



A PHI Company

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August 30, 2012

Ms. Brinda Westbrook-Sedgwick
Commission Secretary
Public Service Commission of the District of Columbia
1333 H Street, N.W.
2nd Floor, West Tower
Washington, DC 20005

Re: Case No. 1098

Dear Ms. Westbrook-Sedgwick:

Enclosed please find the Post-Technical Conference Report of Potomac Electric Power Company in the above-referenced proceeding.

Please feel free to contact me if you have any questions regarding this matter.

Sincerely,

A handwritten signature in black ink that reads "Peter E Meier" followed by a stylized monogram "PES".

Peter E. Meier

PEM/mda

Enclosure

cc: All Parties of Record

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF THE DISTRICT OF COLUMBIA**

IN THE MATTER OF)
)
THE INVESTIGATION INTO POLICY MATTERS)
PERTAINING TO THE IMPLEMENTATION) **Formal Case No. 1098**
OF THE SMART GRID)

**POST-TECHNICAL CONFERENCE REPORT
OF POTOMAC ELECTRIC POWER COMPANY**

On July 13, 2012, the Public Service Commission of the District of Columbia ("Commission") issued Order No. 16838 in this proceeding, convening a technical conference on July 31, 2012 to discuss issues raised in a petition filed by Washington Gas Energy Service ("WGES") on May 17, 2012 ("WGES Petition" or "Petition"). The Petition requested that the Commission open a formal investigation to determine the processes and procedures by which licensed Third Party Suppliers ("TPS" or "suppliers") will be able to access smart meter data when the deployment of smart meters is complete in the District of Columbia. The Petition also included a series of questions related to the various issues involving TPS access to smart meter data.

On May 29, 2012, and in response to the WGES Petition, Potomac Electric Power Company ("Pepco" or the "Company") made a filing recommending that the Commission convene a technical conference to discuss WGES's questions and related issues. Pepco's May 29 response also expressed the Company's concerns with respect to customer privacy and confidentiality issues that may arise as a result of smart meter technology's capabilities. Following the Commission's issuance of Order No. 16838, Pepco made an informational filing

that responded to each of the questions set forth in WGES's Petition. The following sections of this report summarize the issues discussed at the July 31 technical conference, and highlight one area of continuing concern with regard to the dissemination and use of customer data.

I. Summary of the July 31 Technical Conference

The conference allowed participants to ask clarifying questions related to the original questions in the WGES Petition, as well as expand into other areas of discussion pertaining to the use by suppliers of AMI data for service offerings that incorporate energy efficiency, demand response, and tailored price plans. Generally speaking, the discussion focused on issues related to communication of customer information between the utility and the TPS. In addition, the following specific issues were discussed:

- Billing net energy customers;
- Sharing bill messages between a TPS and its customers;
 - Access and technical mechanics/methods for sharing interval consumption information between a TPS and Pepco, including level of consumption detail provided; and
- Customer switching timeframes.

The following summarizes Pepco's response to those areas of inquiry grouped into the same categories defined in the WGES Petition.

A. Billing Issues

Clarifying questions were raised regarding the treatment of Net Energy Metered customers ("NEM") who had enrolled with a TPS as well as use of the Pepco consolidated bill for TPSs to communicate bill information and messages to their customers. Pepco stated that customers in the District will receive net energy whether their energy is supplied by a TPS or through Standard Offer Service ("SOS"). The Pepco Billing Department allocates net energy credits to SOS customers while Pepco's Supplier Relations Department sends the applicable TPS an email on a monthly basis informing them of any negative accounts and advising them to

correct the billing accordingly. It is the responsibility of the TPS to process any messages informing the customer of such credit through the Electronic Data Interchange (“EDI”) system.

Each TPS is allotted four (4) bill message segments on Pepco’s consolidated bill, each containing up to a maximum of 80 bytes (characters). For bill display purposes, the messages are combined to form two messages so each message can be up to 160 characters. A TPS also can provide details of up to three invoices (10 line items each plus the amount from the tax segment) of charge information in any month.

B. Data Availability, Format, and Access Issues

Several questions were asked regarding technology, format, and access to meter data. Described immediately below is the current technology used to capture and communicate usage information between and among AMI meters, Pepco’s billing system, customers, and the applicable TPS. In addition, access to data as it relates to privacy and enforcement of existing rules governing customers’ information is discussed. Later in this report, potential technological mechanisms to communicate interval data in new formats will be described.

