



National Fuel

Luke E. Anderson
Attorney

January 8, 2016

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building, 2nd Floor
400 North Street
Harrisburg, PA 17120

RE: Compliance Plan Filing
NGDC Customer Account Number
Access Mechanism for NGSs
Docket M-2015-2468991

Dear Secretary Chiavetta:

Attached is National Fuel Gas Distribution Corporation's ("NFG") Compliance Plan Filing pursuant to the Commission's Final Order entered on July 8, 2015 in the above-captioned docket.

As provided on page 30 of the Final Order, NFG is notifying the Commission in the Compliance Plan that NFG seeks relief from the Final Order's requirement to implement an account number mechanism by August 31, 2016. As discussed in greater detail in the Plan, NFG is in the process of installing a new customer billing system, which is a major undertaking that affects the control environment across NFG's computing systems. To ensure a seamless transition for all of its customers during this implementation, NFG believes it will need to allow sufficient post-go-live time and resources to address issues that may arise in connection with the launch of its new customer billing system. In place of the August 31, 2016 date, NFG requests permission to defer its implementation of the account number mechanism until January 2, 2017.

Should you have any questions concerning the Compliance Plan, please contact Michael Novak at (716) 857-7884.

Sincerely,

Luke E. Anderson

Encl.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Natural Gas Distribution Company	:	
Customer Account Number Access	:	M-2015-2468991
Mechanism for Natural Gas Suppliers	:	

**NATIONAL FUEL GAS DISTRIBUTION CORPORATION'S
COMPLIANCE PLAN FILING
REGARDING NGS ACCESS TO NGDC CUSTOMER ACCOUNT NUMBERS**

I. INTRODUCTION

On July 8, 2015, the Pennsylvania Public Utility Commission (“Commission”) entered its Final Order regarding Natural Gas Supplier (“NGS”) Access requiring Natural Gas Distribution Companies (“NGDCs”) including National Fuel Gas Distribution Corporation (“NFG”) to develop a username and passcode-protected secure website portal (“Account Number Access Mechanism”) that will, upon customer request and consent, provide NGSs with access to residential and small business customer account numbers that are not available on the NGDC’s Eligible Customer List (“ECL”). The instant filing is NFG’s compliance plan in response to Ordering Clause 1 of the Final Order.

II. IMPLEMENTATION PLAN

NFG will develop a password-protected secure website portal that will provide NGSs with access to customer account numbers for those ECL eligible accounts that are not available on the NGDC’s ECL. Upon entry by the NGS of its username and passcode, the portal would provide access to NFG customer account numbers. The design for NFG’s Account Number Access Mechanism incorporates the following features:

1. Require an NGS to submit the customer's full name, service street address and five-digit postal code.
2. Document the NGS's attestation that it is enrolling the customer in a public location and that they have obtained a photo ID and a signed LOA from the customer.
3. Have a field where the form of customer identification must be documented.
4. Require the NGS to enter a CAPTCHA¹ or equivalent code to add a layer of security designed to further protect customer data.
5. If 1.-4. are provided successfully, return the requested account number if a match exists for residential and non-residential customers with annual consumption less than 1000 Mcf.
6. Provide an indication of whether or not the customer's account number is available through the ECL.

Additionally, NFG's Account Number Access Mechanism will keep a record of activity/information collected by the portal² which will be retained for three years and have the ability to be easily provided to regulators upon request.

NFG does not plan to support wildcards or drop/down boxes because of the potential to degrade customer privacy. In the municipalities most likely to have public venues suitable for the marketing purposes envisioned by the Final Order, NFG's market penetration is very high therefore wildcards could yield account numbers in cases where they should not be provided, i.e. for the wrong customer accounts.

