EUB Alberta Energy and Utilities Board

PROGRAM CHARTER

TARIFF BILLING CODE DEVELOPMENT PHASE II - IMPLEMENTATION

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EUB Alberta Energy and Utilities Board

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1. Introduction & Background

The development of a standard approach to facilitate the efficient and reliable transfer of billing information between the owners of electric distribution systems ("Wire Owners") and retailers and the supporting operation standards is overdue for the province. For example, the Department of Energy recognized the need to have the electric energy charge and the distribution tariff charge for any given billing period based on common consumption data for customers under a regulated rate tariff. Hence the Minister introduced AR168/2003, the Regulated Default Supply Regulation (RDS Regulation) in 2003 as a means to improve customer billing.

There is also a recognized need among industry stakeholders to develop standards to support a consolidated retailer bill ready model (the "Alberta Retail Billing Model"). That is, a model where the retailer creates the customer bill consolidating the energy and distribution related charges on a single bill, and where the Wires Owner provides the retailer with bill ready information that would be used on that bill (i.e. the retailer would not be required to calculate the Wire Owner's charges).

In Phase I of this program, the Alberta Energy and Utilities Board ("EUB"), at the request of the Department of Energy, and in consultation with market stakeholders, established the standard processes, electronic business transactions and compliance rules that enables wire owners to transfer tariff billing related information in a timely and accurate manner to retailers as well as meet the legislative requirements of the RDS Regulation. This information has been published on September 24, 2004 as *EUB Directive 012: Alberta Tariff Billing Code,* which takes effect on April 1, 2005.

2. Purpose of this Document

The purpose of this document is to provide a common understanding of the implementation phase of the Tariff Billing Code program, its approach, key deliverables, schedule, etc. and to generate alignment with market direction and stakeholder expectations.

3. Program Mission & Objectives

3.1. Program Context

As part of the Government of Alberta's strategy to promote competition and customer choice in the retail electricity market, and in response to the introduction of the RDS Regulation and the recommendations contained in the Retailer Information Management Committee's November 2002 Final Report, the EUB announced in February 2004 the commencement of an initiative to set the minimum obligations that a wire owner must meet in determining the wholesale financial settlement information to be provided to electricity retailers. The EUB invited interested stakeholders to provide input regarding mandatory information, electronic business transactions and business rules required to govern the use of these transactions to facilitate communication of tariff billing information between wire owners and retailers. (A list of the market participants who contributed to the development of the Tariff Billing Code follows at the end of this section).

From April to August, 2004, the EUB in consultation with market stakeholders developed the retail billing standards for communicating site-specific distribution tariff charges and usage information from wire owners to retailers, culminating in the release of EUB *Directive 012: Alberta Tariff Billing Code.* The objectives of this

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directive are to establish the electronic data interchange (EDI) standards governing the exchange of tariff billing information, establish the business processes used to support the transfer of this information, and establish the processes by which wire owners and retailers validate the information.

Market participants who contributed to the development of the Tariff Billing Code are as follows:

- Alberta Department of Energy
- ATCO Electric
- Cognera, Inc.
- Direct Energy Regulated Services
- Direct Energy Essential Services
- EnCana Corporation
- ENMAX Energy Corporation
- ENMAX Power Corporation
- EPCOR Distribution, Inc.
- EPCOR Energy Services, Inc.
- FortisAlberta, Inc.
- IQ2 Power
- UTILITYnet

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3.2. Program Mission

As articulated in the EUB Bulletin 2004-28, the EUB has released *Directive 012: The Alberta Tariff Billing Code* that establishes retail billing standards for the utility industry in the province of Alberta. Wire owners and retailers who carry out the function of a regulated provider under the EUB's jurisdiction are required to comply with the provisions of this directive. Following the release of Directive 012, the EUB created a program to oversee market implementation of the retail billing standards contained within this directive by coordinating market participant solution deployment, solution testing and transition plans in an effort to achieve code compliance by April 1, 2005.

The program will oversee and coordinate the implementation of Directive 012 for the following market stakeholders:

o Wire Owners

  o ATCO Electric

  o Enmax Power Corporation

  o EPCOR Distribution, Inc.

  o FortisAlberta, Inc.

o Regulated Retailers

  o Direct Energy Regulated Services

  o Enmax Energy Corporation

  o EPCOR Energy Services, Inc.

To assist with market implementation of this Directive, the EUB has retained the services of an external program manager, Stovel Ferguson of BearingPoint.

