

**WILLIAMS MULLEN
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ATTORNEYS & COUNSELORS AT LAW

MEMORANDUM

TO: Franklin D. Munyan, Esquire
Division of Legislative Services

FROM: Ralph L. "Bill" Axselle, Jr.
Reginald N. Jones
Co-counsel for ALERT

DATE: December 21, 1999

RE: Submission of Draft Amendments to the Legislative Transition Task Force
Established Pursuant to the Virginia Electric Utility Restructuring Act

On behalf of the Alliance For Lower Electric Rates Today ("ALERT"), we appreciate this opportunity to provide these draft amendments to the Virginia Electric Utility Restructuring Act, SB1269, Chapter 411 of the 1999 Acts of Assembly (the "Restructuring Act"). As with past submissions, we have arranged these proposed amendments by subject matter, and are offering them as an interim "placeholder" to permit the appropriate flexibility as we move into the next session of the General Assembly.

We have participated in numerous meetings with other Stakeholders as we attempt to reconcile conflicting positions. We are not prepared at this time to offer suggestions as to the specifics for reconciling the Stakeholders' positions, where such reconciliation may possible. Such suggestions as to reconciliation could be read or interpreted to reflect a change in ALERT's position on a particular subject area. As the issues addressed herein are inextricably linked to other restructuring issues, ALERT reserves the right to adhere to or modify its stated positions on these and other issues as the debate moves forward.

Metering, Billing, And Other Issues Addressed In The State Corporation Commission's
November 9, 1999 Legislative Proposals Concerning the Virginia Electric Utility Restructuring
Act:

ALERT has been actively involved with the State Corporation Commission's ("Commission" or "SCC") Staff ("Staff"), the Office of the Attorney General ("OAG"), and other Stakeholders on the related issues of metering and billing. At this time, ALERT supports and adopts as its own the amendments to the Restructuring Act as set forth in the SCC's November 9, 1999 *Legislative Proposals Concerning The Virginia Electric Utility Restructuring Act* ("SCC's Legislative Proposals"). We recognize that these proposed amendments address issues other than metering and billing, and are using the SCC's Legislative Proposals as a placeholder for ALERT's positions on these other issues.

Changes To Aggregator Definition/Licensing Provisions:

As with issues related to metering and billing, ALERT continues to work with Staff, the OAG, and other Stakeholders to reconcile positions on changes to the definition of “Aggregator” set forth in §56-576, and, if appropriate, to the licensing provisions for aggregators set forth in §56-588. At this time, ALERT offers the following changes to the definition of “Aggregator” found in §56-576:

§ 56-576. Definitions.

As used in this chapter:

* * *

“Aggregator” means a person licensed by the Commission that ~~purchases or arranges for the purchase of~~ (i) offers or contracts to purchase electric energy as an agent ~~or intermediary~~ for ~~sale to, or on behalf of,~~ two or more retail customers, or (ii) that offers or contracts to sells electric energy to one or more retail customers as an agent for two or more suppliers of electric energy.

“Aggregator” does not include a person that facilitates discussions, agreements, or contracts between one or more retail customers and licensed suppliers or aggregators with whom such customers may contract directly, provided that such person does not otherwise offer or contract to sell electric energy to any retail customer as an aggregator or supplier. Further, “aggregator” does not include any retail customer that, with any other retail customer, jointly issues a request for proposals or jointly seeks to negotiate a purchase of electric energy for its own consumption.

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