

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Ohio Edison)	
Company, The Cleveland Electric Illuminating)	
Company and The Toledo Edison Company for)	Case Nos. 12-1230-EL-SSO
Authority to Provide for a Standard Service)	
Offer Pursuant to R.C. § 4928.143 in the Form)	
of an Electric Security Plan.)	

**DIRECT TESTIMONY OF STEPHEN E. BENNETT
ON BEHALF OF THE RETAIL ENERGY SUPPLY ASSOCIATION**

May 21, 2012

1 **Q1. Please state your name and business address.**

2 **A1.** My name is Stephen E. Bennett. My business address is 300 Exelon Way, Kennett Square,
3 Pennsylvania 19348.

4 **Q2. By whom are you employed and in what capacity?**

5 **A2.** I am employed by Exelon Corporation as Manager of State Government Affairs, East.

6 **Q3. How long have you been employed in your current position?**

7 **A3.** Technically I have only been in this particular role for about a month due to the merger but I
8 have been in a competitive retail regulatory role for 5 years.

9 **Q4. Please explain the job responsibilities and duties in your current position.**

10 **A4.** In this role, I am responsible for implementing regulatory and legislative policies for
11 Exelon Corporation's retail, wholesale, power generation, and other business interests in
12 the eastern portion of the United States, which includes the State of Ohio.¹

13 **Q5. Please describe your educational background and relevant work experience.**

14 **A5.** I earned a Bachelor of Science in Civil Engineering from the University of Maryland-
15 College Park in 1996. I have almost 11 years of experience in the competitive wholesale
16 and retail energy industry with a focus on retail market policy and structure, compliance,
17 and RTO/ISO market rules and settlements. Previously, and prior to the merger with
18 Constellation, I was Retail Policy Manager – East for Exelon Energy responsible for
19 directing and implementing Exelon Energy's regulatory policies for the competitive retail
20 market in Ohio, Illinois, Pennsylvania, Michigan, New Jersey, and Maryland. Prior to
21 joining Exelon, I worked for The Structure Group providing software and consulting
22 services focused on RTO/ISO market rules and settlements in PJM and ISO New England.

23 **Q6. Please describe the Retail Energy Supply Association (RESA).**

¹ On March 12, 2012, Exelon Corporation acquired the Constellation Companies. *See Exelon Corp. et al.*,
138 FERC ¶ 61,167 (2012).

1 **A6.** RESA is a broad and diverse group of retail energy suppliers who share the common vision that
2 competitive energy retail markets deliver a more efficient, customer-oriented outcome than
3 regulated utility structure. Several RESA members are certificated as competitive retail electric
4 service providers and active in the Ohio retail market. Specifically, some of RESA's members
5 currently provide competitive retail electric service to customers in the FirstEnergy area. The
6 testimony that I am presenting may represent the position of RESA as an organization, but may
7 not represent the views of any particular RESA member. RESA's members include: Champion
8 Energy Services, LLC; ConEdison Solutions; Constellation NewEnergy, Inc; Direct Energy
9 Services, LLC; Energetix, Inc.; Energy Plus Holdings LLC; Exelon Energy Company; GDF
10 SUEZ Energy Resources NA, Inc.; Green Mountain Energy Company; Hess Corporation;
11 Integrys Energy Services, Inc.; Just Energy; Liberty Power; MC Squared Energy Services,
12 LLC; Mint Energy, LLC; NextEra Energy Services; Noble Americas Energy Solutions LLC;
13 PPL EnergyPlus, LLC; Reliant; TransCanada Power Marketing Ltd.; and TriEagle Energy, L.P.

14 **Q7. Have you ever testified before a regulatory agency?**

15 **A7.** No. This is the first time I have testified before a regulatory agency.

16 **Q8. What is the purpose of your testimony?**

17 **A8.** My testimony will focus on Retail Supplier Data Access/EDI Enhancements and a web-based
18 customer data system that is addressed in Attachment C to the Stipulation. My testimony will
19 describe the benefits of providing data via web and electronic data interchange (EDI) but will
20 also recommend additional enhancements that the Commission should adopt to make this
21 system more workable.

22 **Q9. What is Attachment C to the Stipulation?**

23 **A9.** Attachment C to the Stipulation appears to be terms and conditions that are related to
24 competitive retail electric service and were proposed and approved as a part of the FirstEnergy

1 Companies' current ESP in Case No. 10-388-EL-SSO. It appears that these terms and
2 conditions are proposed to remain in effect through May 31, 2016. The Stipulation, at page 39,
3 indicates that the Companies agree to continue providing enhanced customer data and
4 information and web-based access to such information subject to and consistent with the
5 Commission's rules, as set forth in Attachment C.

6 **Q10. Have the FirstEnergy Companies implemented all of the terms and conditions contained**
7 **in Attachment C?**

8 **A10.** I have been advised by Counsel that the settlement reached in the current First Energy ESP in
9 Case No. 10-388-EL-SSO provided that First Energy would implement the web and customer
10 data related terms and conditions of Attachment C by June 1, 2013. As the agreed upon
11 implementation date is still pending, First Energy has yet to implement a web based data system
12 as stipulated in Attachment C.