3.3. We Are Done When

  o Market participant Tariff Billing Code solution designs and implementation plans have been executed.

  o Market participant data conversions are executed successfully.

  o Market participant solutions pass market integration testing.

  o Market participant transition plans are executed and transition to the Code has been completed.

3.4. We Have Won When

  o Market transition from current tariff billing practices to Directive 012 is seamless to the end customer.

  o The EUB receives few complaints from market stakeholders regarding the implementation of Directive 012 and the supporting business processes.

  o Press generated on the implementation of the Tariff Billing Code is positive in nature.

3.5. Who Votes on Done/Won

Robert Heggie, Executive Manager EUB Utilities Branch

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4. Program Scope

4.1. Scope

The following section outlines the items that are IN scope for the program, IN scope for Market Participant projects that fall under the umbrella of the program, and OUT of scope for the entire program.

#	Program Scope Item	Description
1	Issue Management Plan	An issue management plan to capture, track, and resolve issues relating to the contents or implementation of Directive 012.
2	Code Revision Process	A formal revision process to make warranted adjustments to Directive 012.
3	Change Management Plan	A formal change management plan to capture and process change requests submitted by market stakeholders.
4	Program Status and Report Management Plan	A formal status and reporting plan to monitor each market participant's implementation progress and provide program status reports to market stakeholders.
5	Market Communications Plan	A market communications plan to create and distribute media notifying market stakeholders of upcoming changes to the marketplace.
6	Test Strategy	A test strategy to define an approach to coordinating market testing of market participant solutions.
7	Test Tools	Test tools to capture and monitor testing information and testing results.
8	Test Activity Management Plan	A test activity management plan to coordinate and monitor market testing of market participant solutions and their ability to transact in the marketplace prior to go-live. The plan includes defect management, test data management, test environment change management, test result reporting, etc.
9	Self-Certification	Self-certification questionnaire to market participants to evaluate a market participants ability to successfully meet the requirements of Directive 012.
10	Market Transition Strategy	A market transition strategy to define the processes and timing to be followed by market participants to transition their solution to production.
11	Post-Implementation Support	Support (i.e. resolving transition issues) for a defined period of time following implementation of Directive 012.

In Scope Items for Program

The following items are IN scope for Market Participant projects within the program:

#	Market Participant Scope Item	Description
1	Compliance Plan	A compliance plan submission to the EUB by each market participant

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#	Market Participant Scope Item	Description
		indicating the timing and manner in which the market participant will comply with Directive 012.
2	Data Conversion Plan	A data conversion plan submission to the EUB by each market participant indicating the necessary data conversions required to meet the requirements of Directive 012.
3	Project Status Reporting	Project status report submission to the EUB by each market participant to enable the program to monitor both market participant and program progress.
4	Transition Plan	A transition plan submission to the EUB by each market participant indicating the timing and steps required to transition to their solution to production.
5	Self-Certification	Self-certification statements submission to the EUB by each market participant stating their understanding, intention, and ability to successfully transact in the marketplace based on the requirements of Directive 012.

In Scope Items for Market Participant Projects

The following items are OUT of scope for this program:

#	Out of Scope Item	Description
1	Certification Testing	Independent testing and certification of market participant solutions by the EUB.
2	Market Stakeholder Project Management	Project management of individual market stakeholder solution development and internal testing plans.
3	RRT Bill Layout Standardization	Standardization of RRT customer bill layout for presentation of energy and distribution charges to end customers.
4	End to End Market Testing	End to end testing of business processes that include non-TBC activities including settlement transactions (i.e. metering and enrollment transactions).

Out of Scope Items

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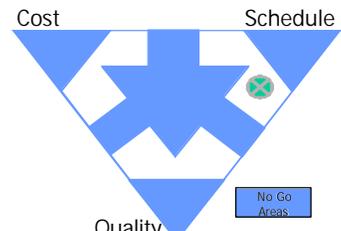## 4.2. Stakeholder Expectations & Deliverables

The following list identifies the program stakeholders, their expectations, and the specific deliverables that will address / meet the expectations.

