

**EXCERPT FROM FEBRUARY 22, 2001 OPEN MEETING TRANSCRIPT:**

1                                   **AGENDA ITEM NO. 15**

2 PROJECT NO. 22255 - CUSTOMER PROTECTION  
3 RULES FOR ELECTRIC RESTRUCTURING  
4 customer protection rule.

4                                   **CHAIRMAN WOOD:** Item 15,  
5 Project 22255, the customer protection rules.

6                                   **MS. DOLESE:** Good afternoon,  
7 Commissioners. Trish Dolese, from Customer  
8 Protection. I have two items in front of you  
9 today. One is a memo, and then I'll get to the  
10 second.

11                                   The first one was a request for rule  
12 clarification submitted by Enron on the  
13 disclosures that would be provided to choosing  
14 non-price to beat customers. They were seeking  
15 a clarification of 25.474(b). It's the Staff  
16 recommendation that the rule does not need to be  
17 clarified.

18                                   We think the rule is clear enough on  
19 its surface to cover the concerns that Enron  
20 raises.

21                                   **CHAIRMAN WOOD:** So the bottom line  
22 is that the affiliated REP --

23                                   **MS. DOLESE:** The bottom line is  
24 that the affiliated REP is under an obligation  
25 under the rules the way they were adopted to

1 provide information in the form of a terms of  
2 service document, which includes a price  
3 disclosure to non-choosing, non-price to beat  
4 customers by June 1st, I believe, of this year.

5 **COMM. PERLMAN:** And I'm not really  
6 clear on the Enron concern. The concern was, is  
7 that the rule doesn't -- isn't clear enough to  
8 provide the pricing methodology. Is that what  
9 the issue is?

10 **MS. DOLESE:** I think their concern  
11 was that they view that the rule, the way it was  
12 drafted, was vague as far as would the price be  
13 disclosed to customers or would only the pricing  
14 methodology; i.e., we are going to bill you on  
15 cents per kilowatt-hour, but we are not going to  
16 tell you what the actual price is.

17 **COMM. PERLMAN:** I hope that that's  
18 not what's happening, but --

19 **CHAIRMAN WOOD:** You have got to  
20 let people know what their rates are going to be  
21 so they can make the decision.

22 **MS. DOLESE:** Right. And their  
23 concern was that the way the rule was  
24 constructed, it wasn't clear that they were  
25 actually being told to disclose the actual rate.

1                   **CHAIRMAN WOOD:** And so the point  
2 of today is to clarify that you will disclose  
3 the methodology and the rate.

4                   **MS. DOLESE:** Correct.

5                   **COMM. PERLMAN:** I think that's  
6 right.

7                   **CHAIRMAN WOOD:** We ratify that  
8 with three nods. All right.

9                   **MS. DOLESE:** The second issue is a  
10 clarification to how the late fee would be  
11 applied to delinquent customers.

12                   We've gotten a couple of requests to  
13 clarify that the late fee penalty on delinquent  
14 accounts is a one-time penalty. There is some  
15 confusion about what does that mean. What it  
16 means is -- this is the Staff interpretation  
17 that we're asking if this is correct for you to  
18 publicly state that -- that the late fee applies  
19 one time to a delinquent balance.

20                   So the applicability of that means, if  
21 you have a balance that you don't pay in one  
22 month -- for example, if your January bill is  
23 \$100 and you don't pay it by the time it's due  
24 and it shows up on your February bill, you can  
25 have up to a five percent penalty on that

1 delinquent balance, \$5.

2           That's the only time you can have a  
3 delinquent charge against that January  
4 delinquent balance. It can never be penalized  
5 again in February or March or April. So that's  
6 the clarification of that.

7           **CHAIRMAN WOOD:** That's like what  
8 we voted on.

9           **COMM. WALSH:** That's right.

10          **CHAIRMAN WOOD:** Great.

11          **MS. DOLESE:** That's it.

12          **CHAIRMAN WOOD:** Thank you, Trish.

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