

**PUCT
Workshop on
Competitive Metering**

**Austin, TX
September 17th, 2002**

Who is Logica and What are our Interests?

Logica

- **Acknowledged expert in solving Energy & Utility sector business problems in areas that include integrated solutions, liberalized/ deregulated environments, competition and restructuring**
- **In the deregulated electricity markets worldwide, more than 1/2 of the customers are served by Logica systems and technology -- 26 million customers in the UK alone.**
- **We are a major player in competitive markets and a neutral facilitator that wants to help ensure the success of the Texas Market**

Competitive Metering: Lessons Learned



- Start with a Long-Term Plan in mind
- Implement with a Phased Approach
- Provide reasonable time-line for participant compliance
- Statewide/Market-wide standards should apply to all participants
- Competitive Metering Service must have a default provider
- Different customer classes have different needs
- A 3rd party should be identified as the Quality Assurance monitor

Other Markets' Attempts at Competitive Metering

California

- “Functional Unbundling” of metering services
- Meter Service Providers
- Meter Data Management Agents
- Utility Distribution Companies roles unresolved
- ESP can elect to provide MSP and MDMA services for its customers
- Independent MSPs and MDMA can act as agents for ESPs
- Most of the meter service participants left the market in 2001

Pennsylvania

- Has opted for an eventual “all or nothing approach” to Competitive Metering
- Interim step has allowed for the installation of advanced metering for all customer classes by Pennsylvania distribution companies to increase the availability of interval consumption data
- Fewer than 200 advanced meters were deployed in the first two years of the program
- Market rules, processes and transactions are still in development

Massachusetts

- The Department of Telecommunications and Energy’s report to the Legislature recommended that the state’s unbundling of metering-related services be postponed or reversed

New York

- Electric metering shall be furnished competitively to large customers
- Customer has 4 options – (a) metering and meter data services from utility, (b) contract w/ an MSP for meter services and an MDSP for meter data services, (c) meter service from utility and contract w/ MDSP for meter data services, (d) customers w/ demand of 50kW or greater can own their meters and can pursue one of options a, b or c
- Meter reading, CAVEE (customer association, validation, editing and estimating) functions can be same company or separate – sends data to the utility
- EDI proposed but not in place
- No MSPs in the market
- 5 MDSPs in the market
- Advanced metering is needed for value added services
- No one has yet opted for competitive metering services

The UK

- Domestic competition started in 1998
- Interval (half hourly) meter operation was competitive from 1994
- Provision was made for metering competition, but
- Local electricity companies retained a non-interval (non half hourly) monopoly until 2000
- Gas metering competition lags behind electricity
- Limited but growing competition, with meter reading in the lead

Competitive Metering Participants



- DMA - Data Management Agent
- MOP - Meter Operations Provider
- CR - Competitive Retailer (Retail Electric Provider)
- RA - Registration Agent
- TDSP - Transmission Distribution Service Provider
- Customers

Competitive Metering Participant Roles



- **DMA - Data Management Agent**
 - (1) Meter Reading
 - (2) Information Services

