

# Maryland Smart Grid/Dynamic Pricing Overview MADRI May 12, 2011

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\*The opinions expressed by Mr. Timmerman do not necessarily reflect the views of the Maryland PSC. This should not be considered to be an official presentation of the Maryland PSC

# Maryland Dynamic Pricing Overview

- For BGE (Case 9208) and Pepco (Case 9207) PSC approved:
  - Peak Time Rebate (PTR) as rate rider applicable to all residential customers both Standard Offer Service – SOS, and retail supplier served)
- Rejected (at least for now)
  - TOU as default SOS rate
  - Critical Peak Pricing (CPP) and Real Time Pricing (RTP) as optional alternatives to PTR
  - Smart Grid implementation for DPL-MD (additional proceedings this summer)

# Dynamic Pricing Implementation

- PTR details to be developed in Smart Grid Work Group and filed for PSC approval
  - Likely SGWG will start work on filing in June
- PTR should be as uniform in tariff and operation as possible for BGE and Pepco (and presumable DPL-MD if approved)
  - Utilities currently working on their joint draft for the SGWG
- Likely starting point (based on info in the Smart Grid cases):
  - \$1.25/kwh for usage reduction relative to baseline
  - Defined peak hours, peak day notification prior day
  - Rebates net of existing DLC programs (no double payment for reductions)

# Dynamic Pricing Implementation (cont.)

- Pricing implemented after AMI system activated and tested
  - Staged installation of smart meters means customers in some areas of service territory will have PTR while others will not yet have meters
- Strong customer education campaign and related metrics required prior to PTR implementation
  - Also under development in the SGWG