



ILLINOIS COMMERCE COMMISSION

Dynamic Pricing and Alternative Suppliers

Presentation to the MADRI Working Group
Meeting #28 - Philadelphia, PA

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Dynamic Pricing Requires “Smart” Meters

- Do smart meters = smart pricing?
 - Do dumb meters = dumb pricing?
- Utilities, not alternative suppliers, are rolling-out smart meters
- What critical mass of meter deployment is necessary for alternative suppliers to offer dynamic pricing?



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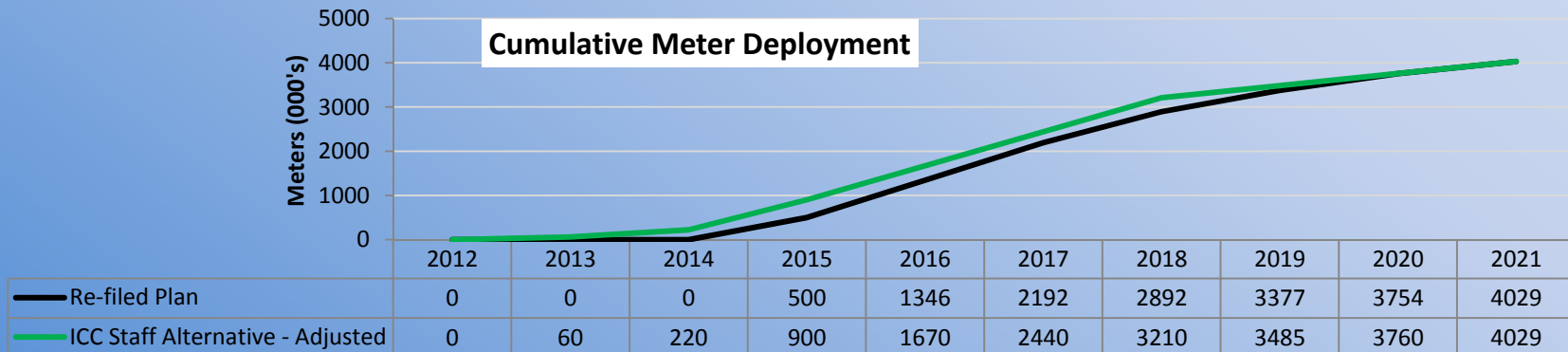
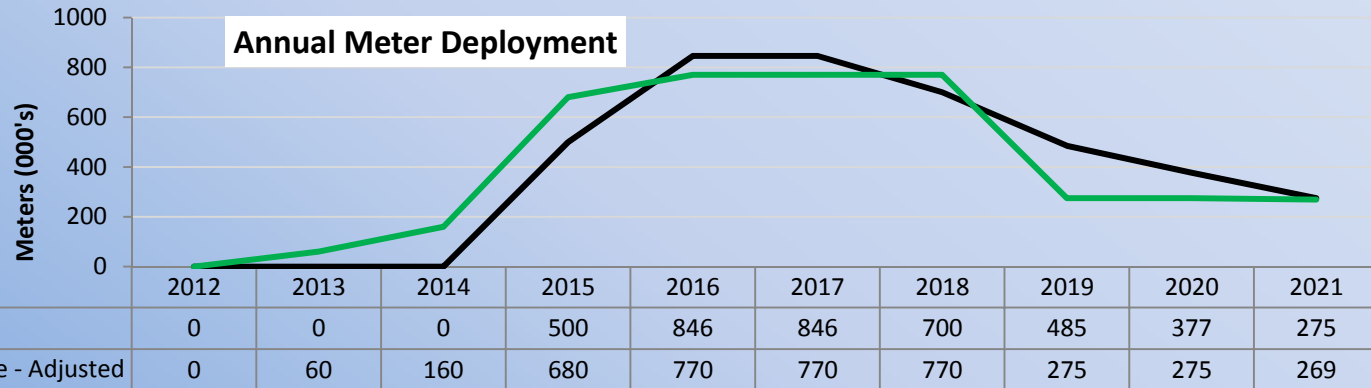
Meter Deployment

Stage 0	Stage 1	Stage 2	Stage 3	Stage 4
<ul style="list-style-type: none"> Install AMI and meter data management systems Prepare systems and processes for installation of 2-way communication network Implement Network & Meter Management Monitoring Center Manage asset information Install first AMI Electric meter Implement deployment metrics/reports and analytics foundation 	<ul style="list-style-type: none"> Process and bill residential and small commercial simple rates and real-time-pricing Integrate AMI and MDM systems and prepare for billing Add deployment analytics 	<ul style="list-style-type: none"> Provide web portal for presentation of customer data Implement Green Button Initiative (see greenbuttondata.org for additional details) Support transfer of usage data from AMI meters to RES Add operational analytics (residential billing, web portal & Green Button, etc.) 	<ul style="list-style-type: none"> Upgrade processes and systems to support connect/disconnect capabilities Add operational analytics (revenue protection, remote disconnect/connect, etc.) 	<ul style="list-style-type: none"> Process and bill commercial and industrial rates Implement Peak Time Rebate enrollment and associated billing functionality Support potential enhanced RES billing processes (i.e. UCB/POR) Integrate AMI into outage restoration processes Add operational analytics (PTR, C&I Billing, etc.)
2 nd Quarter 2014	4 th Quarter 2014	2 nd Quarter 2015	3 rd Quarter 2015	4 th Quarter 2015
Cumulative AMI Meters Deployed: 2014 40,000		2015 188,000		



