



District of Columbia

PUBLIC SERVICE COMMISSION

People Serving the Community

STATUS OF DYNAMIC PRICING ACTIVITIES IN D.C.

Grace Hu, Chief Economist

District of Columbia Public Service Commission

May 12, 2011

MADRI Meeting



PowerCentsDC – DC Pilot Program

PowerCentsDC.org

Consumer video is available on YouTube

PowerCentsDC
Smart Meter Pilot Program, Inc.

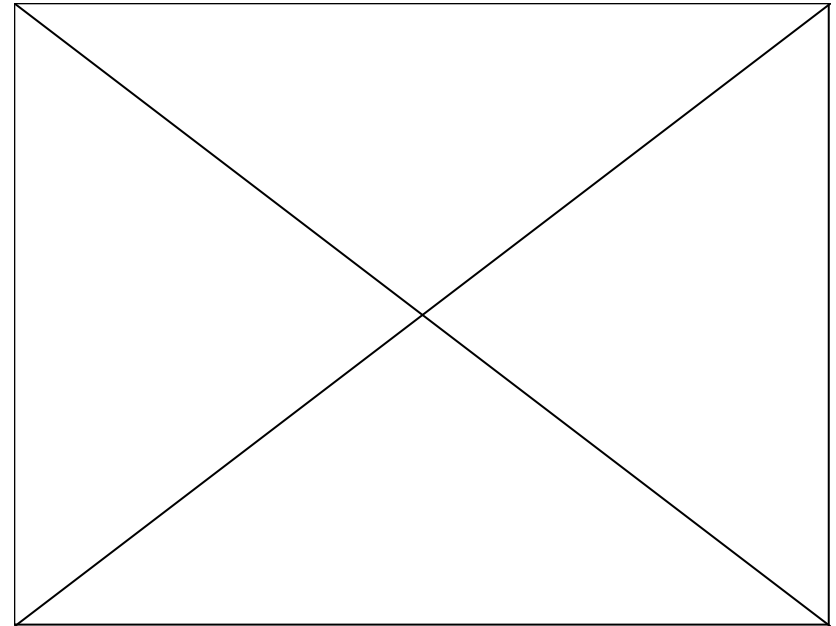
Welcome to the PowerCentsDC Smart Meter Pilot Program

[Final Report, September 2010](#)

[Press Conference Slides, September 2010](#)

[Briefing to White House Officials, July 1, 2010 \(Presentation\)](#)

PowerCentsDC was an advanced or "smart" meter pilot program for approximately 800 to 900 residential customers. The program began in mid-July 2008, and ended in October 2009. It was sponsored by Smart Meter Pilot Program, Inc., a non-profit organization comprised of the



Get a copy of the Final Report!

http://www.youtube.com/watch?v=vH6_pbdZ9HQ



Formal Case No. 1056 – AMI Proceeding

October 2009

\$44.6 million was awarded by DOE

April 2010

PEPCO filed Dynamic Pricing (DP) Plan and DP tariff

September 23, 2010

Legislative hearing on Dynamic Pricing

March 1, 2011

Customer Education Plan was filed

2009

2010

2011

February 2010

Chairman invited retail and wholesale suppliers to participate in the proceedings

July 2010

Commission created AMI Task Force to develop a comprehensive education program



Pepco's Dynamic Pricing Proposal for SOS Customers

INITIAL PROPOSAL

- Customers served under Rider DP have three options for billing:
 1. Critical Peak Pricing (CPP)
 2. Critical Peak Rebate (CPR)
 3. The applicable SOS rate.
- Customers who do not choose an option initially will be placed on the CPR option. (CPR default – Opt-in to CPP or revert back to SOS; SOS is a separate option)
- CPR Rebate: $\$1.25/\text{kWh} * \text{kWh saved}$
- Proposed CPP Peak Rate: $\$1.50/\text{kWh}$
- Customers may change their option once in each calendar year and must remain on that option for at least 12 billing months

SUBSEQUENT PROPOSAL

- Subsequently, through a legislative hearing, PEPCO suggested implementing a CPR on a default basis and introducing CPP rate a few years later (“walk/run” approach)
- There is no bill protection if the program begins with CPR



Meter Deployment / DP Schedule

Proposed Schedule

- Finish AMI meter deployment by end of 2011
- Customer enrollment period for residential dynamic pricing (5,000 customers initially) – Q2 of 2012

Current Status

- Pepco began full-scale AMI meter deployment in D.C. in October 2010
- As of March 2011, Pepco completed installation of approximately 47,737 (17%) of the 280,000 total meters in D.C. *This is significantly slower than the original schedule presented in September 2010.*



Formal Case No. 1083 -

- Initiated September 7, 2010
- Intended to address smart grid policy issues
- DC PSC issued a “Call for Consultants” on April 14, 2011 to seek technical and legal advisory services in smart grid issues, such as:
 - Dynamic Pricing and SOS procurement
 - Structure and Impact of Dynamic Pricing on Residential and Small Commercial Customers
 - Dynamic Pricing for customers in a competitive supply market
 - Third party suppliers and privacy and data access
 - Performance metrics associated with smart grid investments
 - Estimation of the costs and benefits of smart grid investments
- Responses (qualification and hourly rates) due on May 16



Next Steps

Further decisions/discussions will be made in Formal Case Nos. 1056 (AMI Deployment Proceeding), 1017 (SOS Proceeding) and 1083 (Smart Grid Proceeding).

Check www.dcpssc.org for details