

In the Matter of

National Grid PLC and KeySpan Corporation - Proposed Merger

Case 06-M-0878

The Brooklyn Union Gas Company d/b/a KeySpan Energy Delivery New
York - Gas Rates

Case 06-G-1185

KeySpan Gas East Corporation d/b/a KeySpan Energy Delivery Long
Island - Gas Rates

Case 06-G-1186

January 2007

Exhibit
of
Stephen A. Berger

Stephen A. Berger
Utility Consumer Policy Specialist 4
Office of Retail Market
Development
State of New York
Department of Public Service
Three Empire State Plaza
Albany, New York 12223-1350

**Cases: 06-M-0878
06-G-1185
06-G-1186**

National Grid/KeySpan Merger

Interrogatory/Document Request

Response of National Grid/KeySpan

Re: ESCO Suspensions

Request #: DPS-269

Response Date: December 21, 2006

Respondent: Joe Bodanza

Q: See below

In reference to KEDNY and KEDLI Testimony in Case 06-G-1186:

1. Provide the process that would be used for an ESCO-requested residential suspension if KEDNY received the suspension request. The response to this request should include:
 - all EDI and other electronic communications used or proposed to be used,
 - the timeline in which each part of the process would be expected to be completed,
 - how payments would be allocated between KEDNY and the ESCO with an explanation as to how the existence of a utility disconnection notice would affect the following scenarios):
 - a) before the suspension was requested (assuming equal arrears for both entities),
 - b) after the suspension was requested (same assumption), and
 - c) after service was suspended,
 - how long KEDNY would continue to bill the customer after shut-off and how KEDNY would track the ESCO arrears, and
 - if the customer reconnected with KEDNY within a year following suspension how KEDNY would post the ESCO

arrears on its bill as required by Chapter 686 of the Laws of 2002.

2. If different, provide the process that KEDLI uses/would use. If the process is/would be the same, state this.

A:

1. KEDNY AND KEDLI will follow a manual process as described below to handle such requests. We will monitor the volume of requests, and adapt our process as needed. To date, the companies have not received any Escro requests for suspension.

The Manual Suspension Process

- ESCO requests for suspension would be sent to our Consumer Advocacy area via email. Information required from the Escro includes; account number, customer name, address, phone number, amount related to suspension request, and Escro name. ESCO affirms that all requirements of the PSL and NYCRR were complied with in connection with the termination of commodity service to this customer.
- Consumer Advocacy personnel screen the customer's account for pending conditions (e.g., medical emergency, hardship, Elderly, Blind, Disabled, UGL (Welfare)) and look

for a competing charge (i.e., KED & ESCO charges with the same payment priority) before issuing to field for suspension

- Field employees will be provided the name of ESCO, amount, account number and competing amount.

The above three steps will be completed in one day (except for requests received late in the day).

- Field services employees schedule ESCO suspension job according to the same field prioritization procedures used for utility disconnection jobs.
- On date of scheduled suspension, field clerical employee reviews account for information that would stop the suspension request from being sent to the field (e.g., payments received, medical emergency, hardship, etc.). Field Representative conducts field visit where one of the following actions will be taken: payment collected, suspension cancelled due to special condition, suspension of service, or the job cannot be completed due to CGI (can't get in).
- If suspension is completed, field collection employee informs field clerical employee via telephone immediately and the customer's account will be updated to reflect current condition.
- Any payments received will be processed on same day as the field visit.
- Payments would be prorated according to payment priority established in PSC Orders and the Uniform Business Practices (UBPs).
 - If both entities had equal arrears prior to a suspension request, partial payments would be shared equally (50% to each entity)
 - Esco Termination and/or Suspension balance and a distribution utility's Disconnect balance are on equal footing as highest priority charges. In the case where equal amounts are in these highest priority "buckets," payment would be shared equally.
 - Payments made after suspension would be allocated equally on a pro rata basis to the extent arrears are owed to both entities
- Customers whose service is physically locked for nonpayment receive a final bill that includes charges from last billing to date of lock. From this point on, no other bills are sent to the customer. Customer balances subsequent to final status stay on KEDNY customers' billing accounts until paid - therefore there is no need to "repost" the Esco balance subsequent to reconnection one year after suspension

2. The process is the same for both companies.