

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

At a session of the Public Service  
Commission held in the City of  
Albany on January 24, 2001

COMMISSIONERS PRESENT:

Maureen O. Helmer, Chairman  
Thomas J. Dunleavy  
James D. Bennett  
Leonard A. Weiss  
Neal N. Galvin

CASE 00-E-0165 - In the Matter of Competitive Metering.

CASE 94-E-0952 - In the Matter of Competitive Opportunities  
Regarding Electric Service.

ORDER CONCERNING COMPETITIVE METERING

(Issued and Effective January 31, 2001)

BY THE COMMISSION:

INTRODUCTION

The Commission has ordered<sup>1</sup> that electric metering services for some customers<sup>2</sup> be opened to competition. Customers may procure meters and various metering services, such as meter installation, maintenance and meter reading, from providers other than the utilities. The Commission ordered that a

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<sup>1</sup> Case 94-E-0952, In the Matter of Competitive Opportunities Regarding Electric Service, Order Providing for Competitive Metering (issued June 16, 1999), Order Denying Petitions for Rehearing and Clarifying Order (issued September 15, 1999).

<sup>2</sup> Competitive metering will open initially to about 40,000 large energy users whose peak electricity requirements amount to at least 50 kilowatts in two consecutive months.

competitive metering framework be established to govern what is expected to become an expanding competitive market for meters and metering services. The June 16, 1999 Order directed that the electric utilities file tariff revisions to unbundle metering costs and prescribed the methodology to be used. Those tariffs have been suspended through January 31, 2001.

The Commission's June 16, 1999 Order also directed Staff to develop appropriate practices and procedures to implement competitive metering, with technical input from the parties. Beginning on October 13, 1999, several meetings were held at which interested parties were invited to participate in the development process. More than 80 individuals representing 50 parties participated in the meetings that were held over a five-month period.

As a result of this process, a draft competitive metering practices and procedures manual entitled New York Practices and Procedures For The Provision of Electric Metering In a Competitive Environment (Manual) was issued on February 23, 2000 for formal public comment. Notice of the proposed Manual was published in the State Register pursuant to the State Administrative Procedure Act, and comments were received from several parties.

We have reviewed the comments submitted by the parties and the tariffs filed by the electric utilities. This abbreviated order only outlines the Commission's decision. A comprehensive order providing the rules for competitive metering will follow, describing more completely the basis for the decision. All of the comments received have been reviewed in reaching this decision. The time for filing petitions for rehearing or clarification of this decision will be deemed to run from the date of issuance of the comprehensive order.

First, the electric utilities are directed to cancel the unbundled metering tariffs because they do not properly reflect certain costs associated with metering. The utilities should continue discussions with Staff and other interested parties and file revised tariffs, to be effective no later than March 1, 2001.

Second, we believe that allowing competitive metering and meter data services to be offered to customers independently of commodity service would be consistent with our policy of making services competitive wherever feasible. Accordingly, we will (a) allow customers eligible for competitive metering to contract directly with meter service providers (MSPs) or meter data service providers (MDSPs); (b) prohibit a Direct Customer from acting as its own MSP or MDSP; and (c) continue the option of meter ownership for large time-of-use customers according to the provisions of Opinion No. 97-13.<sup>3</sup>

Third, a revised New York Practices and Procedures for the Provision of Electric Metering in a Competitive Environment is adopted and will be appended to our subsequent order.

In addition to our other decisions, we will require these other clarifications or revisions to the Manual:

- Only utilities will have the right to terminate a customer's electric service.
- The provision that allows the utility to remove a meter if an immediate safety hazard exists is clarified to provide that if there is no immediate threat to health or safety the utility should promptly notify the meter service provider of the condition and encourage the meter service provider to expedite the repair.

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<sup>3</sup> Case 94-E-0952, In the Matter of Competitive Opportunities Regarding Electric Service, Opinion and Order Establishing Regulatory Policies for Competitive Metering, Opinion No. 97-13 (issued August 1, 1997).