Currently, for activated AMI interval meters, Pepco retrieves both hourly interval data and monthly registered reads from the AMI meters. Monthly registered reads are used for billing and settlement. The hourly interval data is available for customers to view on PHI’s “My Account” tool. The customer’s TPS receives monthly billing data from Pepco through EDI. In basic terms, EDI is the technology established between TPSs and utilities to transfer account and usage information. EDI standards are national standards implemented at the start of Retail Choice. Details can be found at:

<https://suppliersupport.pepco.com/suppliersupport/suppliersupportframe.htm>.

Data sent through EDI is formatted in an 867MU EDI transaction and sent monthly. This file shows the monthly billing cycle's start and end dates, the total monthly consumption and, for non-residential customers, the peak demand for that time period. For example:

Account
 July 15th – August 15th
 *kWD = 800 (*non residential customers only)
 kWh = 1152

In contrast, for AMI Interval Billed Customers, a TPS will have the option to request an 867IU transaction that will format consumption for all 24 hours of data on a daily basis in the billing period. Following is an example (in kWh consumption):

	15-Jul	16-Jul	17-Jul
1:00	25	25	25
2:00	30	30	30
3:00	10	10	10
4:00	50	50	50
5:00	10	10	10
6:00	5	5	5

A further breakdown of the hourly interval data into 15-minute increments is available for commercial and industrial customers with MV90 interval meters. Generally, residential AMI customers' meters are not configured to report in 15 minute increments, only hourly.

Once AMI is fully implemented (customers are billed using intervals), suppliers will be able to choose which format they prefer to receive from AMI interval meters through EDI, either the 867MU or 867IU as described above. AMI interval metered data will be provided once per month based on a customer's billing cycle. This process ensures that the data is properly validated and will provide bill-quality data. Access to historical interval usage data (867 HIU) is

not currently available. This is because no interval histories have been accumulated at this stage in the AMI process and standards for the 867HIU transaction type have to be built and properly tested prior to use.

Regarding access to data and privacy concerns, Pepco follows existing Commission rules regarding customer authorization. Pepco will only provide customer usage data to a TPS that has received consent (via a signed contract) from the respective customer that allows the release of consumption data. Enrollment with a TPS and sharing of the customer account number demonstrates consent to share usage data for account service purposes. Each TPS registered with Pepco in the District must sign and agree to the following Section 7.1 of Pepco's Supplier Coordination Tariff:

7.1 Disclosure by Selected Electricity Supplier. The Electricity Supplier must notify its Customers that by signing up for Competitive Power Supply with the Electricity Supplier, the Customer is consenting to the disclosure by the Company to the Electricity Supplier of certain basic information about the Customer. At a minimum, the notice shall inform the Customer that the following information will be disclosed: the Customer's Company account number, data about meter readings, rate class and electric usage, the Customer's name, address(es) and telephone number, or as otherwise may be consistent with Commission rulings.

C. Potential Technologies

Technical conference participants also discussed other potential mechanisms or technologies that could be used to share interval consumption data, including "Green Button" technology and real-time outage information. The so-called "Green Button" is a technical standard based in XML or CSV format supported by the Department of Energy. It allows utilities to share energy consumption data with customers, who can then download and share their information with others. At Pepco, the "Green Button" provides 13 months of 60-minute interval data in either a CSV or XML format measured in kW or watts, respectively, to two

decimal places to the right of the decimal point. This functionality is provided by a hosted website linked to Pepco's "My Account" tool on a day-after basis. The "My Account" application is only available to customers (with either SOS or third-party supply), but not to a TPS directly. It is a single account-only application and does not provide volumetric use for multi-account scenarios.

Pepco and suppliers have invested in an infrastructure that can receive, interpret, and respond to each other on a volumetric, multi-account basis, using standard EDI transactions. Creating another system based on XML, in order to process thousands of transactions and provide interval data to suppliers would be costly in terms of the planning, design, and development given that a system that already provides that functionality is in place. Therefore, switching from the EDI standard of data interchange to an XML-based mechanism for suppliers, like "Green Button," is not being planned.

It was asked whether Pepco would provide the AMI consumption data the day after it was used (i.e., daily data). At this time, Pepco provides interval data the day after for commercial customers and industrial customers who are processed through the MV90 system via a secured website. Pepco does not intend to place residential AMI interval data on this website given the Company's substantial investment in EDI, which provides information on a monthly basis. Furthermore, Pepco employs data quality measures, including validation of metered data. For example, any meter data found missing for Interval Billed Accounts would need to use estimates from Pepco's Meter Data Management system based on established estimation criteria. Any bill with an estimation not based on an actual register reading will be considered estimated and will be reviewed before sending to the customer. If revised data determined to be accurate is received after estimated or edited data has been sent to billing, the system will automatically

send additional data to the billing system. The billing system will then automatically generate a “cancel and rebill” to the account (and TPS) or be placed in a work queue to be further evaluated. These circumstances tend to be rare, but billing-quality data requires time to review for possible errors.