Stakeholder	Expectation	Deliverable
o Competitive Retailers o Regulated Retailers o Wires Owners implementing Directive 012 by April 1, 2005 o Department of Energy o AESO o EUB o REA o UCA	o Establish processes for capturing and managing program, Code, implementation, and testing issues. o Establish processes for publishing necessary Code revisions. o Establish processes for capturing and managing program change requests. o Establish processes for communicating program information and market impact to market stakeholders in a timely manner. o Develop and execute a coordinated testing approach to provide market participants with direction, standard test cases, and test data for market interface testing. o Establish processes for capturing and managing market participant solution defects identified during market interface testing. o Establish processes enabling market participant Self-certification. o Establish processes for coordinating market transition from current billing practices to Directive 012 o Evaluate market participant solution testing results o Establish processes for providing post-implementation support. o Capture and publish discussion points from each market consultation session. o Code compliance for non-regulated parties achieved outside of EUB governance. o Retail bills are produced on a timely basis, represent accurate charge information, and are understandable to end customers.	o Issue Management Plan o Code Revision Process o Change Management Plan o Market Communications Plan o Test Strategy o Test Activity Management Plan o Test Tools o Self-certification Questionnaire o Market Transition Strategy o Post-Implementation Support
o Wire Owners implementing Directive 012 post April 1, 2005 o Regulated Retailers	o Adjust test program to incorporate learnings and scope revision, if any, to Wave 1 testing materials.	o Test Deliverable Updates

Stakeholder Expectations & Deliverables

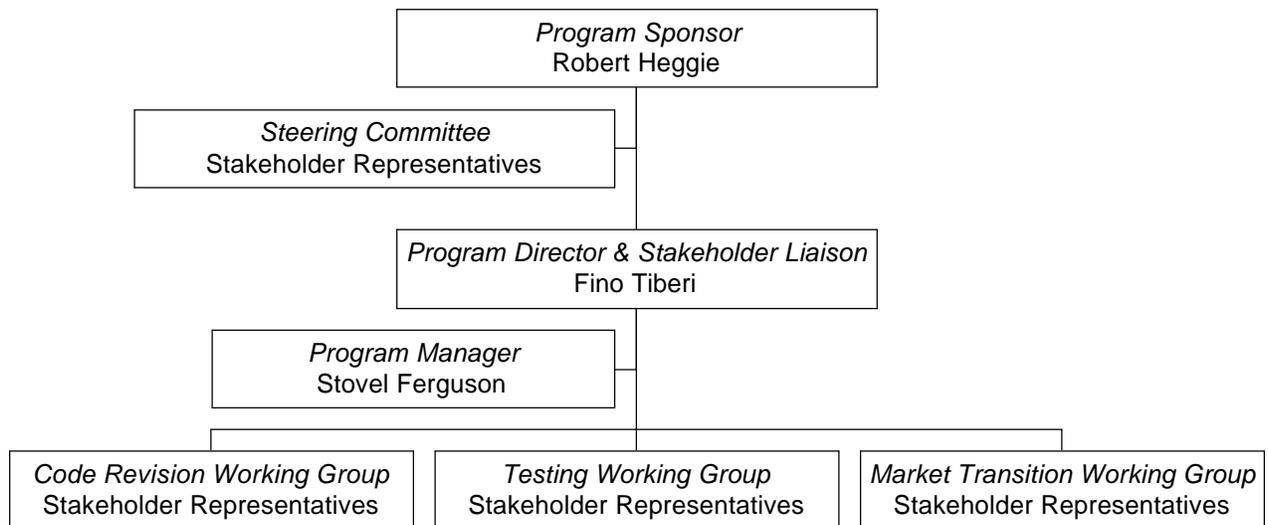**EUB** Alberta Energy and Utilities Board

5. Priority Management

When faced with a program issue, deliverable quality will be protected first at the expense of cost, and next at the expense of schedule.

Dimension	Implication	Priority Triangle
Quality	The scope and quality of the deliverables are paramount in implementing a quality solution addressing retail billing issues.	
Schedule	Implementing a solution to retail billing issues in a timely manner is important, but second to providing a quality solution	Cost Schedule Quality No Go Areas
Cost	Implementing a retail billing solution will be performed in a cost effective manner, but additional costs will be incurred in the interest of protecting solution quality and implementation timeframes	

Priority Triangle & Implications

6. Governance Model

The illustration below outlines the program reporting relationships.

Program Sponsor
Robert Heggie

Steering Committee
Stakeholder Representatives

Program Director & Stakeholder Liaison
Fino Tiberi

Program Manager
Stovel Ferguson

Code Revision Working Group
Stakeholder Representatives

Testing Working Group
Stakeholder Representatives

Market Transition Working Group
Stakeholder Representatives

Governance Model

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6.1. Roles and Responsibilities

Each group has specific responsibilities to ensure the achievement of program objectives. Statements of responsibility are outlined in the table below.