- The eligibility requirements for meter service providers and meter data service providers are revised to delete information related specifically to ESCOs.
- The provision on meter testing facilities is revised to require that each meter service provider maintain testing facilities in New York State.
- A provision concerning insurance coverage is clarified to make clear that the meter service provider or the meter data service provider does not need to continue to procure insurance for two years after it ceases to operate in the state but simply that the policy needs to provide coverage for an incident for a period of two years after the incident occurs.
- The Manual clarifies that the utilities and Staff have the option of attending as many installations as they choose to attend.
- The provision requiring suspension or revocation of eligibility for various infractions is clarified to provide that eligibility will not be revoked without an attempt at resolution of the issues.
- The Manual is modified to state that if a theft of service situation is identified the MSP should notify the utility immediately and the meter and metering equipment should be handled appropriately and that a utility should have the opportunity to obtain partial payment or to discontinue service in the event of a theft of service.
- The Manual is revised to provide that meter service providers should not rely solely on information provided by utilities regarding life support customers but should make their own investigation to determine if any occupant of a premises will be harmed by a temporary interruption of service associated with repair or replacement of the meter.

- The statement that a standardized meter socket will provide a compatible interface for many meters is deleted. While the meter must have a visual display of cumulative usage, the requirement that all parameters needed for billing must be displayed on the meter is onerous and is deleted.
- The requirement to publish a listing of comparable service entry equipment and to consider additions at the request of a meter service provider is deleted as unnecessary.
- The Manual is revised to state that the utility distribution system ends at the connection to the meter on the line side of the meter socket or the line side termination at the test block, and the utility is not required to label the demarcation point.
- The entity owning the meter should not determine the demarcation point.
- The utility should lock meter installations and make every effort to coordinate removal of its lock with the meter service providers switch date.
- The Manual is further revised to provide a charge if either the utility or a meter service provider misses an appointment.
- MSPs are required to employ locking mechanisms that minimize the number of keys that the utilities will be required to have to unlock the installations in the event of an emergency situation.
- The Manual provides that unsafe, inoperative, or defective equipment is to be replaced or repaired within 24 hours.
- Meter service providers are obligated to retain meter test data for at least two years after the meter is retired.

- The Manual is revised to provide that any party that either requests a test or may be affected by the test results should be provided an opportunity to witness the meter test.
- The Manual will allow utilities to charge applicable tariff fees for a meter test required by a customer.
- The Manual will incorporate the portion of the Uniform Business Practices pertaining to voluntary or involuntary discontinuance of service.
- Various fees identified in the Manual are to remain in effect until actual field experience can be obtained.
- The data sets have been removed from the Manual; parties are encouraged to develop and use mutually agreeable mechanisms for transmitting data until such time as electronic data interchange is available in New York.

Finally, the requirements of 16 NYCRR Part 92 concerning utility testing of meters is waived for meters provided by the MSP until such time as those requirements are revised.

The Commission orders:

1. Each jurisdictional electric corporation shall cancel the tariff amendments filed pursuant to the June 16, 1999 Order in these proceedings. Each corporation shall file revised tariffs reflecting the updated manual and back-out credits as an addendum to its tariff to be effective on a temporary basis on March 1, 2001; any required tariff revisions to refer to the new addendum shall also be filed. The requirements of Section 66(12)(b) of the Public Service Law as to newspaper publication of the changes proposed by these filings are waived. Following Commission approval of the compliance filings, future changes to this addendum shall be filed on 30 days notice to the Commission

and served on all parties to provide time to resolve any concerns presented by interested parties. If proposed revisions to the addendum are acceptable to all parties, the revisions will be allowed to become effective without Commission action.

2. The revised New York Practices and Procedures for the Provision of Electric Metering in a Competitive Environment is adopted.

3. The revised competitive metering guidelines described in the body of this Order are adopted.

4. The requirements of 16 NYCRR Part 92 are waived to the extent discussed in the body of this Order.

5. These proceedings are continued.

By the Commission,

(SIGNED)

JANET HAND DEIXLER  
Secretary