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Meter Deployment

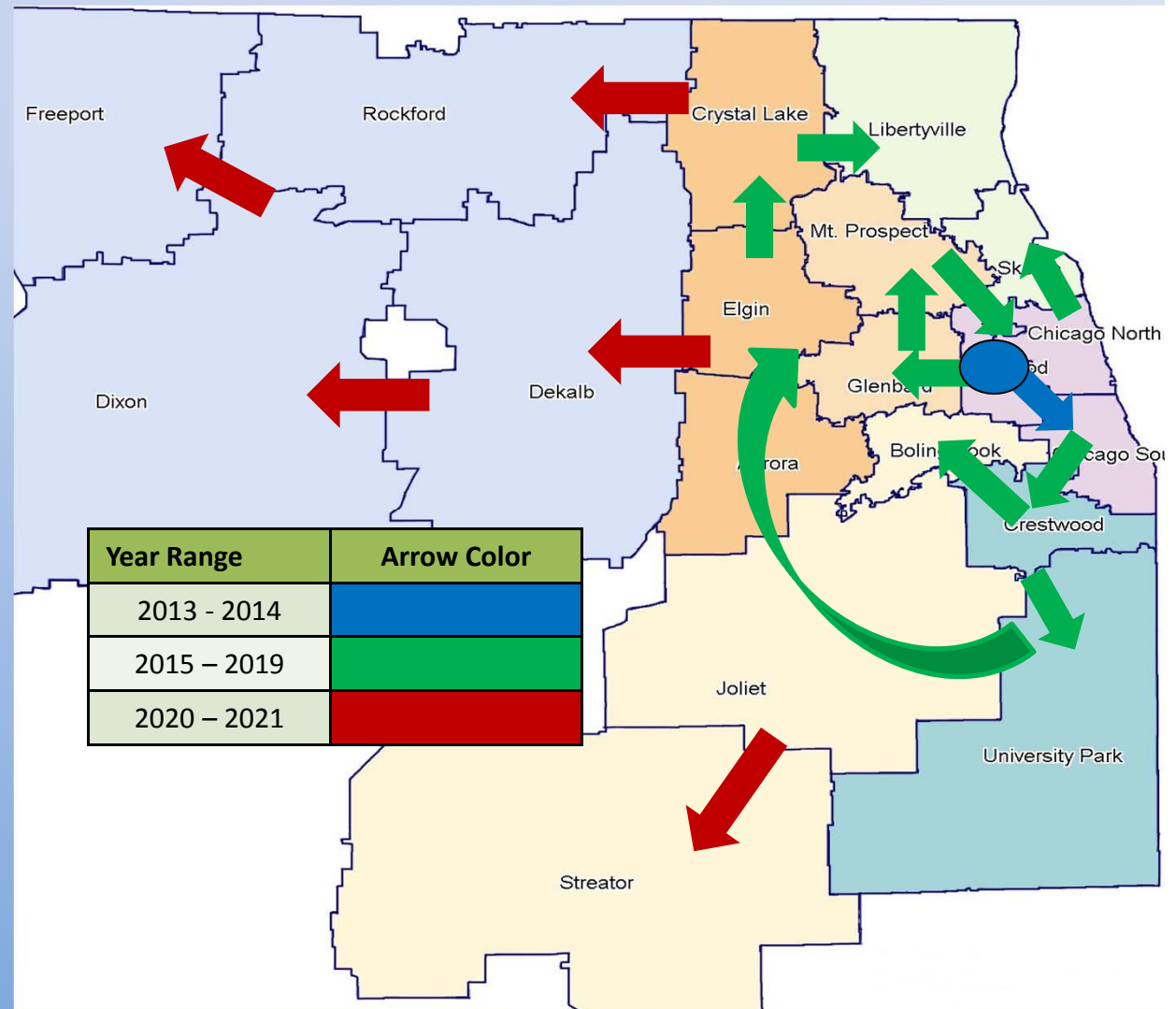


Charts sourced from Commonwealth Edison Company's AMI Deployment Overview



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Geographical distribution patterns may allow alternative suppliers to offer dynamic pricing earlier in the smart-grid rollout.





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What data is needed?

- Do alternative suppliers need full access to all data collected from smart meters?
- If not, what data do they need?
 - What data interval?
 - Do different products require different data?



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Money

- Some of the potential questions:
 - What financial concerns need to be addressed?
 - Would dynamic pricing products still be covered by the purchase of receivables?
 - Who bears the costs for setting up access to this data and billing?
 - The alternative supplier?
 - The utility?
 - Is this cost inserted into the rate base?



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Illinois' Experience

- Docket 12-0484:
 - Peak Time Rebate (PTR) Docket
 - Directs the ICC's Office of Retail Market Development (ORMD) to conduct workshops on developing PTR with ARES.



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Illinois' Experience

- ORMD is conducting a series of workshops
 - Plan is for 6 overall workshops, culminating with a report to the Commission by August
 - All stakeholders are invited and participating
 - First workshop was April 3
 - Next is tomorrow!
 - You are welcome to participate.
 - [10:30am Chicago Time, call-in#: 866-418-3591, pass code: 755208]



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Questions?

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