13 **Q11. Would you please describe the main benefits that will accrue by providing data via the**
14 **web and EDI?**

15 **A11.** The two main benefits of providing data through the web and EDI are efficiency and
16 standardization.

17 **Q12. Please describe how web and EDI data provision provides the benefit of efficiency.**

18 **A12.** Both methods of data publication afford CRES providers with mechanisms to quickly download
19 data for multiple customers directly into systems used to price, enroll, and bill these customers
20 without the risk of "bottlenecks" created by manual processes at the utility. As long as the data
21 is accurate and complete, the increased efficiency gained through the web and EDI data
22 channels translates into more innovative product offerings, more timely and accurate pricing,
23 and more timely and accurate customer enrollment for CRES customers. In addition, process

1 efficiency in competitive markets almost always leads to more efficient and more competitive
2 pricing for customers.

3 **Q13. Please describe how web and EDI data provision provides the benefit of standardization?**

4 **A13.** Web and EDI data provision are becoming the norm in many competitive retail jurisdictions
5 including those in nearby Illinois and Pennsylvania. Standardization makes it easier for more
6 suppliers to enter the Ohio market. CRES Providers who have developed systems that interface
7 with the web, EDI, or both to manage customer data in other jurisdictions will find it easier to
8 expand into the FirstEnergy EDU service territories. If the data provided is complete and uses
9 industry standard data formats, CRES providers will have to make fewer modifications to their
10 existing systems and can build new systems that are also usable in many competitive states
11 thereby further reducing costs. With more CRES providers investing in the Ohio markets and
12 more efficient markets in the First Energy EDUs, the market becomes more competitive. A
13 more robust competitive market with more suppliers almost always leads to more product
14 innovation and downward pressure on customer prices for competitive electricity.

15 **Q14. What are the additions and modifications that you recommend with respect to the**
16 **language in Attachment C?**

17 **A14.** I recommend that the web-based system that will provide electronic access to key customer data
18 be implemented by June 1, 2013. I also recommend that the supplier website allow the data to
19 be automatically downloaded or “scraped”. Finally, in addition to the various types of
20 information that are already identified in Attachment C, I recommend that this system provide
21 access to NSPLC (network system peak load contribution) values, PLC/NSPL effective dates,
22 and the addition of a PIPP indicator.

23 **Q15. Why are these additions and modifications important?**

1 **A15.** The inclusion of a date certain for implementation of the web site is important because First
2 Energy has already agreed to implement a web based customer data site by June 1, 2013 in Case
3 No. 10-388-EL-SSO. In order for CRES providers and their customers to receive the benefits
4 of the web data channel it needs to be up-and-running as soon as possible. RESA believes that
5 that previously agreed upon implementation date of June 1, 2013 provides a reasonable amount
6 of time for First Energy to design and build this system inclusive of the recommendations and
7 enhancements that RESA recommends herein. The assurance that the customer data on the web
8 can be automatically downloaded is also a key to recognizing the benefits of the web data
9 channel because it removes the potential for manual process bottlenecks. Finally, the benefits
10 of the web data channel are only realized if the data it provides is both accurate and complete.
11 The requested fields are necessary for customer pricing and other processes that initiate and
12 maintain the relationship between the CRES provider and the customer.

13 **Q16. Do you have a recommended language change to Attachment C?**

14 **A16.** Yes. I recommend that the last sentence contained in Attachment C read as follows:

15 By June 1, 2013, FirstEnergy proposes to implement a web-based system that
16 provides electronic access to key customer usage and account data that can be
17 accessed via a supplier website and automatically downloaded or “scraped”
18 that is updated quarterly and that presents data and information including:
19 account numbers, meter numbers, names, service addresses and billing
20 addresses including zip codes, email addresses, meter read cycle dates, interval
21 meter flags, rate code indicators, load profile group indicators, NSPL and PLC
22 values (capacity obligations), PLC/NSPL effective dates, twenty-four months
23 of consumption data in kWh by billing period including on-peak and off-peak
24 data; twenty-four months of demand data (kW) by billing period; twenty four
25 months of interval data, default service indicators (if on default service),
26 minimum stay dates (if applicable); a PIPP indicator, and identifiers of
27 whether customers are participating in budget plans.

28
29 **Q17. Are there any additional standards that you recommend be adopted in Attachment C?**

30 **A17.** Yes. I recommend the adoption of additional EDI 867HU standards which include the
31 following data segments and that are currently in practice in Pennsylvania, New Jersey,

1 Delaware and Maryland. These data segments include loss factor (REFLF); Service Voltage
2 (REFSV); and Special Meter Configuration (REFKY).

