STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Case 94-E-0952	**In the Matter of Competitive Opportunities Regarding Electric Service**
Case 00-E-0165	**In the Matter of Competitive Metering**
Case 02-M-0514	**Proceeding on Motion of the Commission to Investigate Competitive Metering for Gas Service**

COMMENTS OF THE RETAIL ENERGY SUPPLY ASSOCIATION

The Retail Energy Supply Association ("RESA"),[1] an industry trade association comprised of twelve (12) leading retail ESCOs dedicated to enhancing competitive retail energy markets, respectfully submits these comments in support of New York Public Service Commission ("Commission" or "PSC") Staff's proposal to develop a "clear and comprehensive" standard for establishing the physical and functional characteristics AMI systems, and in response to the *Notice Seeking Comment* issued in these proceedings on October 10, 2007.[2]

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[1] RESA's members include Commerce Energy, Inc.; Consolidated Edison Solutions, Inc.; Direct Energy Services, LLC; Gexa Energy; Hess Corporation; Integrys Energy Services, Inc.; Liberty Power Corp.; Reliant Energy Retail Services, LLC; Sempra Energy Solutions, LLC; Strategic Energy, LLC; SUEZ Energy Resources NA, Inc., and U.S. Energy Savings Corp. The comments expressed in this filing represent the position of RESA as an organization but may not represent the views of any particular member of RESA.

[2] Case 94-E-0952, *et, al* - In the Matter of Competitive Opportunities Regarding Electric Service, *Notice Seeking Comments* (issued October 10, 2007) ("Notice").

RESA supports Staff's proposal to adopt rules that establish a minimum threshold of technical capability for advanced meters. In RESA's view, the meters must be capable of performing certain minimum functions so that customers are assured of receiving, and better understanding, the functionality and benefits of advanced meters. Such standards are important to ensure that the advanced meters serve their purpose of increasing the reliability of regional electric networks, encouraging demand response, providing clear and accurate pricing signals to customers, improving the operation of distribution, transmission and generation assets, and providing more choices for customers to reduce energy consumption, peak demand and energy costs. Moreover, the timely deployment of advance metering technologies will afford New York State energy consumers the opportunity to reduce their electricity and natural gas consumption, consistent with Governor Spitzer's "15 by 15" state energy policy initiative. In the view of RESA, AMI is absolutely necessary to achieve the stated policy objective of decreasing the demand for power by 15 percent from forecasted levels through efforts to increase energy efficiency by the year 2015.

RESA further notes that minimum AMI standards will enhance retail competition and increase competitive choice for consumers, since they encourage development of additional retail offerings and tailored products for customers to gain additional control over their usage and costs. In that regard, RESA especially lauds Staff for recognizing that AMI systems must provide direct, real-time remote–read-only data access to ESCOs. (Notice at 3, f).

While RESA generally supports Staff's list of proposed features and functions, we urge consideration of the following recommendations for revisions:

- Staff proposes that AMI systems have the "[a]bility to provide time-stamped interval data, at hourly or shorter time intervals." (Id. at 3, d).

  RESA recommends that Staff establish a standard or uniform interval for data to avoid inconsistencies between utility service territories that would result in different advanced meter systems employing different data intervals. Such an outcome would hinder development of competitive energy products that take advantage of advanced meter features by increasing costs to ESCOs who serve customers throughout New York State.

  RESA believes that the Commission should require AMI systems to provide hourly data on a day-after basis, and recommends that Staff initiate a process to explore requiring provision of 15-minute interval data to ESCOs, customers, and the NYISO, on a daily basis, consistent with data availability, transfer and security standards in order to facilitate future time-of-use offerings.

- Staff has proposed that AMI systems have the "[c]apability to remotely read meters on-demand." (Id. at 3, g)

We recommend that remote reconnect/disconnect be added as a minimum functionality. Remote reconnect/disconnect capability provides cost benefits associated with no longer having to deploy meter readers. In a competitive market, such as New York, this functionality also provides additional benefits to customers, who could have their meter read remotely on demand and who would not have to wait for a traditional meter read cycle to end to switch suppliers or rate plans.

- Staff has proposed that AMI systems "[u]tilize open standards-based communication protocols and platforms, e.g., broadband, PLC, internet, XML, MV-90, Zigbee, DNP3, etc." (Id. at 3, h).

  This proposed functional requirement should be further clarified so as not to imply that various standards are substitutable (e.g., BPL is not an alternative to Zigbee, etc.).

- Staff has proposed that AMI systems have the "[a]bility to send signals to customer equipment to trigger demand response functions...." (Id. at 3, j).

  RESA recommends that this language be strengthened to require mandatory capability for AMI systems to interconnect within the customer premises home area network (behind the meter load control and monitoring devices). We also believe that AMI systems should have the

"ability to send and receive signals to customer equipment ...." The ability to receive signals will allow the distribution utility or ESCO to confirm that the demand response device received specific communications and/or that those devices can send back messages (e.g., usage, temperature, run hours, etc.).

RESA also urges the Commission to consider amending the language contained in Paragraph j cited above to provide that AMI systems have the "ability to send usage and price signals to customer equipment ...." In order to provide customers with as much information as possible to allow for control and reduction in usage and cost.

- Staff proposes that AMI standards include "[u]pgrade capability." (Id. at 3, m).

Staff should consider also requiring that AMI standards include the capability to upgrade, not only meter software, but also meter components as an alternative to having to replace the entire meter, especially before cost recovery is complete.

In addition, RESA recommends that Staff and the Commission consider amending the proposed standards to incorporate the following additional requirements:

We urge the Commission to establish that utility cost recovery for AMI system deployment would only be allowed if the meters meet or exceed the minimum standards to be established by the Commission.

RESA also recommends that the Commission establish a requirement that utilities provide the PSC and ESCOs with notice of any AMI additions or enhancements at least three months in advance of deployment, with a description of the features, the deployment and notification plan, and the cost of such additions or enhancements, and l provide the Commission with monthly progress reports until the enhancement process is complete.

Finally, RESA recommends that that, except for pilot programs, distribution utilities should not deploy AMI technology that has not been successfully installed previously with at least 500 advanced meters in North America, Western Europe, Australia or Japan.

Conclusion

RESA appreciates this opportunity to provide the Commission with comments regarding Staff's proposed AMI standards. The establishment of a utility-administered AMI system, with minimum meter capability standards and appropriate data access for retail suppliers and customers should accomplish the goals that the Commission is attempting to attain: reduced demand, more choices for customers, and enhanced reliability for the network.

Respectfully submitted,

Retail Energy Supply Association

By: _____
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Dated: December 10, 2007
Cedarhurst, New York