EXCERPT FROM FEBRUARY 22, 2001 OPEN MEETING TRANSCRIPT:

AGENDA ITEM NO. 15

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

CHAIRMAN WOOD: Item 15,

Project 22255, the customer protection rules.

MS. DOLESE: Good afternoon,

Commissioners. Trish Dolese, from Customer Protection. I have two items in front of you today. One is a memo, and then I'll get to the second.

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

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

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

MS. DOLESE: The bottom line is that the affiliated REP is under an obligation under the rules the way they were adopted to
provide information in the form of a terms of service document, which includes a price disclosure to non-choosing, non-price to beat customers by June 1st, I believe, of this year.

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

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

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

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

MS. DOLESE: Right. And their concern was that the way the rule was constructed, it wasn't clear that they were actually being told to disclose the actual rate.
CHAIRMAN WOOD: And so the point of today is to clarify that you will disclose the methodology and the rate.

MS. DOLESE: Correct.

COMM. PERLMAN: I think that's right.

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

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

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

So the applicability of that means, if you have a balance that you don't pay in one month -- for example, if your January bill is $100 and you don't pay it by the time it's due and it shows up on your February bill, you can have up to a five percent penalty on that
That's the only time you can have a delinquent charge against that January delinquent balance. It can never be penalized again in February or March or April. So that's the clarification of that.

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

COMM. WALSH: That's right.

CHAIRMAN WOOD: Great.

MS. DOLESE: That's it.

CHAIRMAN WOOD: Thank you, Trish.