliance plan and timelines
- To discuss future code topics
- To present the TBC sustainment plan

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 is achieved 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

Review Milestone 1 Results

- **Results reflect stand-alone market test results and internal testing checklist results as reported February 15, 2006 and any updates provided since then:**

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)	83.3%	N/A	100%	25%	100%

- **M1 debriefs were conducted with four distributors and action plans agreed where re-tests are required.**
- **Affected distributor's results will be re-evaluated as they are submitted but no later than March 31, 2006 to confirm preparedness to enter into market operations testing.**

† 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

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 (severity level 2): Enrollment correction.
- **ATCO Electric has an action plan in place to fix these defects and present re-test results for the EUB's review prior to March 22, 2006.**

Milestone 1 Assessment and Next Steps

- **Following the milestone 1 review, we reflect on the following:**
  - Various distributors had scheduled internal testing beyond February 15, 2006 but this test timeline is not expected to impair market operations testing or the planned transition date.
  - The count of outstanding severity level 1 and 2 defects is higher than expected but affected distributors have plans in place to remedy these defects prior to market operations testing.
  - Test data to support competitive retail testing for the following distributors has been published with comments highlighting known defects:
    - FortisAlberta (February 01, 2006)
    - ATCO Electric (February 17, 2006)
    - EPCOR Distribution (February 22, 2006)
  - We anticipate that a final review of ENMAX Power's pending re-tests will result in publication by March 2, 2006.
- **Late conclusion of ENMAX Power's testing and retailer test data publication is a risk we continue to evaluate.**
- **Based on action plans of affected distributors, the EUB is satisfied that M1 results, where deficient, will be improved by M2 and that entry criteria for market operations testing will be met.**

ISO Compliance Plan & Timelines

- **Starting in March 2005, the EUB in consultation with the ISO and ISO customers, developed Appendix J (Transmission Tariff Standards) for presentation of transmission tariff charges.**
- **On September 30, 2005, the EUB advised the ISO that the target transition date of November 30, 2005 was no longer achievable and for the ISO to develop a revised transition timeline.**
- **In support of a July 1, 2006 go-live, the revised transition timeline relies on the following milestones:**
  - M1 = Conclusion of ISO stand-alone testing (March 31, 2006)
  - M2 = Conclusion of ISO Customer stand-alone testing (May 15, 2006)
  - M3 = Conclusion of ISO market operations testing and final readiness review (June 15, 2006)
- **On February 27, 2006, the EUB and ISO stakeholders met to confirm this timeline and determine the scope of ISO customer stand-alone testing.**
- **Concern was expressed by ATCO Electric and FortisAlberta regarding the ISO compliance timeline citing resource constraints and incremental transition risk.**
- **The EUB will respond to these concerns by March 3, 2006.**

Future Code Topics

- **From Section 8 Future Code Topics of the Tariff Billing Code, the EUB plans to design procedures to support the following in scope items by December 31, 2006.**

- **In scope:**
  - Imposing an administrative charge on a retailer by distributors if the EUB considers the action or complaint of a retailer related to this code to be frivolous or vexatious.
  - Reporting, resolving, and/or escalating code-related infractions, including roles and responsibilities, contact information and the procedures for direct inquiry, direct complaint, and escalation to the EUB.
  - Monitoring and reporting code compliance.
  - Assessing penalties and awarding remedies for noncompliance.
  - Processing cancel/rebills > 365 days old for RRT customers.

- **Out of scope:**
  - Application of marketwide standard usage estimation methodologies and tolerance levels.
  - Aligning usage estimation methodology between settlement and tariff billing processes.
  - Cancel/rebill processing to correct usage and tariff charges following the use of a usage estimate.
  - Disclosure to retailers by distributors of site charges withheld from presentation in a published tariff bill file in an automated fashion.

Tariff Billing Code Sustainment Plan

- **To maintain the consultative process wherein Tariff Billing Code issues are raised and resolved, and market participant testing of compliance is coordinated, the following EUB procedures are required:**
  - Issue Management: issues raised in the Tariff Issue Management system will be discussed in a cross-industry committee to agree appropriate solution alternatives; proposed amendments will be circulated for comment.
  - Change Management: proposed amendments will only be accepted once market participants have commented on the impact of accepting the change and sufficient benefit will be realized to off-set development and re-test costs.
  - Tariff Billing Code Version Control: accepted code changes will be brought into effect on a scheduled basis (to be determined by the market – perhaps quarterly or semi-annually) to accommodate coordinated development, testing and transition activities.
  - Temporary Exemption Management: retirement of exemptions granted for V1.1 and V1.3 of the Code will be coordinated to achieve compliance on a reasonable timeline.
  - Standard Code Publication: standard codes, and other issue or change management materials will be maintained on the EUB project website.
- **Ongoing EUB coordination of these processes will depend on an agreed charter, consultative process and participant expectations.**