Group	Responsibilities
Program Sponsor	o Establish program direction o Review and accept program deliverables
Program Director & Stakeholder Liaison	o Communicate program related matters to the market o Set direction for Program Manager and monitor progress o Assist in the resolution of issues
Program Manager	o Facilitate stakeholder representative sessions to secure deliverable input o Develop program deliverables o Provide industry insight and delivery oversight
Working Group Participants	o Champion the program within their respective organizations o Participate in stakeholder representative sessions
Other Stakeholder Representatives	o Champion the program within their respective organizations o Represent stakeholder interests in program communication forums.

Governance Model – Roles and Responsibilities

7. Program Approach

The approach, as outlined below, is based on two phases:

- o Phase 1 – Design and Publish
- o Phase 2 – Market Testing & Deployment

This charter covers Phase 2 only.

Phase 2 is based on a collaborative approach, engaging the EUB and Stakeholder Representatives, to ensure support and acceptance of program implementation schedules and final deliverables. The Program Manager, working with the EUB, will facilitate the involvement of Stakeholder Representatives during each of the steps in the testing, implementation, and transition processes. The working groups will gather industry requirements and develop "strawman deliverables" that will subsequently be reviewed and edited with Stakeholder Representative involvement using an efficient consultation process. It is anticipated that 3 separate working groups be created to engage market stakeholders in the implementation phase:

1) Code Revision Working Group – address Code issues and agree upon Code amendments.

2) Test Development Working Group – define testing strategy and test plan for market interface testing.

3) Transition Planning Working Group – define transition strategy for migrating from current billing practices to Directive 012.

A Steering Committee will oversee Code implementation, and working groups composed of industry participants will work with the EUB/BearingPoint team on a more regular basis.

7.1.   Change Control

o   Any changes to the program (scope, dones, wons, schedule, budget, etc.) will be managed through a formal change control process and approved prior to implementation.

o   The change control process and associated forms are available under separate cover and upon request.

7.2.   Issue Management

The EUB will develop an on-line web interface by December 1, 2004 to capture and manage issues related to the program. Until such an interface is available, the following process will be followed:

o   All issues regarding the program will be documented via a standard template and forwarded to the Program Manager.

o   Issues will be captured by the Program Manager in the program issue log (MS Excel).

o   Issue detail, status, follow-up and resolution will be captured in the program issue log by the Program Manager and circulated to assigned parties.

7.3.   Quality Assurance

o   The Program Manager is responsible for the overall quality of the program and will proactively manage delivery accordingly.

o   Active engagement of Stakeholder Representatives will help ensure market ownership of deliverables and commitment to program outcomes.

7.4. Assumptions and Constraints

The following assumptions were made in the definition of scope and estimation of schedule, cost and effort for the program. They will be monitored through the program lifecycle:

#	Assumption/Constraint	Tested Pre-Signoff
1	Frequent and productive market participant engagement and cooperation	✓
2	Parallel industry initiatives will not impair this program's ability to deliver according to schedule	✓
3	Current industry infrastructure will be levered	✓
4	One regulated retailer and two wire owners will be involved in market interface testing	✓
5	Wave 1 go-live deadline is April 1, 2005	✓
6	Two remaining regulated RRT retailers and two remaining wire owners will be involved in market interface testing pre-February 2005.	✓
7	Wave 2 go-live deadline is February 1, 2006	✓

Key Program Assumptions

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Should the assumptions stated herein change, the Program Manager will consider the additional effort necessary to deal with the issues or to accomplish the program objectives as out-of-scope work, which may result in an adjustment of fee or scheduling estimates. The Program Manager will inform the EUB through regular progress reports, adherence to the program schedule and budget, and any issues that may impact the expected outcome of the work.

7.5. Dependencies

Program success depends on:

- o Regular participation of market stakeholders in working group sessions
- o On-time completion of action items assigned to market stakeholders
- o Market stakeholder ownership of program deliverables and outcomes
- o Market stakeholder alignment and adherence to internal project plans
- o Continued commitment to pursue change by market policy makers

7.6.　Risks & Issues

The following Risks, Mitigating factors and Contingencies have been identified for this program:

#	Risk Description	Probability	Impact	Contingency/Mitigation
1	Parallel industry initiatives distract key stakeholders from participating in this program	Medium	High	Collaborate with Program Management team of parallel initiatives to confirm scope, timing, degree of stakeholder participant involvement and agree on common approach
2	Interdependencies between this program and parallel industry initiatives are not managed	Medium	High	Collaborate with Program Management team of parallel initiatives to confirm key milestone dependencies, workplan coverage, and assignments for ongoing monitoring / communication.
3	Stakeholder expectations shift or are unmet by program deliverables	Medium	High	Clearly articulate stakeholder expectations at the outset of the program, define scope according to common expectations, regularly reinforce program scope and objectives, identify adjustments in expectations throughout the program, employ a change control process to assess feasibility of incorporating new or adjusted expectations, communicate the outcome of the change control process.
4	Market stakeholder solutions exceed internal project deadlines.	High	High	Align program workplan with market stakeholder project plans, request market stakeholder project status reports on a set frequency, monitor program and market stakeholder project progress closely, and assist market stakeholders with issue resolution to mitigate project and program slippage.
5	Benefit to market not clearly	High	High	Renew efforts with retailers to clearly articulate

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#	Risk Description	Probability	Impact	Contingency/Mitigation
	articulated and political appetite/sponsorship fades			to the EUB and DOE the tangible and intangible benefits that implementation of Directive 012 will have on the market.

Key Program Risks and Mitigation Plans

7.7. Key Milestones and Deliverables

There are 11 primary deliverables that result from Phase 2 – Implementation. A description of each is offered below.

ID	Deliverable/ Milestone	Deliverable/ Milestone Description	Responsibilities		
			Program Manager	Stakeholder Representatives	EUB
D1	Issue Management Plan	Process document outlining the processes and governance involved in reporting, capturing and monitoring issues related to the Code, market implementation of the Code, or market interface testing.	Document	Review, Approve	Review, Approve
D2	Change Management Plan	Process document outlining the processes and governance involved in requesting changes in program scope, budget, or schedule.	Document	Review	Review, Approve
D3	Program Status and Report Management Plan	Process document outlining the processes and governance involved in the production and frequency of program status reports.	Document	Review	Review, Approve
D4	Market Communications Plan	Process document outlining the processes and governance involved in communicating program information to market stakeholders	Document	N/A	Review, Approve
D5	Test Strategy	Process document outlining the processes and approach to designing, implementing and executing a market interface test plan.	Document	Develop, Review, Approve	Review, Approve
D6	Test Activity Management Plan	Document that specifies the scope, approach, and schedule of intended testing activities to guide testing activities. The plan includes defect management, test data management, test environment change management, test result reporting, etc.	Document	Develop, Review, Approve	Review, Approve

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| ID	Deliverable/ Milestone	Deliverable/ Milestone Description	Responsibilities		
			Program Manager	Stakeholder Representatives	EUB
D7	Self-Certification Questionnaire	A single reference document outlining the tariff billing requirements that must be met by a wire owner or retailer in order for that party to determine if they are compliant with Directive 012.	Questionnaire	Develop, Review, Approve	Review, Approve
D8	Market Transition Strategy	Process document outlining the processes and approach to designing and executing a market transition plan.	Document	Develop, Review, Approve	Review, Approve
M1	Compliance Plan and Detailed Solution Workplan	Market Stakeholder submission regarding how and when they intend to comply with the requirements of Directive 012 and the process they have put in place to do so.	N/A		
M2	Transition Plan	Market Stakeholder submission of solution implementation plans.	N/A		
M3	Data Conversion Plan	Market Stakeholder submission of data conversion plans necessary to comply with the requirements of Directive 012	N/A		
M4	Publish Test Strategy	Publication of Test Strategy to wire owners and retailers for review and feedback	N/A		
M5	Publish Test Activity Management Plan	Publication of Test Plan to wire owners and retailers for review and feedback			
M6	Publish Test Cases	Publication of Test Cases to wire owners and retailers for performing market interface testing	N/A		
M7	Publish Test Data	Publication of test data to wire owners and retailers for performing market interface testing	N/A		
M8	Conclude Internal Solution Testing	Wire owners and retailers conclude internal solution testing	N/A		
M9	Self-Certification Statement #1	Wire owner and retailer feedback stating they have completed internal testing and are prepared to begin market interface testing	N/A		

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ID	Deliverable/ Milestone	Deliverable/ Milestone Description	Responsibilities		
			Program Manager	Stakeholder Representatives	EUB
M10	Self-Certification Statement #2	Wire owner and retailer feedback stating they have completed market interface testing and are ready to transition to Code	N/A		
M11	Confirm Market Stakeholder Readiness	Program review of market stakeholder readiness to begin transacting in the market according to Directive 012	N/A		
M12	Cut-over To Operations	Wire owners and retailers cut-over to operations to the Code	N/A		

