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**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

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Illinois Commerce Commission )  
On Its Own Motion ) No. 00-0494  
-vs- )  
Central Illinois Light Company, )  
Central Illinois Public Service Company, )  
Commonwealth Edison Company, )  
Illinois Power Company, )  
Interstate Power Company, )  
MidAmerican Energy Company, )  
Mt. Carmel Public Utility Company, )  
South Beloit Water, Gas and Electric Company, and )  
Union Electric Company )  
)  
Proceeding on the Commission's own motion )  
concerning delivery services tariffs of all Illinois )  
electric utilities to determine what if any changes )  
should be ordered to promote statewide uniformity )  
of delivery services and related tariff offerings. )

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**INITIAL BRIEF OF THE STAFF  
OF THE ILLINOIS COMMERCE COMMISSION**  
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The Staff of the Illinois Commerce Commission (“Staff”) hereby submits its Initial Brief in this matter.

## **I. Introduction**

On July 11, 2000 the Illinois Commerce Commission on its own motion initiated this proceeding to provide utilities, customers, RESs and Staff the opportunity to pursue the objective of uniformity of delivery services tariffs through a workshop process, to provide a docketed proceeding for the Commission to investigate whether the currently effective sets of electric utility delivery services tariffs, by virtue of a lack of uniformity, are unjust, unreasonable, discriminatory or preferential, or in any way in violation of any provisions of law, and to determine what if any changes should be ordered in the delivery services tariffs of each Illinois electric utility to render such tariffs just, reasonable and sufficient. Initiating Order at 6. Attached to the Commission’s initiating order was a list of issues. The list of issues was broken down into the following eight categories: transition charge tariff issues, market value issues, terms and conditions of the single bill tariff, default service, customers/supplier tariff, PPO tariff, partial requirements, and other tariff issues. The Commission noted that the inclusion of any issue on the list was not intended to establish any presumption that uniformity among electric utility tariffs is or is not appropriate for that issue. Initiating Order at 3.

Staff sponsored a series of workshops in Springfield and Chicago for the purpose of discussing and possibly settling issues. Representatives of Staff, each utility governmental entities, RESs and consumer groups attend the workshops. As a result of the workshops the parties were able to reach a stipulation on a detailed list of issues. On

October 18, 2000, the Commission entered an Interim Order which approved the stipulation reached by the parties.

Parties intervening in the matter included the following: Peoples Energy Services Corporation; Unicom Energy, Inc.; Nicor Energy, L.L.C.; Blackhawk Energy Services; the Illinois Industrial Energy Consumers (“IIEC”); the Metropolitan Chicago Healthcare Council; NewEnergy Midwest, LLC, (“NewEnergy”) and the People of the State of Illinois.

The parties and Staff offered the testimony of various witnesses. Staff offered the testimony of Eric Schlaf and Peter Lazare, IIEC offered the testimony of Robert Stephens; AmerenCIPS/UE offered the testimony of Keith Hock, and Jon Carls; ComEd offered the testimony of Sally Clair, Lawrence Alongi, Michael Meehan and Arlene Juracek; NewEnergy offered the testimony of Ken Walsh; MidAmerican offered the testimony of Charles Rea and Debra Kutsunis; CILCO offered the testimony of Nick Shea; Alliant offered the testimony of Marc Nielsen and IP offered the testimony of Greg Gudeman and Cheryl Smith.

Hearings were held in the Commission’s Springfield office on December 12<sup>th</sup>, 13<sup>th</sup>, and 14<sup>th</sup> at which time the witnesses were available for cross examination. The record was marked heard and taken at the completion of the hearing on December 14<sup>th</sup>.

## **II. Argument**

A. Transition Charge Issues

**Ameren's Rider TC should clearly identify when customers are entitled to an individual CTC calculation (Question 2).**

Currently, only AmerenCIPS, ComEd and Illinois Power charge transition fees to customers who take delivery services. Staff's review of the utilities' CTC tariffs shows that ComEd's and Illinois Power's tariffs clearly identify the circumstances under which a customer is entitled to an individual CTC calculation. Thus, Staff does not recommend any changes to these tariffs. However, Staff does have a few recommendations for changes to Ameren's Rider TC tariff, as Dr. Schlaf explained. Staff Ex. 1, pp. 4-5.

