NYSERDA New York State Energy Research and Development Authority

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December 10, 2007

Hon. Jaclyn A. Brilling
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

RE:	Case 94-E-0952	In the Matter of Competitive Opportunities Regarding Electric Service
	Case 00-E-0165	In the Matter of Competitive Metering
	Case 02-M-0514	Proceeding on Motion of the Commission to Investigate Competitive Metering for Gas Service

Dear Secretary Brilling:

The New York State Energy Research and Development Authority (NYSERDA) hereby submits the original and five copies of its Comments in response to the *Notice Seeking Comment*, issued October 10, 2007 in the above-referenced proceedings. Copies of these Comments are being served via email and U.S. Mail on all active parties in this proceeding.

NYSERDA believes that Advanced Metering Infrastructure (AMI) systems can offer multiple benefits to utilities, customers, contractors, and competitive energy markets. Successful implementation of AMI systems is widely considered an important means for improving the cost-effectiveness of, and enhancing participation in, numerous programs including Demand Response (DR), hourly pricing, and "smartgrid" programs, as well as programs which are potentially created by the Energy Efficiency Portfolio Standard Proceeding (Case No. 07-M-0548).

NYSERDA applauds staff for developing a comprehensive list of features and functions that should be included in a standard for AMI systems. Included in NYSERDA's Comments below are a background discussion relating to

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access to meter data along with suggested clarifications to more fully capture the effectiveness and benefits of AMI systems. Further suggestions are provided regarding benefit/cost methodology and inputs.

Background

NYSERDA believes that access to meter data by customers or their designees is critical for successful implementation and use of AMI systems. Successful deployment of these systems, and the essential information they provide, requires comprehensive access to meter data among utilities, Department of Public Service Staff, customers, and competitive providers. In its experience delivering metering options, NYSERDA has found that many of the limitations in read-only access to meter data experienced to date are not necessarily a technical question of meter functionality, but instead relate to definitions of meter access limited to KYZ (pulse) output and utility-sponsored web-based access, which artificially limit access to meter data.

Participation in DR programs requires meter data access. In the absence of effective access to such data, consumers who wish to participate in DR programs are required to install redundant meters. New York's successful DR programs have resulted in the installation of thousands of redundant meters throughout New York. As a result of current policies and programs, redundant meters have been the most expedient solution for the DR market, in the short-term. However, NYSERDA believes that AMI systems, rather than redundant metering, provide a more cost-effective long-term solution.

Recommendations for Features and Functions Standards

With respect to the specific considerations listed in the October 10 Notice, NYSERDA offers the following comments:

Whether the items included on the list are accurately and/or sufficiently defined; and if not, how to improve the definition

NYSERDA supports the list of features and functions provided by DPS Staff and believes that they are sufficiently comprehensive. While supporting item (f)[1] requiring read-only access to meter data, NYSERDA maintains that further clarity is needed with respect to how access is provided to customers and/or their designees, and what data are made available. NYSERDA suggests the following modified definitions:

- "Direct" should include "on-site","electronic", and "open-protocol."
- "Remote" should include "either through processes and services offered by a utility or by competitive providers."
- "Competitive providers" should be defined as including contractors designated by the customer to be provided meter data access.

A full description of the meter data that customers and their designated contractor can access are critical. NYSERDA suggests all data tracked by the meter (*i.e.,* kW, kWh, kVAR, current and 30-day rolling data) be included in the description.

[1] Item (f): Direct, real-time (defined as a time lag of five minutes or less) remote read-only access for customers and/or competitive providers to meter data.

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NYSERDA supports Item (j)[2]. To sufficiently expand service offerings to customers and to further advance competitive markets for advanced energy technologies and services, NYSERDA suggests the terms "open protocol" and "non-proprietary" be included among the criteria for accessing and communicating meter data.

Any other matters related to such an AMI standard not otherwise addressed by the above questions

Benefit/Cost Methodologies. Consistent with the planned approach to standardizing the features and functions of AMI systems policies, NYSERDA suggests that, to the extent practicable, benefit/cost (B/C) methodologies for AMI systems be guided by consistent methods and inputs. While the input values and costs are appropriately utility- and region-specific, inclusion of a consistent set of inputs would be helpful for a full accounting of costs and benefits. Since AMI costs are ultimately borne by energy consumers, B/C analyses should not be guided solely by the apparent benefits to the utility. A B/C methodology should include utility-specific and broad societal costs and benefits that include those realized by other market actors (*e.g.*, customers, third party DR providers, competitive load serving entities).

Any instituted B/C methodology should also account for the full range of possible benefits that flow from AMI systems. For example, commodity providers and customers may be able to optimize their forward, planned purchases and innovative products and services flowing from improved forecasting may become available to them. In addition, the use of meter data to manage customer demand and reduce hedge costs could motivate demand for innovative hardware, such as energy information displays and remotely managed window air conditioners, which may result in energy cost reductions to the customer.

Respectfully Submitted,

John Williams
Deputy Counsel
NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY

[2] Item (j): Ability to send signals to customer equipment to trigger demand response functions, and/or connect with a home area network (HAN) to provide direct or customer-activated load control.

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