Additionally, TPSs stated the desire to receive customer level outage durations, either in real-time or in a day-after capacity. However, Pepco is not able to communicate real-time or day-after outage data to a TPS. Rather, EDI consumption transactions include the total amount of usage, including net energy metered customers, SOS or TPS. The Company strives to provide bill-quality data, and that is not always available in real time or day-after. The Company has the data available at the point of billing.

C. PJM Settlement of AMI Interval Data
No additional questions were raised.

D. Customer Enrollment and Switching Timeline

A question was raised regarding the possibility of shortening the time to switch a customer from one TPS to another or from SOS to a TPS. Pepco follows the rules dictated in the Commission’s regulations regarding switching times. Any changes would require a separate proceeding.

II. Confidentiality and Customer Information Issues

AMI enables the utility to collect more granular data about customers’ electricity usage, and in much shorter intervals. On one hand, this data is one of the principal means of cost-savings as a result of AMI technology in that it will enable the identification of ways to use electricity more efficiently. On the other hand, it is reasonable to assume that customers may be concerned about privacy issues that could arise as a result of this type of specific information being shared. Pepco is sensitive to these concerns, and will continue to follow Commission

regulations and the Pepco Tariff to achieve the appropriate balance between sharing customer data with suppliers and protecting customers' legitimate privacy with respect to electricity usage.

15 DCR § 308.1 *et seq*, governs the use and sharing of customer information. Under the current practice, a customer that affirmatively chooses third-party supply signs up with a TPS consents to that supplier receiving his billing information from Pepco. Pepco, in turn, provides the relevant data to the given TPS. Such a practice is consistent with the current Commission regulations and the Pepco Tariff.

Specifically, § 308.3 states:

Unless a Customer consents in writing, Utility, Energy Supplier or Telecommunications Service Provider may not disclose or use information that is (1) about the Customer, and (2) was supplied to the Electric or Natural Gas Utility or Energy Supplier by the Customer for any purpose other than the purpose for which the information was originally acquired.

Based on this provision, along with Section 7.1 of Pepco's Supplier Coordination Tariff cited above, a customer that had signed up with an electricity supplier consented to that supplier receiving certain, limited electricity usage information. Prior to AMI, the information provided by Pepco would enable the TPS to bill the customer. As AMI becomes fully functional, however, the data that Pepco would provide to TPSs would show much more and enable TPSs to develop new products to offer customers. Certainly, some customers would be willing to entertain additional options and would welcome the introduction of more diversified products that could help them save money on electricity costs. Other customers, however, might not wish to receive unsolicited offers for new products or supply options brought on by AMI data, or at least would desire to affirmatively consent to a supplier's use of AMI data for the purpose of receiving additional options.

The Company believes that the language of the current regulations together with the language of the Commission-approved Supplier Coordination Tariff permits Pepco to continue to provide data to TPSs that had originally obtained customer consent to receive information that came from traditional electricity meters. If the Commission does not find that the current regulation permits such data sharing, an additional rulemaking would be warranted so that the roles and responsibilities of electricity suppliers and utilities are clarified.

III. Conclusion

In accordance with the Commission's July 13, 2012 order in this proceeding, Pepco submits this Post-Technical Conference Report.

Respectfully submitted,

POTOMAC ELECTRIC POWER COMPANY

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Counsel for Potomac Electric Power Company

Washington, DC
August 30, 2012

Appendix A

List of Attendees at the Technical Conference on July 31, 2012 at the DC PSC offices

Brian Greene – RESA Counsel
Leah Gibbons - Reliant
Danielle Lopez - OPC
Jennifer Weberski - OPC
Claudette Hood – Pepco Holdings
Natalia Mathura– Pepco Holdings
Kim Mason– Pepco Holdings
Peter Meier– Pepco Holdings
Marc Battle– Pepco Holdings
Jeff Borek – WGES
Manish Kumar – WGES
Melanie Santiago-Mosier – WGES
Michelle Brazelton – WGES
Mac Chryssikos – WGES Counsel
Craig Berry – DC PSC
John Howley – DC PSC
Sanford M. Speight – DC PSC
Jeremy Laundergan – ENERNEX
Anne Lindner – Exelon
Frann Francis – AOBA
April Kreller – AOBA

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Post-Technical Conference Report was served this 30th day of August 2012, on all parties in Formal Case No. 1098 by electronic mail.

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