

Pennsylvania Policy and Legislative Update

Mid-Atlantic Distributed Resources Initiative
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Topics

- ❑ Investigation into DSR, Energy Efficiency Conservation, and Advanced Metering.
- ❑ Pennsylvania Metering Profile
- ❑ Pennsylvania's Special Session on Energy
- ❑ Pending Legislation
- ❑ Implementation Issues

PUC Investigation into AMI, DSR, and Energy Efficiency

- The Commission initiated an investigation of DSR energy efficiency, conservation and advanced metering infrastructure (“AMI”) on October 11, 2006 at Docket M-00061984.
- The objective of this investigation was to identify cost-effective AMI, energy efficiency and DSR strategies.
- The Demand Side Response Working Group provided a report to the Commission in June 2007 and staff developed policy recommendations.
- The Commission suspended its investigation in August 2007 pending the resolution of the Special Session on Energy.

Pennsylvania Metering Profile

- ❑ Six EDCs have fully deployed or are completing deployment of AMR networks that have varying levels of “smart” functionality: PECO, PPL, Duquesne, Citizens, Wellsboro, UGI. These systems would all require some upgrades to provide hourly pricing to all customers.
- ❑ PPL is currently upgrading its AMR network, without replacing meters, to provide a hourly pricing option for all customers by 2010.
- ❑ PECO advises it can upgrade its systems to provide hourly pricing without replacing meters.
- ❑ Duquesne advised that it would need to change out its meters to provide hourly pricing.
- ❑ For four EDCs, interval metering is limited to larger C&I customers: Allegheny, The 3 FirstEnergy operating companies. No AMR or AMI deployment plans before the PUC.



Pennsylvania Special Session on Energy

- Governor Edward Rendell convened a special session on energy policy on September 17, 2007.
- Session would address funding for clean energy, energy conservation, and the establishment of alternative fuels mandate.
- Regular legislative session still ongoing, and energy legislation can be introduced in both the regular and special session.

Legislation: Two Most Active Bills

- Senate Bill 1 (Special Session Bill). Passed the Senate in on December 12, 2007. Provides state funding for loans and grants, as well as tax credits for project developers and consumers investing in renewable energy or energy efficiency.
- House Bill 2200 (Regular Session). Passed in the House on February 12, 2008. Mandates 2.5% load reduction and 4% peak demand reduction targets for all EDCs with at least 100,000 customers by 2012. Also requires these EDCs to install smart meters at all customer locations within 10 years. Make at least one real time or TOU rate available to all customers by 2010.
- www.legis.state.pa.us



AMI Implementation Issues

- ❑ Assuming AMI Deployment is mandated, new rules will need to be developed.
- ❑ Minimum AMI standards: Open architecture, etc.
- ❑ Meter Data Access Standards for Customers and Other Entities (EGS, CSPs, etc.).
- ❑ Standardized Communication Protocols Between EDC AMI and RTOs to facilitate the utilization of DR at the wholesale level.