Key Milestones and Deliverables

7.8. High-Level Plan

7.8.1. Workplan

The following Gantt chart provides a high-level overview of program workstreams, timing and milestones. The detailed work breakdown structure can be found in the reference workplan file[1].
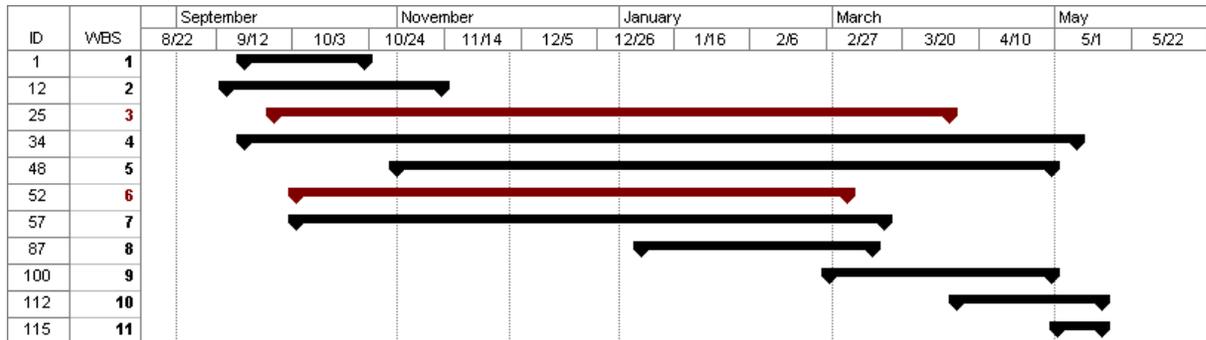
Program Workplan

7.9. Program Portfolio Management

The program will provide oversight and coordinate implementation, market interface testing, and transition of market stakeholder solution designs for market stakeholders under the Board's jurisdiction that have indicated they will achieve Code compliance by April 1, 2005. These include the following wire owners and regulated retailers:

o Wire Owners

    o ATCO Electric

    o Enmax Power Corporation

    o EPCOR Distribution, Inc.

    o FortisAlberta, Inc.

o Regulated Retailers

    o Direct Energy Regulated Services

    o ENMAX Energy Corporation

    o EPCOR Energy Services, Inc.

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[1] EUB Detailed Work Plan Phase II

7.10. Program Progress Reporting

o The Program Manager will develop and circulate a program status report to the Program Director and Stakeholder Liaison, on a monthy basis.

o The Program Manager and the Program Director and Stakeholder Liaison will provide semi-monthly status updates to the Program Sponsor.

o The Program Manager, Program Director and Stakeholder Liaison will meet with the Steering Committee on a monthly basis to present program deliverables, review program status, identify and resolve issues and confirm program direction.

o The Program Manager, in collaboration with the Program Director and Stakeholder Liaison, will perform ad hoc checkpoints and schedule formal status meetings with key Stakeholder Representatives as required.

o The Program Director and Stakeholder Liaison will deliver program status reports to market participants (includes wire owners, regulated retailers and competitive retailers)

7.11. Communication

o E-mail will be the primary means of communication for the program. The EUB will also provide communication to market stakeholders via a dedicated program and issue management web pages established on the EUB's external website.

o The EUB has communicated the objective, scope, timing and related details of the Tariff Billing Code to market participants in EUB Bulletin 2004-28 and Directive 012, published on the EUB's website on September 24, 2004. Follow up communications by the Program Sponsor will be issued at key delivery milestones to communicate the objective, scope, timeline and related details of this program.

o The Program Director and Stakeholder Liaison will deliver communication to the market (includes stakeholder communications, steering committees, etc).

o The Program Manager will communicate to the delivery team (includes business analysts, working groups, etc.)

o The Program Manager will communicate with market stakeholder project managers via weekly conference calls

7.12. References and Related Documents

The following related documents serve as reference material in support of this charter:

1. 2004-02-27_Stakeholder_Letter – source: EUB

2. EUB Bulletin 2004-28 – source: EUB website (www.eub.gov.ab.ca)

3. EUB Directive 012 – source: EUB website (www.eub.gov.ab.ca)

4. EUB Detailed Work Plan Phase II – source: BearingPoint Program Manager

5. Change Control Plan – source: BearingPoint Program Manager

6. Issue Management Plan – source: BearingPoint Program Manager