First, the section in Ameren's Rider TC tariff that explains the circumstances in which a customer may receive an individual CTC calculation is entitled "Calculation by Classes of Customers." A customer searching for the individual calculation section of Rider TC might gloss over that section, so Staff recommends that Ameren clearly identify the section of their tariff that concerns individual calculations. Second, Staff recommends that Rider TC identify the circumstances in which a 1.0 megawatt customer is entitled to an individual CTC calculation. Third, Rider TC should allow for the possibility that customers taking service under "special contracts" are also entitled to individual CTC calculations. Ameren witness Mr. Hock agreed that Ameren would consider making these changes. Tr. 158-159.

B. Single Billing Issues (Questions 5 and 6)

**Retail Electric Suppliers should not be obligated to include unpaid balances for bundled service on single bills.**

The two single billing questions involve the situation in which a customer switches to delivery services at the time the customer owes money to the utility's for the customer's receipt of services previously provided by the utility. The situation at issue may also arise when delivery services customers switch from one supplier to another while owing money to the utility for delivery services. Staff Ex. 1, p. 17.

Staff's position is that it is the utility's responsibility and right, according to Commission rules, to collect money owed to it by a former bundled services customer. There seems to be no disagreement on this point. (See e.g., Tr. 553) Also, there seems to be no disagreement that a utility's right to collect its outstanding bundled service charges does not disappear when a customer switches to delivery services. It is also the position of Staff, as well as MidAmerican and NewEnergy, that utilities should directly bill their customers for charges owed for previous bundled services. Staff Ex. 1, p. 19-20; Direct Testimony Of Kennan J. Walsh, p. 8; Direct Testimony of Debra L. Kutsunis, p. 3.

The utilities' desire to include bundled balance on single bills is a fundamentally unfair use of the single billing process, and has justifiably been likened to requiring suppliers to act as uncompensated "collection agents" for utilities. Direct Testimony Of Kennan J. Walsh, p. 8. ; Direct Testimony of Debra L. Kutsunis, p. 3.

In contrast, ComEd and Ameren argue that bundled service charges must be included on single bills. ComEd Ex. 1, p. 4; Ameren Ex. 1, p. 3. A careful review of Section 16-118 does not support that position. In interpreting a statute, the primary objective is to ascertain and give effect to the intent of the legislature, and that intent is best

evidenced by the language used by the legislature. Thomas Madden & Co. v. Department of Revenue, 272 Ill. App. 3d 21 (1995). Under 16-118(b) it is clear that a single bill contains two types of charges: (1) charges for the services provided by the Alternative Retail Electric Supplier (“ARES”) or other electric utility and (2) charges for the delivery services provided by the electric utility. Section 16-118(b)(iv) further requires that the single bill must identify the utility providing the delivery services and a listing of the charges applicable to such services (i.e. charges applicable to delivery services). Clearly the plain language of Section 16-118 shows an intent on the part of the legislature that besides the ARES’ and other utility’s services only the electric utility’s delivery service charges are to be included on single bills. It is not contemplated that the single bills are also to include the electric utility’s bundled service charges.

If utilities are entitled to seek to collect outstanding bundled charges directly from customers, why, then, do Ameren and ComEd prefer to have single billing suppliers collect those charges? The answer appears to be not that they do not wish to collect the money, but rather that their billing and information systems simply were not designed to collect outstanding bundled service charges from customers who have switched to delivery services. In fact, these systems apparently were purposely designed to obligate suppliers to collect outstanding bundled service charges through the single billing process even though ComEd, at least, can send a “final notice” to customers. Staff Ex. 1, p. 17; Tr. 550. In this respect, Illinois Power’s policy presents a notable contrast. When faced with the same question, Illinois Power decided not to require single billing suppliers to collect outstanding bundled charges, reasoning that suppliers might believe it should not be their responsibility to collect these amounts. Tr. 258-259.

ComEd acknowledges that they can manage to bill customers directly for the outstanding charges associated with bundled services, even though the required systems may have been designed to perform this task. Rebuttal Testimony of Sally T. Clair, p. 36. ComEd claims, however, that the manual processes would be less economical than the automated processes already in place, and thus ComEd should be entitled to recover the additional costs associated with the manual processes. Ibid. Staff's position is that the utilities are certainly entitled to present evidence to the Commission, in the appropriate forum, in support of claims of the need for additional revenue for additional costs. This proceeding is not that forum, however, and ComEd is not making a cost recovery proposal in this proceeding. Tr. 554.

**Single Billing revenues should be applied only against delivery services charges.**

Utilities can, and should, send bills to collect outstanding bundled charges; thus, a supplier's single bill should only include charges for delivery services. The next issue, labeled as Question (6), concerns how money collected from the supplier through the single billing process should be applied in the utility's accounting system. That is, Question (6) asks whether single billing revenue remitted by the supplier to the utility is applied to the "oldest balance" (i.e., the balance owed for bundled services) or to the "newest balance" (i.e., the amount owed for delivery charges.)

