



Edward Sherwin
Associate Counsel
Law Department

BY DMM

July 30, 2024

Honorable Michelle L. Phillips
Secretary
State of New York Public Service Commission
Three Empire State Plaza
Albany, NY 12223

Re: Case 22-E-0064, Proceeding Motion of the Commission as the Rate, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service

Case 22-G-0065, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Gas Service

Dear Secretary Phillips:

As required by Section M(6) of the Joint Proposal adopted by the New York State Public Service Commission in its July 20, 2023, *Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plans with Additional Requirements* in the above-referenced cases, Consolidated Edison Company of New York, Inc., submits its quarterly report on activities that it is undertaking to reduce the incidence of estimated and delayed billing, including optimization and stabilization of its Advanced Metering Infrastructure system, for the period ending June 30, 2024.

Please contact me if you have any questions about this filing.

Respectfully submitted,

Edward Sherwin

Enclosure



AMI Stabilization and Optimization Report

July 30, 2024

I. Introduction

In accordance with the Joint Proposal adopted by the New York State Public Service Commission (the “Commission”) in its July 20, 2023 Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plans with Additional Requirements (the “2023 Rate Order”) in Cases 22-E-0064 et al., Consolidated Edison Company of New York, Inc. (“Con Edison” or the “Company”) submits its third quarterly report on activities that the Company is undertaking to reduce the incidence of estimated and delayed billing, including optimization and stabilization of its Advanced Metering Infrastructure (“AMI”) system.

II. AMI Program Background

Mass meter deployment and operation of AMI back-office systems commenced in 2017, adhering to key milestones outlined in the Company’s AMI Business Plan. In accordance with the Joint Proposal approved by the Commission in 2016, the Company regularly provided semi-annual AMI Metrics reports detailing various metrics associated with the program, such as AMI Meter and Communication Network Deployment, Conservation Voltage Optimization, Outage Management, Environmental Savings, Customer Engagement, and Estimated Billing, from 2017 through 2023.

The semi-annual AMI program reports comprehensively outlined deployment status for Staten Island, Westchester County, Brooklyn, Manhattan, the Bronx, and Queens. Although mass deployment was temporarily halted in 2020 due to the COVID-19 pandemic, it resumed in phases later that year and concluded in 2022. As of June 2024, Con Edison has successfully deployed approximately 4.85 million AMI meters and installed more than 22,070 network communication devices.

III. AMI Stabilization and Optimization

In the Joint Proposal adopted in the 2023 Rate Order, the Company agreed to undertake measures to reduce the incidence of estimated and delayed billing during the rate plan, including efforts to wrap up AMI deployment and transition the program to a state of routine operations. The Company identified the following AMI Stabilization and Optimization activities and will report on its progress on a quarterly basis until each of the efforts is complete. Four of the eight activities (italicized below and detailed in Appendix A) were successfully completed and reported on in the first quarterly report, and they will not be included in this quarter’s report.

- **Complete deployment of remaining AMI meters** – Exchange non-AMI meters for AMI meters in remaining locations/premises.
- ***Implement new traction billing solution*** – *Implement a new billing process for traction meters, which will allow for remaining traction meters to be exchanged with AMI meters.*
- **Resolve issues with installed AMI meters that are not communicating with the AMI network** – Replace defective meters and gas modules; install network communication devices in meter banks where necessary to enable meter communications.
- ***Complete AMI network optimization*** – *Complete optimization of three remaining AMI network areas to improve network resiliency.*
- **Resolve issues with non-commissioned meters** – Address meters requiring updates in billing and meter systems to proceed with commissioning and communications/automated billing.

- **Address back-office billing exception backlog** – Increase resources (contractor and/or Company employee) as necessary to address billing exceptions that require review.
- **Optimize delivery of usage/readings to billing system** – Make enhancements to billing system process that will enable greater automated billing with actual reads.
- **Optimize meter reading routes for remaining non-AMI meters of customers who have opted out** – Ongoing work to improve the process of reading non-AMI meters.

Subsequent sections of this report provide updates on the progress of each remaining initiative, including the number of remaining units (e.g., meters with communications issues, non-commissioned meters, network devices installed, and billing exceptions) where applicable.

A. Complete deployment of remaining AMI meters

- **Objective:** Exchange non-AMI meters for AMI meters in the remaining locations/premises.
- **Progress Update:** Mass deployment of electric meters and gas IMUs adhered to each borough's planned schedule and was completed by April 2022. As of the end of June 2024, Con Edison has successfully installed approximately 4.85 million meters across its service territory.

The remaining installations are primarily pending due to access challenges, including obstructed meters, environmental and safety-related constraints, difficulties obtaining access for meter exchanges, and customers that either have opted out or moved into a default opt-out state due to lack of responsiveness.¹ The table below shows each category of remaining meters.

Remaining Legacy Meter by Constraints	Number of Meters
Meter Access	3,318
Environmental and Safety	1,346
Opt-out, Default Opt-Out (includes 3,350 obstructed meters)	49,786

The Company continues to attempt to engage customers with legacy meters to assist them in making appointments to have meters replaced, including through letters, emails, and door hangers with information and convenient ways to make appointments. On January 11, 2022, Con Edison implemented a \$100 no-access fee to customers who are not providing access to install AMI meters. As of this writing, more than 182,000 \$100 no-access fees have been assessed. Customers charged the fee are encouraged to call a phone number to arrange an appointment.

