

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

**INQUIRY INTO NARRAGANSETT ELECTRIC :
COMPANY D/B/A RHODE ISLAND ENERGY'S : DOCKET 25-08-GE
BILLING SYSTEMS PRACTICES AND :
PERFORMANCE :**

May 14, 2025 Open Meeting Decisions

Consultant Services

(1) Rhode Island Energy is directed to draft and file with the Commission a proposed request for proposals (RFP) from qualified independent consulting firms to seek services that will assist the Commission in evaluating the operational status, accuracy, and effectiveness of the Company's electric and gas billing and related systems. When filing the draft RFP, the Company shall include a distribution plan that, at a minimum, includes a list of potential consulting firms to whom the RFP is proposed to be sent. Such filing is due no later than May 30, 2025.

(2) At a minimum, the RFP shall specify the following:

- (a) That the Company shall recommend a consulting firm from the bids submitted based on an evaluation of qualifications and cost (with priority on qualifications), but the final selection of the consulting firm shall be made by the Commission. The RFP shall include clear evaluation criteria to be used in the Company's evaluation with point allocations for qualifications and costs that show how the Company will determine its recommendation to the Commission;
- (b) That the bidders identify any current or past work over the past ten years that was done for any PPL company or its affiliates;
- (c) That the objective of the engagement with the consulting firm shall be to assist the Commission in evaluating:
 - i. the operational status, accuracy, and effectiveness of the Company's electric and gas billing systems (including the format, calculations depicted on the bills, and any other information provided on the bills that would impact the customer's understanding of how the charges were determined),
 - ii. the operation of the back-office systems, meter data management system, and any other systems or processes that relate to producing accurate electric and gas bills to customers,
 - iii. the consistency between kilowatt-hours billed by the Company at retail and kilowatt-hours reported by the Company to ISO New England; and

- iv. the reliability of the billing systems for purposes of determining billed revenue that is used for financial and rate accounting.
- (d) That the consulting firm shall be supervised by a person designated by the Commission from among the staff at the Commission (Staff Designee);
- (e) That, at the request of the Division of Public Utilities and Carriers (Division) to the Commission, the Division may designate a non-lawyer staff member from the Division to (i) engage with the Commission's Staff Designee to follow the progress of the consulting firm's review, (ii) participate in meetings, at the Staff Designee's discretion, that the Staff Designee may have with the consulting firm and the Company, and (iii) make recommendations to the Staff Designee;
- (f) That the consulting firm shall provide periodic updates to the Staff Designee and provide a final written report to the Commission with its findings, including (i) conclusions regarding the accuracy and effectiveness of the Company's billing systems, (ii) conclusions regarding the reliability of the systems for determining billed revenue for financial and accounting purposes, (iii) problems identified by the Company, resolutions implemented, and the status of the issue, (iv) identification of problems that still need to be corrected, if any, (v) recommendations for repairs or improvements, and (vi) any other recommendations pertinent to the findings from the review;
- (g) That the final report shall be due by the later to occur of (i) October 1, 2025 or (ii) such date that is extended by Order of the Commission, in the Commission's discretion.
- (h) That the consulting firm may be requested by the Staff Designee to examine specific billing issues of a limited number of specific customer accounts identified by the Staff Designee;
- (i) That a representative of the consulting firm may be required to appear before the Commission to testify at formal public evidentiary hearings, if needed, as determined by the Commission;
- (j) That the consulting firm shall engage with the Company directly, including any Company personnel and contractors of the Company who have detailed knowledge of the operations, design, and implementation of the billing systems, and related systems, or personnel and contractors who are otherwise identified by the Staff Designee as reasonably needed for the review;
- (k) That, subject to the Commission's review and approval of a reasonable confidentiality agreement that does not constrain the purposes and duties of the consulting firm as set forth herein, the Company will provide reasonable access to the systems and data bases of the Company that relate to the matters pertaining to the consulting firm's review as set forth herein.
- (l) That the Company is required to cooperate fully with the consulting firm;

- (m) That the consulting firm will draw its own conclusions for the final report independently of the Company; provided, however, that the Company may review and comment upon the draft of the final report before it is issued, but will have no authority to direct the content of the final report. The consulting firm will have no obligation to change its report in response to the Company's comments, and
 - (n) That the Company shall be responsible for paying all invoices submitted by the consulting firm for services under the consulting services agreement.
- (3) The RFP shall include a form of proposed consulting services agreement that is subject to the Commission's review and approval.
 - (4) Prior to approval, the Commission may edit the RFP, as appropriate, in its discretion.
 - (5) Once the Commission approves the RFP and specifies the date for issuance, the Company shall issue the RFP to a list of recipients specified by the Staff Designee.
 - (6) The Company will issue the RFP with a deadline for responses within thirty days from issuance. The Company shall have an evaluation period that is no longer than thirty days, at the end of which the Company shall submit a confidential filing of the bid responses to the Commission, along with initial evaluation results and recommended selection for review and a decision by the Commission.
 - (7) The Commission may modify the form of contract in its discretion. The Company will execute the contract with the consulting firm within ten days of Commission approval of the selection of the consulting firm and the form of contract.
 - (8) The Company is directed to make payments for the costs owed under the contract as they arise.
 - (9) The Commission makes no determinations at this time regarding cost recovery from ratepayers for the payment of the costs incurred by the Company from the consulting firm contract.

Cost Tracking – Billing Issues

- (1) The Company is directed to account for and track the incremental costs it has incurred and may incur going forward relating to inaccurate bills caused by customer information and billing system conversion problems, commencing August 19, 2024.
- (2) The Company shall make a filing with the Commission by no later than June 30, 2025, providing (i) an explanation of the process and methods that the Company is or will be using to identify and track such incremental costs, including without limitation an explanation of how the baseline cost was established from which the incremental cost is measured, and (ii) schedules providing an accounting of such incremental costs incurred from August 19, 2024

to the most recent date where such information was readily available. The Company is directed to file periodic updates that track these incremental costs on a monthly basis. Such updates shall show the incremental costs for the applicable month and the aggregate costs calculated from August 19, 2024.