The position of Staff, MidAmerican and NewEnergy is that single billing revenue should only be applied to the newest balance. Staff Ex. 1, p. 20; NewEnergy Ex. 1, p. 18; MidAmerican Ex. 2.0, p. 5. From the supplier's perspective, this is the only just result. If the utilities' position prevails, revenue collected through the single billing process would be

applied to a balance associated with services that a customer received prior to the time the supplier was serving the customer. Even more absurdly, if the single billing revenue received by the utility does not cover the total amount of both the oldest balance and the newest balance, then the utility would consider the bill for its delivery charges to be delinquent. To add insult to injury, as Dr. Schlaf noted, the utility's position means that non-electric bills could be paid by single billing revenue, if, for example, a utility sold both natural gas and electricity. *Ibid.*, p. 20.<sup>1</sup> This policy obviously greatly diminishes the value of single billing. *Ibid.*, p. 21.

ComEd's support and presumably Ameren's support for the position that the single bill must include bundled service charges is 220 ILCS 16-118(b)(i). ComEd Ex. 1, p. 4 Section 16-118(b)(i) provides that "partial payments made by retail customers (are) to be credited first to the electric utility's tariffed services". The intent of this section is that if partial payments are made by a customer under the single bill option, any payments received by the ARES or other utility from the customer must be remitted to the electric utility until the electric utility's delivery services charges have been paid in full. Once the delivery service charges have been paid in full the ARES or utility can keep any additional payments to satisfy debts owed to them for services they provided to the customer. Ameren's argument, which relies on Section 16-118(b)(i), that under the single bill option payments are credited first to bundled service charges is flawed given that Section 16-118(b)(i) refers to tariffed delivery service charges and not to bundled services.

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<sup>1</sup> The Attorney General's cross-examination elicited the information that ComEd agrees that there are circumstances in which it would be appropriate to credit single billing revenues against current charges rather than outstanding charges. These circumstances involve customers on payment plans and customers who are disputing ComEd's charges Tr. 568-571.

C. Default Service (Questions 1 and 2)

**Utilities should state in their tariffs that customers placed on ISS will be notified promptly of their switch to ISS status.**

Dr. Schlaf provided a discussion of the reasons why customers might be placed on Default Service (now called “Interim Supply Service” or “ISS”). A customer would be placed on ISS in situations when (in the utility’s judgement) its supplier suddenly and permanently stops supplying electricity to the utility on behalf of its customers, although there are other situations in which a customer could be placed on ISS. Staff Ex. 1, pp. 5-6.

Staff provided only a few comments concerning recommendations for changes to the terms and conditions of the utilities’ ISS tariffs. First, utilities should state in their tariffs that they will endeavor to promptly notify customers placed on ISS of their switch to that tariff. *Ibid.*, p. 9. Second, Dr. Schlaf recommended that CILCO allow customers to remain on ISS for two full billing cycles rather than 45 days. CILCO proposed to extend the time a customer may remain on ISS to 60 days (CILCO Ex. 2, p. 3), which Staff finds acceptable. Third, Staff recommended that CILCO revise its policy of having the option to deny ISS to customers if CILCO believes providing ISS service would jeopardize system reliability. CILCO objects, but stated that, as a practical matter, the this policy would only affect very large customers (CILCO Ex. 2, p. 4). Perhaps a compromise is possible. For example, CILCO’s tariff could allow small customers (for example, all customers under 1.0 MW) to obtain ISS when needed. The tariff could also state that CILCO will provide its best efforts

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to provide ISS to large customers and would only deny ISS to such customers if denying ISS service would jeopardize system reliability, as the tariff now states.

D. Customer/Supplier Tariff Issues (Questions 1, 2, 3, 5 and 15)

**A common list of standard definitions should be included in each utility's Customer and Supplier tariffs.**

Staff's review of the utility's tariffs revealed substantial variation between the tariffs with respect to the amount of definitions contained within each utility's Customer and Supplier tariffs. One reason for the variation appears to be that some utilities have preferred to place key definitions in other documents, such as their Implementation Plans, rather than their tariffs. Staff Ex. 1, p. 10.