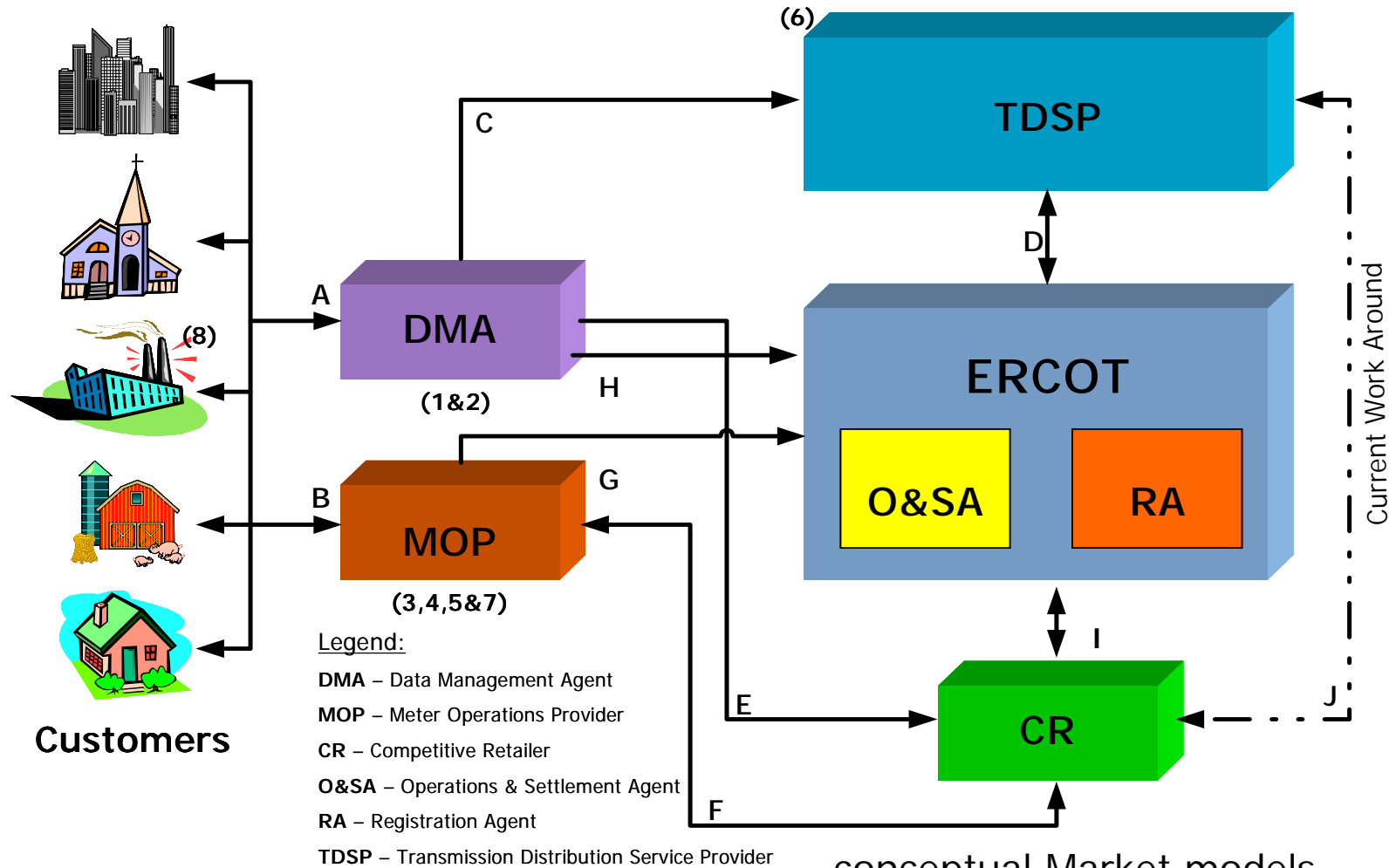
- **MOP - Meter Operations Provider**
 - (3) Meter Ownership
 - (4) Meter Maintenance
 - (5) Monitoring and Compliance
 - (7) Installation and Testing

- **TDSP – Transmission Distribution Service Provider**
 - (6) Data Reconciliation

- **Customers**
 - (8) **Data Ownership** (shared ownership (limited) have unfettered right of access and use of data, clearly other participants should also have shared rights to the data)

- Logica conducted a workshop on **Competitive Metering Market Implementation** on August 27th in Houston.
- The purpose was to allow existing market participants and new entrants planning to enter the market for metering services, to share their views with other market players on the type of market that Texas should consider implementing.
- The workshop was hosted by Logica, acting as the facilitator for development of a workable discussion (Strawman) for implementation of Competitive Metering in Texas for January 2004.