III. REQUESTED RELIEF

When NFG submitted its Comments³ in response to the Tentative Order⁴, it noted that a delayed implementation date for the Account Number Access Mechanism might be necessary due to NFG's implementation of a new billing system, which is a major undertaking that affects

¹ CAPTCHA ("Completely Automated Public Turing test to tell Computers and Humans Apart") is a type of challenge response test used in computing to determine whether or not the user is human. This is used to protect against potentially malicious applications that run automated tasks that are both simple and structurally repetitive, at a much higher rate than would be possible for a human alone.

² For example, identity of the NGS accessing the system, date/time of access, account numbers accessed, etc.

³ *Comments of National Fuel Gas Distribution Corporation to Tentative Order – Account Number Access Mechanism*, Docket No. M-2015-2468991 (filed May 22, 2015), ("Comments").

⁴ Tentative Order, at Docket No. M-2015-2468991 (Order entered on April 9, 2015).

the control environment across NFG's computing systems.⁵ The new billing system was originally scheduled to be implemented well in advance of the ordered August 31, 2016 Account Number Access Mechanism implementation date. The billing system implementation date has since been extended to spring 2016. Since the Account Number Access Mechanism will need to obtain account numbers from the new billing system's databases, NFG's implementation date for the Account Number Access Mechanism is necessarily dependent upon the go-live date for the new billing system.

While a spring 2016 billing system implementation timeframe is still in advance of August 31, 2016, the billing system design specifications never envisioned that the Account Number Access Mechanism would be available at go-live. Further, NFG requires, for prudent business operations and to ensure a seamless transition for all of its customers during this implementation, a 6-8 month stabilization period⁶ following the new billing system go-live date to address issues that may arise in connection with the launch of its new customer billing system. During this stabilization period, no system changes other than those that address features intended for go-live would be made. NFG further believes an extension is in the public interest due to increased costs associated with implementing the Access Mechanism during the stabilization period. Additionally, changes during the stabilization period could result in errors to all of National Fuel's approximately 750,000 customers in both Pennsylvania and New York. Accordingly, NFG believes that deferring implementation of its Account Number Access

⁵ Comments, p. 2.

⁶ While system design requirements are set well in advance of the anticipated implementation date and thoroughly tested to ensure proper performance, it is not uncommon that some system features will not behave as designed and tested once the system is implemented in a production environment. The adoption of a stabilization period is a standard recommended practice when implementing major computing systems. During a stabilization period, priority is placed on addressing unanticipated results. While features can be added during a stabilization period, it is not advisable to do so because to do so introduces the potential for unintended instability in inter-related aspects of the system. Best practices for systems development dictate that addition of new features be deferred until after the unanticipated issues have been resolved.

Mechanism until January 2, 2017 is reasonable and warranted under these unique circumstances and hereby requests such an extension.

IV. COST RECOVERY

NFG initially estimated the costs of the mechanism to be approximately \$50,000.⁷ While the Final Order includes changes to what was originally proposed, NFG believes this estimate (for initial design and implementation costs) is still reasonably accurate. Since the Account Number Access Mechanism will be implemented under a new operating environment associated with the new NFG billing system, it is difficult to provide a detailed estimate of ongoing operation and maintenance costs at this time. Never the less, NFG does not anticipate such costs will be substantial.

The Final Order directs NGDCs to include in their compliance plans proposed cost recovery mechanisms and reasonable explanations as the why that mechanism was chosen.⁸ NFG proposes the following cost recovery mechanism:

NFG will develop a Tariff Rider that would allow for 50% of the total design and implementation costs to be recovered from the SATS Suppliers as a one-time charge and the remaining costs from the Residential, Commercial and Small Volume Industrial Retail and SATC customers. A new Tariff Rider will be required since NFG does not have a mechanism currently available that would allow for this allocation to the correct entities

⁷ Id.

⁸ Final Order, p. 29.

V. CONCLUSION

WHEREFORE, NFG requests the Commission accept its Account Number Access Mechanism compliance plan, and approve NFG's request for deferral of implementation to January 2, 2017, as consistent with the terms and directives of the Final Order.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "L. E. Anderson", followed by a horizontal line.

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