Staff's outline of the Customer and Supplier Tariffs contains a definition section, as does the outline offered by Ameren, ComEd, and IP. The issues then become (1) the identification of the definitions that should be included in tariffs and (2) the words used to describe those definitions. With respect to these items, there seems to be willingness among the utilities and other parties to work with Staff to develop a list of common definitions to be placed in the Customer and Supplier tariffs. Staff intends to seek input from interested parties, perhaps through a workshop process, regarding definitions. Staff expects the set of common definitions to be filed with the utility's compliance tariffs in June 2001.

**CILCO should allow delivery services customers to return to bundled service before the expiration of the initial delivery services term.**

The issue is whether a customer who switches to delivery services may return to the host utility's bundled service prior to the completion of the delivery service term stated in the utility's tariff. Dr. Schlaf noted that almost all utilities allow their customers to return to bundled service. Staff approves of this policy, as customers contemplating taking delivery services may find it reassuring that they may return to bundled service if their initial experience with delivery services proves to be unsatisfactory. Staff Ex. 1, p. 11.

Specifically, the tariffs of the Alliant companies, Ameren, MidAmerican and Mt. Carmel clearly allow a customer to return to bundled service prior to the expiration of the initial delivery services contract term. Dr. Schlaf noted that, while the ComEd tariff seems to indicate that a delivery services customer must remain on delivery services for 24 months, ComEd's policy is to allow customers to return prior to the end of the 24-month term. Staff recommends that the ComEd tariff be clarified to avoid customer confusion with respect to this point.

CILCO is the sole exception to the otherwise uniform policy that customers may return to bundled service prior to the expiration of an initial term. Staff recommends that CILCO be required to conform to this policy. CILCO objects, and cites Staff's agreement to this policy during CILCO's 1999 delivery services proceeding. CILCO Ex. 2.0, p. 6. The instant proceeding, however, is designed to increase the amount of uniformity among tariffs, and it is compelling that all other utilities do not object to allowing new delivery services customers to return to bundled service prior to the expiration of the contract term.

**Utilities should describe the contract approval process in their Implementation Plans or tariffs and post standard delivery services contracts on their web sites.**

Dr. Schlaf noted that utilities may require delivery services customers to sign a variety of contracts as a consequence of signing up for delivery services. Staff Ex. 1, p. 12. These contracts include contracts signed by customers who have individual CTC calculations, PPO contracts, contracts that must be signed by customers with optional facilities, and others. Generally, however, utilities do not require customers to sign contracts simply to take delivery services. Staff finds the absence of such requirements to be appropriate.

Dr. Schlaf provided several recommendations concerning delivery services contracts. First, utilities should post standard delivery services contracts on their web sites. As part of the Stipulation, utilities agreed to this practice. Second, the utilities should commit to processing delivery services contracts promptly. A utility's tardiness in processing contracts could result in a customer's delay in switching to delivery services. Third, utilities should describe in detail the contract approval process in their Implementation Plans or tariffs. As part of this description, the utilities should identify (a) which contracts must be signed if a customer is to take delivery services; (b) the departments within the utility to which the contracts must be submitted for approval; and, (c) whether a customer's "agent" may sign contracts on behalf of customers. Ibid., p. 13-14.

**The customer information that should be made available on utility web sites is all the information reasonably available to utilities that could be expected to affect a customer's bill.**

Dr. Schlaf testified that suppliers believe that they must have access to customer information to craft offers to individual customers for the sale of power and energy.

Moreover, suppliers prefer to have “real-time” electronic access to customer information via utility web sites. That is, suppliers do not wish to be required to ask the utility to provide the information because having to wait for the utility to reply to supplier information requests will increase supplier acquisition costs. It would also decrease the prospects for the development of a competitive market. Ibid., p. 14.

All utilities, except the Alliant companies, already allow suppliers to access information on their web sites, or are making plans to develop the capability to provide information through their web sites. Staff does not object to the Alliant companies’ plans to respond quickly to supplier requests for customer information. CILCO committed to develop the capability to provide information over their web site by April 2002, and Staff has no objection to CILCO’s plans.

The information that should be made available to suppliers is all the information reasonably available to utilities that could be expected to affect a customer’s bill. The utilities presented lists of the information that they expect to be able to provide to suppliers. Staff is not aware of any parties’ objection as to the thoroughness of the utilities’ lists.

Staff has no recommendation to changes to the provisions in the utility’s tariffs concerning the level at which utilities can require delivery services customers to install interval meters.