Competitive Metering – End Vision



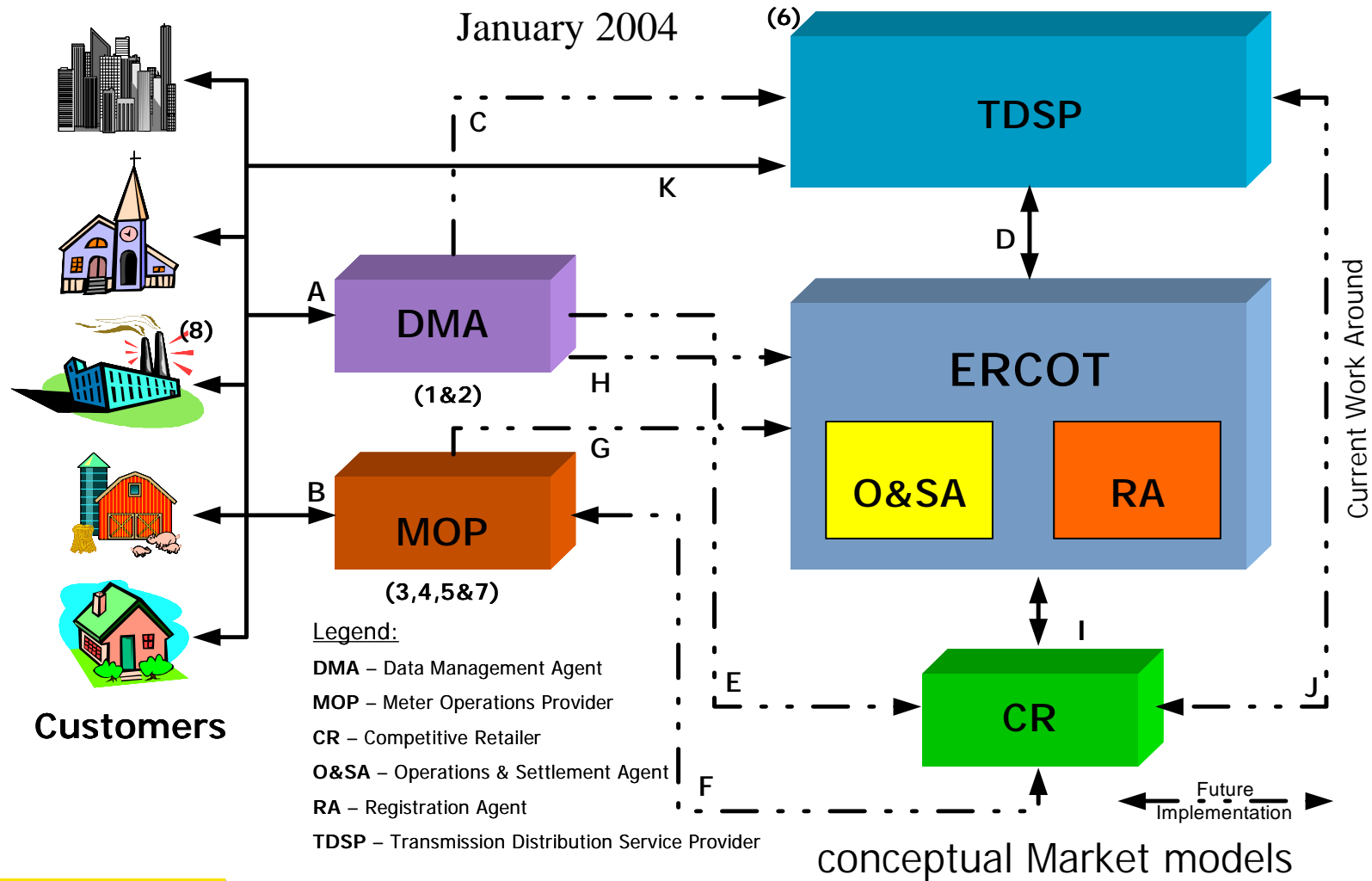
conceptual Market models

Phase 1

Strawman from Workshop

Logica

Competitive Metering – Phase 1



Questions & Answers