Resolution Endorsing State Utility Regulatory Involvement in Ongoing Efforts to Develop Uniform Retail Access Business Practices

WHEREAS, The restructuring of the electric and gas industries is necessitating the establishment and modification of a wide range of rules, practices and procedures to provide for an efficient and customer friendly introduction of competitive retail markets; and

WHEREAS, It is becoming increasingly evident that such rules and practices are varying significantly across States, often unnecessarily, and this lack of uniformity may, in some cases, present an impediment to the development of competitive markets; and

WHEREAS, Energy service providers often conduct business across multiple service territories and States, and this lack of uniformity is reportedly presenting such firms with a substantial market barrier; and

WHEREAS, The retail business practices that have been cited by energy service providers as most appropriate for increased uniformity, were applicable, include (1) supplier licensing, (2) customer enrollment and switching, (3) access to customer information, (4) billing and payment procedures, (5) retail settlements, (6) supplier creditworthiness and security requirements, (7) electric metering procedures; and (8) utility-supplier dispute resolution. Other areas involving marketer discontinuance procedures and additional customer protections safeguards also need to be addressed; and

WHEREAS, Uniformity should not come at the expense of essential consumer protections; and

WHEREAS, Increased regional and national uniformity in certain key business practices should benefit consumers by lowering costs, easing the market entry by new energy service providers, establishing necessary consumer protections safeguards; and

WHEREAS, Unnecessary diversity in the rules and practices for providing essentially the same service is likely to increase the costs to consumers and decrease the number of energy service providers willing to market to low volume users; and

WHEREAS, The development of a well designed set of model business practices could benefit States that have not yet developed such rules; and

WHEREAS, It is recognized that several States already have retail access rules in place, usually resulting from comprehensive and collaborative commission proceedings, and that changes to existing rules should not occur without careful consideration of the related cost and benefits; and

WHEREAS, National associations of electric utilities, competitive energy service providers and other interested parties are beginning discussions intended to lead to a national consensus document regarding retail access business practices; and
WHEREAS, Public utility commissions, in their historic role as protectors of the public interest, and in their emerging role as facilitators of developing competitive markets, have an essential role to play in this national debate regarding uniform retail access business rules; now, therefore, be it,

RESOLVED, That the National Association of Regulatory Utility Commissioners (NARUC), assembled at its 111th Annual Convention in San Antonio, Texas, support cost-effective efforts to achieve increased regional and national uniformity in certain retail access business rules, while maintaining, and, as necessary, strengthening appropriate consumer protections, and be it further

RESOLVED, That the NARUC and its member States are encouraged to participate in the emerging national debate regarding uniform retail access business rules to ensure that the public interest is well served.

Sponsored by the Committee on Energy Resources and the Environment
Recommended by the Board of Directors
Adopted in Convention November 10, 1999