E. PPO Tariff Issues (Questions 1, 2 and 7)

**PPO Assignment issues should be postponed until a future rate proceeding.**

While the PPO assignment fee is on the list of potential issues for this case, the issue should be postponed until a future delivery services rate proceeding. These fees

constitute a costing issue that would be more appropriately addressed in future delivery services rate proceedings which consider other costing issues. The fact that Staff does not raise the issue in this proceeding should not be construed as support in any way for the PPO assignment fees that are currently in effect. Staff Ex. 2, pp. 21-22.

Concerning PPO Tariff Question (1), Staff does not recommend that the utilities offering PPO service be compelled to offer a curtailable PPO service, even though Staff believes that customers could benefit if a non-firm PPO service were made available to them. Staff Ex. 1, p. 21.

Likewise, Staff offered no comment about the issues related to the obligation of utilities to offer PPO service if, and when, a customer's CTC falls to zero (PPO Tariff Issue 2). Dr. Schlaf stated that these issues, and related issues, are currently being reviewed in the ongoing consolidated "Market Value" proceeding (Dockets Nos. 00-0259, 00-0395 and 00-0461). Ibid.

F. Other Tariff Issues (Question 7)

**The Commission should order the creation of a proceeding to identify uniform Customer and Supplier tariffs.**

In several orders in the 1999 delivery services proceedings, the Commission emphasized its interest in continuing to consider the topic of uniform tariffs. Staff Report, Uniformity Proceeding, July 6, 2000, p. 1. The Commission directed Staff to lead the effort to increase the amount of uniformity in the delivery services tariffs. In preparation for the proceeding, Staff conducted several workshops with parties in which issues to be debated

in the proceeding were identified. These issues were reflected in the Staff Report and ultimately in the Commission's order that initiated this proceeding.

As the Staff report indicates, Staff recommended that the instant uniformity proceeding focus on increasing the amount of uniformity as to specific tariff provisions. *Ibid.* This was accomplished to a significant degree, as a review of the Stipulation and Interim Order will verify. The Staff report also states Staff's recommendation that this course of action would be appropriate for the near future, which the report identifies as the subsequent 12 months (the report is dated July 6, 2000).<sup>2</sup> *Ibid.* The question of the path to the development of uniform tariffs in the longer term was not addressed in the Staff report.

In addition to identifying issues that the parties identified as candidates for greater uniformity, the Staff report stated Staff's belief that increasing the amount of uniformity among the utilities' delivery services tariffs will increase the likelihood that a competitive market will eventually develop in Illinois.<sup>3</sup> *Ibid.* p. 1, p. 4. Staff reiterated its continuing support of uniform tariff language in Dr. Schlaf's rebuttal testimony. Staff Ex. 3, p. 9.

MidAmerican, through the testimony of Mr. Rea, addressed the issue of how the Commission should proceed in the longer term. MidAmerican recommends that the Commission should require all utilities to conform their Customer and Supplier tariffs to a statewide standard. The standard tariffs would be the tariffs MidAmerican proposed in this

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<sup>2</sup> "However, Staff also has the opinion that the best way to proceed in the short term (i.e., within the next 12 months) is to review only the tariff provisions that the parties have nominated for review." Staff Report, Uniformity Proceeding, July 6, 2000, p. 1.

<sup>3</sup> Increasing the amount of uniformity "will promote maximum understandability of the tariffs, and will thereby enhance the prospects for the establishment of a vibrant and efficient competitive market." Staff Report, Uniformity Proceeding, July 6, 2000, p. 1. Also, In Staff's opinion, a higher degree of uniformity will be conducive to the long-run development of the electric market in Illinois. *Ibid.* 4.

proceeding. Shortly after the close of this proceeding, MidAmerican's plan would call for a new proceeding, in which utilities would be permitted to offer evidence in support of proposals to deviate from the statewide standard tariffs.

In its response, Staff largely agreed with MidAmerican's proposal, with two exceptions. Under MEC's proposal, all utilities would be required to conform their tariffs to the MEC-proposed tariffs, unless sufficient evidence were provided to all a deviation from the tariffs. Under Staff's proposal, however, a proceeding would be held to identify the tariffs that would serve as the statewide standards. No tariff would be presumed to be the "default" tariff under the Staff proposals. However, the difference between the Staff plan and the MEC plan in this respect is perhaps not as great as it might seem. It appears that, under the MEC plan, a utility could propose a "wholesale" deviation from the MEC tariff by putting up its own existing tariffs in opposition to the MEC pro forma tariffs. Tr. 331. This would be allowed in the Staff plan, as any party could propose a tariff for selection as the uniform tariff.