- **New Issues/Challenges:** No new challenges have been identified.
- **Status:** Open

¹ As noted in our semiannual PSC metrics report, the AMI team onboarded an additional vendor to install meters across Westchester, Brooklyn, Manhattan, the Bronx, and Queens that could not be installed by our initial mass deployment installation vendor(s) despite them making, in most cases, as many as five attempts. In May 2021, this vendor began installing meters. Following additional multiple failed attempts or customer refusals, non-responsive customers were moved to default opt-out status.

B. Resolve issues with installed AMI meters that are not communicating with the AMI network

- **Objective:** Replace defective meters and gas modules; install network communication devices in meter banks where necessary to enable meter communications.
- **Progress Update:** The AMI meter communication rate is currently 99.91 percent. Currently, approximately 2,400 AMI meters and gas modules are not communicating with the AMI network, and approximately 2,150 AMI devices communicate inconsistently. For many of these cases, the Company must perform an onsite investigation to determine why a device is not communicating and attempt to rectify the situation. For these non-communicating meters, potential solutions include installation of new network equipment to enable these meters to communicate, reinforcing the network to accommodate the loss of network equipment that is no longer in service due to building demolition or construction, restoration of power to the communications device, or repairs to the communications device.

In the normal course of business, approximately 15,000 AMI electric meters and gas IMUs are expected to fail on an annual basis due to failure of the meter's electronic components or batteries. (These failures are separate from those that occur due to flood events, etc.). Currently, there are an estimated 14,000 AMI electric meters and IMUs that need to be replaced.

The Company has experienced challenges gaining access to replace failed meters and/or obtain meter readings or meter data, as well as to gain access to indoor communications network equipment for troubleshooting and installation. This has led to an increase in the backlog of fieldwork and impacts the further reduction of estimated billing. However, the Company continues to work with customers to gain access to the devices to make further progress with this population.

New Issues/Challenges: No new challenges have been identified.

Status: Open

C. Resolve issues with non-commissioned meters

- **Objective:** Address meters requiring updates in billing and meter systems to proceed with commissioning and communications/automated billing.
- **Progress Update:** The Company is actively resolving issues requiring billing and meter system updates to address approximately 17,000 non-commissioned meters. Ongoing efforts include administrative fixes for meters that do not contain the same meter information in the Company's back-office systems; site visits for meters suspected of having field issues that are preventing commissioning; and revisiting locations that require additional investigation or communications enablement to get the device communicating with the AMI network. For example, there are situations where a meter may be present in the back office and billing systems but is not physically present at the site, the information on the system for the meter is inconsistent with the actual information on the meter, or there is an ongoing construction case where the meter does not have power. While progress has been made with system cleanups and device replacement, the remaining meters are experiencing access issues preventing further action by the Company and requiring further investigation and remediation.

- **New Issues/Challenges:** No new challenges have been identified.
- **Status:** Open

D. Optimize meter reading routes for remaining non-AMI meters.

- **Objective:** Ongoing work to improve the process of reading non-AMI meters.
- **Progress Update:** As the Company installed AMI devices throughout its service territory, the number of routes needed to read the remaining legacy meters each month steadily dropped. During this period, Customer Operations adjusted reading routes to fit the shrinking population. Now that deployment is substantially finished, and the population of remaining legacy meters is likely to fall very gradually, the Company is working with a vendor to consolidate and optimize meter reading routes for legacy meters. Initially, new reading routes were scheduled to be implemented by the end of the first quarter of 2024, but work has progressed slightly slower than anticipated due to implementation and stabilization of the new Customer Care & Billing System (CC&B) system. The Company now expects the project to be completed in Q4 2024. While the Company continues to address lingering access issues, Customer Operations will periodically revisit its meter reading routes to determine if any additional efficiencies can be gained.
- **New Issues/Challenges:** No new challenges have been identified.
- **Status:** Open

IV. Additional Updates

The Company implemented its CC&B system in October 2023. In the post-stabilization phase, the Company continues to focus on providing enhanced end-user support, system defect resolution, and addressing other critical and complex issues. The Company is currently addressing a backlog of pending AMI meter exchanges. Additionally, the Company is implementing Robotic Process Automation (RPAs) to assist with customer accounts and billing exception work. One RPA has been moved to production, and a second is scheduled for production by the end of Q3 2024.

Appendix A: Status of AMI Stabilization and Optimization Plan Activities

Items	Description	Status
Complete deployment of remaining AMI meters	Exchange non-AMI meter for AMI meters in remaining locations/premises.	Open
Implement new traction billing solution	Implement new billing process for traction meters, which will allow for remaining traction meters to be exchanged with AMI meters.	Completed September 2022
Resolve issues with installed AMI meters that are not communicating with the AMI network	Replace defective meters and gas modules, install network communication devices where necessary to enable meter communications.	Open
Complete AMI network optimization	Complete optimization of three remaining AMI network areas to improve network resiliency.	Completed March 2023
Resolve issues with non-commissioned meters	Address meter requiring updates in billing and meter system to proceed with commissioning and communications/automated billing.	Open
Address back-office billing exception backlog	Increase resources (contractor and/or Company employee) as necessary to address billing exceptions that require review.	Completed October 2023
Optimize delivery of usage/reading to billing system	Make enhancements to billing system process that will enable greater automated billing with actual reads.	Completed October 2023
Optimize meter reading routes for remaining non-AMI meters of customers who have opted out	Ongoing work to improve the process of reading non-AMI meters.	To be Completed Q4 2024