

Energy Data
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Comments on

Competitive Metering
Rulemaking Project 26359

Public Utility Commission
of Texas

September 17, 2002

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Current Status

Generally, electric deregulation is succeeding. Texas is “the model” with enviable:

- Market structure.
- Price competitiveness.
- Marketplace stability.
- Security of supply.
- Security of delivery.

But, we’re struggling with:

- **Information flow**
 - Switchovers/move-ins
 - Billing
- **Demand-side response programs**
 - Practically non-existent or non-functional.
 - No broad framework for direct load control.
 - No competition in TOU rates.

Areas for Improvement

Q: Why a poor performance so far on information flow and demand-side response?

A: Current metering framework is unsuited to a competitive electric marketplace.

Current metering framework fails to provide:

- x Economic consequences for poor performance.
- x Economic incentives for improvements.
- x Meaningful deployment of interval metering.
- x Progress in demand-side response programs.
- x Equitable deployment of time-of-use or interval metering.
- x Incentives for innovation (e.g, combining metering with broadband deployment, meter financing options).

Current Shortcomings

How our current metering framework is failing us:

- Why does it cost \$400-500 to install an interval data recorder (IDR) in Dallas or Houston and only \$250 in Boston?
- Why does it cost \$400-500 to have a TDSP install IDR in Texas when IDR's are available for \$30-100?
- Why do TDSP's in Texas have perhaps 10,000 IDR's in operation when:
 - Puget Sound Energy has 1.3 million in place?
 - Kansas City Power & Light has 500,000 in place?
 - PECO Energy (Philadelphia) has 1.3 million in and 800,000 going in this year?
 - As one of over a hundred such examples, Crow Wing Power cooperative has installed 25,000?

The current metering framework is failing us.

Solution

Suggestion: Texas' current framework for commodity competition is a good model. Let's extend it to metering:

- Leverage the momentum of existing utilities. Keep them in the game and allow them opportunities to grow.
- Open opportunities for additional qualified providers to own, install, maintain, and operate metering and collect and distribute metering data.
- Level the playing field with appropriate regulatory oversight.
- Safeguard the rights of individual consumers.
- Maintain stability through careful transition planning.

Conclusion

In conclusion:

- Electric deregulation exists because greater efficiency can be achieved through competition.
- Consumers will tend to favor the more efficient of competing choices in pursuing their goals.
- How can consumers make good decisions without timely and accurate knowledge of how much they're consuming? They cannot.
- Consumers must have much more and much better metering choices than the current metering framework can provide.
- Let's extend the current model—the nation's “best practice”—to benefit from competition in metering, too.