The other exception concerns the length of time the proceedings might take to complete. The MEC plan calls for approximately a six month proceeding beginning at the close of this proceeding (approximately April 1, 2001.) The proceeding would conclude by October or November, 2001. Tr. 338-339. Thus, the MEC proceeding would overlap the residential delivery services tariff proceedings, which are scheduled to begin around June 1, 2001. The proceeding envisioned under the Staff plan would start at the same time – April 2001 – but would finish by July 2001. Staff Ex. 3, p. 12.

Staff's developed its schedule, in part, in an effort to avoid significant overlap with the residential tariff proceedings. However, it is apparent to Staff that utilities are not presently planning a significant number of additions to the terms and conditions of existing delivery services tariffs (see, for example, Tr. 242-243), although utility witnesses noted that there conceivably could be changes to existing tariffs that would be based on proposals made by other parties (Tr. 267; Tr. 703-704). In Staff's opinion, it is likely that the residential tariff proceedings and the new uniformity proceeding could take place simultaneously without creating undue hardship on the parties or the Commission. Thus, Staff would not object to a lengthening of the April-July 2001 schedule that Staff originally proposed to a schedule that is similar to the April 2001-October/November 2001 schedule called for by the MEC proposal.

**The uniform tariff proceeding should start as soon as this proceeding concludes.**

Staff believes that the most propitious time to conduct a proceeding in which uniform tariffs would be identified is immediately after the conclusion of this proceeding, prior to the beginning of the residential tariff proceedings. Staff's, MidAmerican's, NewEnergy's and the Illinois Industrial Energy Consumer's opinion on this point directly contrasts with the utilities' general opinion that if it is ever appropriate to create uniform tariffs, that time would be far in the future. ComEd witness Juracek, for example, declined to provide an estimate even of the year by which ComEd might consider uniform tariffs to be acceptable, but instead noted that, if there were an appropriate time, it would be "post-residential open access." (Tr. 692, 699, 713-714).

The identification of uniform tariffs could occur in other proceedings, during other time periods, but other alternatives have too many significant drawbacks to be considered to be feasible options. For example, one alternative would be to hold a proceeding after the conclusion of the residential tariff proceeding. The disadvantage of this option is that it is likely that the utilities might (with some legitimacy) claim that the cost to change tariffs that would be in place, by that time, for about three years, would be excessive. Staff Ex. 3, p. 11. Another disadvantage is that it planning to have a proceeding two years in the future will provide an additional two years to utilities to continue to argue about the need for uniform tariffs. The question of the desirability of uniform tariffs, however, was definitively decided by the Commission during the 1999 delivery services proceedings. Tr. 29.

Another option would be to consider this proceeding as the forum in which the uniform tariff would be identified. This is essentially the MEC proposal. However, Staff is doubtful that all parties believe that the Commission's Initiating Order envisions the identification of a uniform tariff in this proceeding. Staff Ex. 3, p. 11-12.

Yet another option would be to hold the proceeding during the residential delivery services proceedings. While holding two proceedings simultaneously might cause confusion, Staff's impression is that the utilities do not appear to be planning to propose significant changes to the terms and conditions of their delivery services tariffs. Thus,, in Staff's opinion, it would be possible to hold uniformity identification proceeding during the residential rate proceeding without excessive disruption. Nevertheless, Staff believes it would be more efficient to hold the new uniformity proceeding directly after the conclusion of this proceeding.

**A uniform outline for delivery services tariffs should be adopted in this case.**

Regardless of the period in which a uniform tariff is selected, Staff recommends that the uniform tariff be based on the outline proposed by Staff, with the modifications discussed below. Even if the Commission determines not to pursue a uniform tariff, Staff's recommendation is that the Commission order the adoption of the uniform outline. Unless the Commission decision is to adopt a uniform tariff prior to May 2002, Staff recommends that the utilities be required to implement the outline with their compliance filings in June 2001. However, in the event that the Commission decides to order a new uniformity identification proceeding, Staff would not object if utilities were required to use the uniform outline prior to May 2002.

As the record in this proceeding demonstrates, a uniform outline would make delivery services tariffs more clear and understandable, thereby enabling participants to make more informed decisions in the restructured electricity market. In addition, the concept of a uniform tariff outline has received general acceptance by the parties to this case. Customer and supplier groups as well as utilities such as ComEd, IP, Ameren and MidAmerican have expressed their willingness to adopt a uniform structure.

While there is general acceptance of the underlying concept, there is some disagreement concerning the specific outline to adopt, with ComEd, IP and Ameren proposing revisions to the Staff outline proposed in this case. Upon review of this alternative outline, Staff proposes that some, but not all, of the proposed revisions be accepted.

