

National Energy Marketers Association

STATE OF MARYLAND

PUBLIC SERVICE COMMISSION

In the Matter of the Commission's Inquiry)	
Into the Provision and Regulation of Electric)	Case No. 8738
Service.)	
(Competitive Metering))	

COMMENTS OF THE NATIONAL ENERGY MARKETERS ASSOCIATION ON COMPETITIVE METERING WORKING GROUP FINAL REPORT

The National Energy Marketers Association (NEM) hereby submits Comments on the Final Report of the Competitive Metering Working Group. The Report sets forth two different implementation recommendations. One approach requires the full unbundling and offering of competitive metering functions on a phased in basis beginning on January 1, 2002, for commercial and industrial customers and for residential customers when benchmarks of market penetration are achieved. The second approach focuses on the provision of meter information on a near real-time, on-command basis and would allow large customers or third party ownership of the meter.

The National Energy Marketers Association (NEM) is a national, non-profit trade association representing both wholesale and retail marketers of energy and energy-related products, services, information and technologies throughout the United States. NEM's membership includes: small regional marketers, large traditional international wholesale and retail energy suppliers (as well as wind and solar power), billing and metering firms, Internet energy providers, energy-related

software developers, risk managers, energy brokerage firms, information technology providers and both manufacturers and suppliers of advanced distributed generation. Our membership has both affiliated and unaffiliated companies.

This regionally diverse, broad-based coalition of energy and technology firms have come together under the NEM auspices to forge consensus and to help eliminate as many issues as possible that would delay competition. NEM is committed to working with representatives of state and federal governments, large and small consumer groups and utilities to devise fair and effective ways to implement restructuring of natural gas and electricity markets.

NEM asserts that to most rapidly bring the benefits of true price competition to consumers, each monopoly service historically bundled in a utility's bill should be unbundled from products and services that can be offered by competitive suppliers and subjected to the rigors of the marketplace. NEM urges the Commission to immediately unbundle the fully embedded monopoly costs associated with metering and related information technology functions and to make these costs known to consumers and the competitive marketplace. Additionally, NEM recommends that the Commission provide shopping credits to consumers equal to the fully embedded costs of all metering services and related information technologies including ownership, installation, servicing of equipment, maintenance, testing, reading, data management, validation, editing, estimations, pulse output transmission via Internet and billing.

The state should not grant utilities a monopoly or competitive advantage to provide competitive products, services, information and technology. Utilities should perform solely natural monopoly functions. Essentially, regulated utilities should sell regulated distribution services on a "no frills" cost of service basis. Regulations, tariff structures, and operational protocols should be designed to permit

competitive, non-utility suppliers to provide each of the products, services, information

and technologies that are not natural monopoly functions.

NEM reiterates our commitment to working with the Commission and the other

stakeholders to devise fair and effective ways to implement the competitive

restructuring of Maryland's electric markets.

Respectfully submitted,

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