Public Utility Commission of Texas Docket No. 26359 Competitive Metering



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Hunt Power Overview

Large Scale Power Generation
 Hunt Gas Assets

- Distributive Generation
 - Technology Investment / Real Estate Enhancement

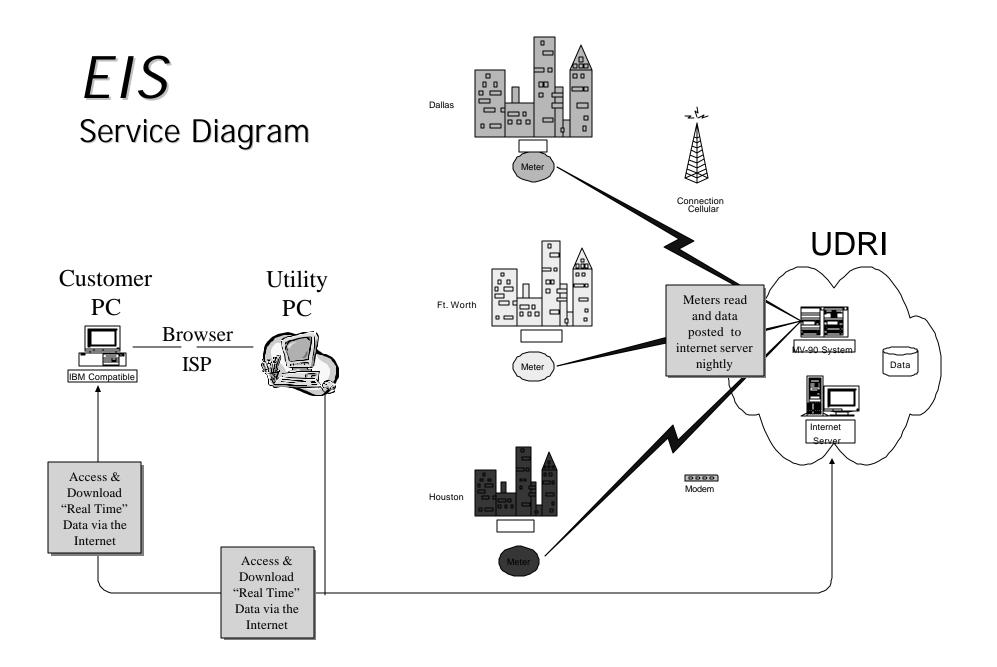
Hunt Power Overview

- MeterSmart Division
 - Provides Low Cost Metering Manufacturer/ Data Solutions
 - 'Outsourced' full-service provider to Sharyland Utilities

Who is MeterSmart

Utility Data Resources

- Interval Data Collection
- Web Based Presentation to End Users
- Complex Billing Software and Service Bureau
- EMON
 - Sub-metering Manufacturer



Sharyland Plantation

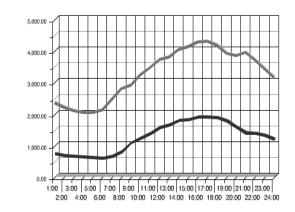
- 6,000 Acre Master Planned Development
 - Residential (84 %)
 - Commercial (14%)
 - Industrial (2%)
- Industrial Applications
- Need for Quality Infrastructure to Attract Customers

Sharyland Rate Structure

- Transmission Charge
 - Allocation Based on SU's System Four Coincident
 Peaks in the Summer Months
 - 15 Minute Interval Requirement
- Distribution Charge
 - Based on the Customer's Non-Coincident Monthly Demand
- Rate Structure the Same for All Customer Classes

MeterSmart Sharyland Service Features

- FULL IDR Deployment
- Meter Reading
 - Remote IDR Collection
 - Accuracy Testing
 - Billing Determinants sent to Sharyland Utilities per Cycle
- Web page to view daily load profiles for all customer classes
- Most customers have updated information every 24 Hours



Other MeterSmart Activities

- Commercial sub-metering
 - 75+ buildings in Texas; >25 MW
- Services Provided
 - Sub-meter Hardware
 - Data Collection & Internet Presentation
 - Consulting on Design & Reporting
- Objectives
 - Future Price Negotiations
 - Operational Efficiencies & Compliance Reporting
 - Allocate Usage Correctly to Departments & Tenants

In competitive choice areas, MeterSmart has continuous contact with REPs and customers

Advanced Metering: Goals for C&I Sector

- Interval Meter Data Needs to Support:
 - Real Time Pricing
 - Voluntary Load Curtailment
 - Automated Load Curtailment
 - Timely and Accurate settlement

MeterSmart Experience

- Continued reliance on profiles is holding back the Texas market
- Absence of IDR data in midsize commercial sector is increasing costs to system

Will customers participate?

- YES, if we show them the following:
 - Understanding load shapes
 - Individual
 - System
 - Education on how demand participation affects prices and system reliability
 - Value of demand elasticity
 - Economic (individual and system-wide)
 - Environmental
 - Most Important: COST SAVINGS for shifting load

Will customers participate?

- Customers will respond to price signals
 - Not just large industrials
 - Many opportunities (favorable load shapes) in midsize commercial sector
- Customers want:
 - Opportunities to save money through creative timebased rate plans
 - Ability to view their usage patterns

Will REPs respond?

- REPs Want:
 - Accurate, Low Cost Usage Data to Develop and Offer Rate Plans
 - Track Record of Usage History

Recommendations

- We advocate an Interval Data Recorder requirement for all C&I customers above 50 kW
- We are neutral as to who owns the meter
- We are skeptical that competitive metering will achieve this goal

Conclusions

- REPs will respond
- Customers want to respond
- The market will benefit from demand elasticity
- It all starts with the meter data

Conclusions

- More IDR meters needed in midsize C&I category
- Competitive metering won't achieve IDR deployment as fast as TDSP requirement

Conclusions

- The customer should have control over the meter data
- We are neutral on the subject of who owns the meter