**A uniform structure can offer numerous benefits.**

A uniform approach would make it easier for consumers and suppliers to participate in the delivery services market on a statewide basis. To participate in numerous jurisdictions, customers and suppliers must become familiar with all of the applicable tariffs in order to buy and sell electricity efficiently. Their task is facilitated by a uniform organization that reduces the learning curve for navigating each new tariff. Staff Ex. 2, p. 5.

A uniform outline would also enable regulators to more effectively monitor developments in the delivery services market across the state. A key component of the process is the tariffs governing delivery services. A uniform structure will reduce the learning curve for different tariffs and enable regulators to more effectively monitor the restructuring process. Staff Ex. 2, p. 6.

A uniform outline will produce a second benefit if it improves upon the organization of the delivery services. To the extent that the uniform outline makes tariffs more understandable and user-friendly, suppliers and consumers will find it easier to effectively participate in the delivery services market. Staff Ex. 2, p. 4. Furthermore, as Staff has demonstrated, the current delivery services tariffs present problems from an organizational standpoint. Staff Ex. 2. pp. 18-20. They could stand to benefit from a more logical and well-reasoned organizational structure.

**The parties generally accept the adoption of a uniform tariff outline in this case.**

The support for a uniform delivery services outline is broad-based. In addition to Staff and other parties, utilities such as ComEd, IP, Ameren and MidAmerican have accepted the concept. ComEd Ex. 4.0, p. 5, IP Ex. 1.3, p. 5. Ameren Ex. 4, p. 11.

Although ComEd, IP and Ameren propose revisions to Staff's outline, that does not diminish in any way their acceptance of a uniform outline for delivery services.

**Staff's approach to the development of a uniform outline is reasonable and user-friendly.**

Staff's approach is to begin with the general issues of greatest interest and then discuss more specific issues for a narrower audience. The general issues are presented first for two reasons. First, they provide the foundation for later discussion of more specific matters. Second, this approach recognizes that the initial sections would be more carefully read than later sections. Another objective of Staff's approach is to present information in a chronological order and step the reader through the process of receiving service under the tariff. Staff Ex. 2, pp. 6-7.

**The Commission should approve Staff's proposed customer outline with some, but not all, of the revisions proposed by ComEd, IP and Ameren.**

The outline proposed by Staff in this case represents a considerable improvement over the current customer tariffs. The addition of selected revisions proposed by ComEd, IP and Ameren further improves Staff's outline.

Staff's proposed outline begins with the following general matters: (1) Applicability, (2) Definitions, (3) Service Options, (4) Nature of Service and (5) General Responsibilities (of customers). Staff Ex. 2, Schedule 1.

Applicability is presented first because the initial issue for prospective customers is whether they qualify for the delivery services tariff. If not, then the remainder of the tariff is a moot issue. That is followed by a Definitions section which provides a guide to the language in the remainder of the tariff. The third section, Service Options, identifies the full

range of choices available to delivery services customers and identifies where the options are discussed in the tariff. The outline then presents sections on the Nature of Service and General Responsibilities (of customers) which include essential information for customers considering the delivery services option. Staff Ex. 2, pp 7-8.

The outline presented by ComEd, IP and Ameren has a similar structure to Staff's outline. Ameren Ex. 4, Attachment A. The utility outline begins with an Availability section which corresponds to Staff's proposed Applicability section and then proceeds to sections on: (2) Nature of Service, (3) Electric Power and Energy Supply Options, (4) Definitions and (5) Application for and Commencement of Services. The Nature of Service and Definitions sections are the same as Staff's although in a somewhat different order. Because both sections are positioned toward the beginning of the tariff, Staff finds the utility approach acceptable. Staff also finds the section in the utility outline entitled Application for and Commencement of Services to be acceptable because it corresponds with Staff's section on General responsibilities and offers the advantage of more exact language.

The only item of concern in this part of the utility outline is the section entitled Electric Power and Energy Supply Options. That title too narrowly focuses on supply options and presumably would exclude other service options such as metering, single billing option, partial service and interim supply service that have emerged in conjunction with delivery services. By more broadly identifying the full range of service options under delivery services, that section will enable customers to make more informed electricity choices. Therefore, this section should be entitled "Service Options" as Staff proposes, rather than "Electric Power and Energy Supply Options" as proposed by ComEd, IP and Ameren.