3 **Q18. Why is the adoption of these additional standards important?**

4 **A18.** The EDI 867 standards provide customer data that CRES providers require for verification of
5 customer type and characteristics and for product structuring and pricing. The more
6 comprehensive the data set presented in the EDI 867, the more likely it is that the CRES
7 provider can structure and price a product that best addresses the customer's needs and meets
8 the customer's value proposition. This data also helps the CRES provider to properly enter the
9 customer in the billing system so that enrollment and invoicing can be done accurately and on a
10 more timely basis. Further, the REFKY data segment indicates that a customer has a special
11 meter configuration or attribute – like net metering, combined heat and power, or distributed
12 generation. REFKY helps CRES providers more easily serve customers who are investing in
13 innovative energy solutions like Advanced Metering Infrastructure. As such, including REFKY
14 in the EDI 867HU standard allows CRES providers to continue to partner with Ohio customers
15 who are investing in their home and in-state businesses. Finally, as previously stated in my
16 testimony, standardization of data practices at First Energy and throughout the state to match
17 best practices used in surrounding markets can lead to increased market efficiencies and more
18 CRES provider market entry in Ohio.

19 **Q19. Are there any requirements that you would recommend FirstEnergy adopt in the context**
20 **of Attachment C?**

21 **A19.** Yes, there are. I recommend that FirstEnergy be required to support supplier messaging for
22 consolidated billing via the bill-ready EDI 810 transaction which all other electric distribution
23 utilities in Ohio, Pennsylvania and Maryland support. I also recommend that FirstEnergy be
24 required to support supplier drop rescission requests via supplier initiated EDI 814

1 Reinstatement which all other Ohio electric distribution utilities support. Finally, I recommend
2 that under a consolidated bill-ready option, FirstEnergy be required to cancel and rebill all
3 related supplier charges concurrently with cancel/rebills of prior period customer usage. This is
4 the standard practice in Illinois, Maryland, New Jersey and the non-FirstEnergy territories in
5 Pennsylvania.

6 **Q20. Why are these recommended requirements important?**

7 **A20.** Again, one of the first benefits of adopting these requirements is standardization with
8 competitive market processes both inside and outside of Ohio. Specifically, supplier messaging
9 is an important capability in that it allows the CRES provider to efficiently communicate
10 important information to the customer in a manner that is currently available to the EDU. As
11 such, supplier messaging benefits the customer while leveling the playing field between CRES
12 provider and EDU. EDI 814 supplier drop rescission requests are an effective and established
13 means for a CRES provider to rectify rescission errors and address customer wishes when
14 rescission decisions are retracted. Using a standard EDI 814 provides the fastest mechanism for
15 a CRES provider to be sure that a customer's desired enrollment status is executed without the
16 need for manual processes or intervention. Finally, concurrent cancel and rebill of supplier
17 charges with prior period usage corrections is a fundamental requirement of accurate customer
18 billing and reconciliation. The EDU is solely responsible for prior period usage adjustments. If
19 the EDU is also providing utility consolidating billing (UCB) then it is in the customer's best
20 interest to have their supplier charges adjusted at the same time that their EDU charges are. If
21 this does not occur, then the customer is forced into a one-off process to reconcile their
22 electricity bill and losses much of the benefit gained by being on UCB. In addition to not being
23 a standard practice, not concurrently correcting all aspects of a customer's bill at the time of an

1 EDU-controlled usage adjustment creates inefficiencies that raise costs for both customers and
2 CRES providers.

3 **Q21. Are there any additional commitments that you recommend that FirstEnergy adopt in the**
4 **context of Attachment C?**

5 **A21.** Yes. I would recommend that FirstEnergy be required to commit that the Ohio EDI Working
6 Group (“OEWG”) change control 82 which adds EDU Rate Class (REFNH), EDU Profile
7 Description (REFLO), and EDU Meter Cycle (REFBF) to EDI 867HU transactions. I
8 recommend that FirstEnergy commit to implement this change by June 30, 2012. In addition, I
9 recommend that FirstEnergy commit to a future stakeholder process to discuss Supplier
10 Consolidated Billing. The benefit of eventually transitioning to a Supplier Consolidated Billing
11 would be a jump in product/offering innovation that would no longer be constrained by utility
12 billing systems.

13 **Q22. Would you please summarize your testimony?**

14 **A22.** Yes. Providing data via the web and EDI will produce multiple benefits for customers. While I
15 support the language contained in Attachment C to the Stipulation, my recommended additions,
16 modifications, standards, requirements and commitments will, if adopted by the Commission,
17 make this system workable and bring these benefits to fruition sooner. I recommend that the
18 Commission adopt my recommendations as they pertain to Attachment C and the EDI standards
19 implemented in the First Energy EDU territories.

20 **Q23. Does this conclude your testimony?**

21 **A23.** Yes, it does, but I reserve the right to present any additional testimony if necessary.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing document was served this 21st day of May, 2012 by electronic mail by regular U.S. mail, postage prepaid, upon the persons listed below.



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Summary: Testimony Direct Testimony of Stephen E. Bennett on Behalf of the Retail Energy Supply Association electronically filed by M HOWARD PETRICOFF on behalf of Retail Energy Supply Association