The remaining sections of the two proposals deal with more specific matters. They include: (6) Metering, (7) Billing, (8) Customer Information, (9) Customer Switching, (10) Rates, (11) Credit Provisions, (12) Turn on/Turn off, (13) Disconnection, (14) Reconnection, (15) Return to Bundled Service, (16) Operational Issues, and (17) Dispute Resolution. The outline proposed by ComEd, IP and Ameren addresses similar matters in the following order: (6) Rates and Charges, (7) Metering, (8) Billing and Payment, (9) Technical and Operational Requirements, (10) Switching Suppliers and Returning to Bundled Service, (11) Disconnection and Reconnection, (12) Dispute Resolution, and (13) Miscellaneous General Provisions.

Staff finds the alternative utility outline presents some useful changes. For example, it makes sense to place Rates at an earlier juncture as ComEd, IP and Ameren propose because customers have an obvious concern about price. It also makes sense to consolidate Disconnection and Reconnection into a single section because they are closely associated. However, the utility outline is lacking in one respect because it fails to contain a section on customer information, which is an important ingredient for delivery services suppliers and customers. Thus, Staff proposes to insert in the alternative outline between (10) Switching Suppliers and Returning to Bundled Service, (11) Disconnection and Reconnection, the section in Staff's outline entitled "Customer Information".

The Staff outline refers at the end to riders for the CTC, PPO, Market Values, Partial Service, Interim Supply Service and Metering Service. Whether those items are presented as riders, tariffs or within the body of the customer tariff itself is not critical. Therefore, Staff does not propose to include these items in its outline.

The resulting customer tariff that Staff now supports is presented in Appendix A.

**The Commission should approve the revised supplier tariff outline proposed by ComEd, IP and Ameren as amended by Staff.**

The outline proposed by ComEd, IP and Ameren offers three advantages. Ameren Ex. 4, Attachment B. First, it is generally consistent with Staff's proposed outline, covering the key issues related to providing service to suppliers. Second, it removes some of the redundancy in the Staff outline related to RES/CSM Registration, Customer Enrollment and Customer Information. Third, it is consistent with the revised outline proposed by Staff that is presented in Appendix A.

The two changes proposed by Staff are to insert sections on Electronic Data Exchange and Load Profiling between (7) Billing, Payment and Remittance and (8) Technical and Operational Requirements. Both are critical issues for suppliers seeking to participate in the delivery services market and the applicable discussion should be readily accessible in the tariff. The resulting revised supplier tariff outline proposed by Staff is presented in Appendix B.

**All delivery services tariffs should include a table of contents.**

The inclusion of a table of contents would make individual delivery services tariffs more user-friendly. A Table of Contents would make it easier to identify and reference key issues in each tariff and thereby keep abreast of the changes underway in the electricity market. This advantage exists whether or not a uniform tariff structure is approved for Illinois utilities. Therefore, utilities should be required to include Tables of Contents for their customer and supplier tariffs regardless of the outcome of other issues in this case. Staff Ex. 2, p. 21.

**PPO assignment fees should remain open issues to be litigated in a later proceeding.**

While the PPO assignment fee is on the list of potential issues for this case, the issue should be postponed until a future delivery services rate proceeding. These fees constitute a costing issue that would be more appropriately addressed in future delivery services rate proceedings which consider other costing issues. The fact that Staff does not raise the issue in this proceeding should not be construed as support in any way for the PPO assignment fees that are currently in effect. Staff Ex. 2, pp. 21-22.

### **III. Conclusion**

Wherefore, for the foregoing reasons the Staff of the Illinois Commerce Commission respectfully requests that the Commission adopt Staff's recommendations.

Respectfully submitted,

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Appendix A  
Revised Customer Tariff Outline

- (1) Availability
- (2) Nature of Service
- (3) Service Options
- (4) Definitions
- (5) Application for and Commencement of Services
- (6) Rates and Charges
- (7) Metering
- (8) Billing and Payment
- (9) Technical and Operational Requirements
- (10) Switching Suppliers and Returning to Bundled Service
- (11) Customer Information
- (12) Disconnection and Reconnection
- (13) Dispute Resolution
- (14) Miscellaneous General Provisions.

Appendix B  
Revised Supplier Tariff Outline

- (1) Availability
- (2) Nature of Service
- (3) Definitions
- (4) Application for and Commencement of services
- (5) Rates and Charges
- (6) Metering
- (7) Billing, Payment and Remittance
- (8) Electronic Data Exchange
- (9) Load Profiling
- (10) Technical and Operational Requirements
- (11) Switching and Termination
- (12) Dispute Resolution
- (13) Miscellaneous General Provisions