

**STATE OF NEW YORK PUBLIC SERVICE COMMISSION**

**Proceeding on Motion of the Commission in        )  
Regard to Reforming the Energy Vision            )**

**Case 14-M-0101**

**COMMENTS OF THE  
NATIONAL ENERGY MARKETERS ASSOCIATION**

The National Energy Marketers Association (NEM)<sup>1</sup> hereby submits comments on the Staff Proposal on Distributed System Implementation Plan (DSIP) Guidance filed in the Reforming the Energy Vision (REV) proceeding on October 15, 2015. The Commission's REV Track One Order requires the utilities, functioning as Distribution System Platform Providers (DSPs) to file DSIPs. The DSIP is intended to, “serve as a source of public information regarding DSP [Distribution System Platform Provider] plans and objectives, including specific system needs allowing market participants to identify opportunities.” Staff's proposal is intended to provide guidance to the utilities' filings. NEM submits these comments to recommend that ESCOs and other third party-providers be actively engaged, in a fair, open, and non-discriminatory manner, as partners in the delivery system planning process. ESCOs should be provided with customer energy data in a more timely and granular fashion than has been available to-date, and it must be billing quality data. The costs of metering upgrades should not be unfairly shifted to shopping customers and function as an anti-competitive barrier to ESCO participation in the marketplace or to consumer shopping.

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<sup>1</sup> National Energy Marketers Association (NEM) is a non-profit trade association representing both leading suppliers and major consumers of natural gas and electricity as well as energy-related products, services, information and advanced technologies throughout the United States, Canada and the European Union. NEM's membership includes independent power producers, suppliers of distributed generation, energy brokers, power traders, global commodity exchanges and clearing solutions, demand side and load management firms, direct marketing organizations, billing, back office, customer service and related information technology providers. NEM members also include inventors, patent holders, systems integrators, and developers of advanced metering, solar, fuel cell, lighting, and power line technologies.

## A. Distribution System Planning

The achievement of the REV vision will require a dynamic, market-based, stakeholder-centric approach to engaging consumers and identifying and satisfying consumer needs. NEM is concerned that the DSIP process as described in the Proposal is very much still the traditional utility monopoly infrastructure planning process. The utility is tasked with identifying system needs and then appears to be vested with decisionmaking authority as to what resources should be called upon to meet those needs. Such a process is likely to suffer from existing utility biases against third party DER solutions and capital investments and unjustified presumptions in favor of utility-provided solutions. Moreover, it requires the utility to foresee and ascribe value to innovative third-party provided competitive options in a vacuum. Retaining the traditional utility-centric approach to system planning will not advance the REV goals of robust DER participation and increased consumer engagement in energy usage decisions. This approach carries a significant risk of creating new utility demand monopolies, given the utilities superior access to system data, and apparent authority to select when, where and which DER solutions will be deployed.

Given the rapid pace of DER innovation, third-party providers must be actively engaged as *partners* throughout the delivery system planning process to ensure that cutting-edge technology solutions are employed to meet system needs. ESCOs and other DER providers should be provided with a fair, open, non-discriminatory process for engaging with the utilities as their partners in the system planning process, actively working together to identify opportunities for investments and to provide solutions. This begins with an open stakeholder process that provides an equal opportunity for participation beginning from the early system planning phases, continuing through a competitive RFP process for DER solutions and through to the timely interconnection

and deployment of the DER resources. The engagement of wide-ranging technology providers in the RFP process will be pivotal to realizing REV goals. RFPs should be structured to allow and encourage robust participation from diverse, qualified bidding entities, not from a narrow set of predetermined solutions.

#### B. Access to Customer Data

ESCOs and other third party providers have been challenged to provide more innovative products to consumers because they need as near to real-time, open, non-discriminatory access to advanced metering infrastructure and meter data. Under the current structure, ESCOs settle to a standard load profile that is developed using average utility usage data.<sup>2</sup> This structure has prevented residential and small commercial consumers from realizing value in reducing demand inasmuch as it is not reflected in the average usage numbers currently used to settle with the ISO for any given consumer. Staff's Proposal would directly require the utilities DSIP filings to address, "the extent and granularity of the customer-specific energy usage data this is currently available for sharing," with ESCOs and other third party providers. Realizing REV goals will require that customer energy data be provided in a more timely and granular fashion than has been the norm. Timely access to more granular data will allow ESCOs to design and provide more innovative products that are better responsive to consumer needs.

As a general matter, it is inappropriate to institute the utility in the role of information gatekeeper in the guise of protecting customer privacy and confidentiality of information. The data belongs

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<sup>2</sup> NEM has previously introduced in the record of this proceeding a low cost, interim measure for developing Retail Demand Response Load Profiles to facilitate customer engagement with ESCO value-added services. Given the long timeframe associated with the potential roll-out of advanced metering infrastructure, making Retail DR load profiles available as a transitional measure would be a cost-effective means to jumpstart increased offerings of DR-related products by ESCOs.

See [http://www.energymarketers.com/Documents/NEMA\\_Mass\\_Market,\\_Retail\\_DR\\_Policy.pdf](http://www.energymarketers.com/Documents/NEMA_Mass_Market,_Retail_DR_Policy.pdf)

to the consumer. Artificial, unnecessary barriers to sharing data between a consumer and its designated ESCO must be avoided. A streamlined mechanism must exist by which ESCOs can obtain billing quality data for all of their customers (with customer authorization), without having to make multiple requests for data for each individual customer. ESCOs and utilities currently use EDI infrastructure to share data, and they should continue to be able to make use of their existing EDI data receiving and processing infrastructure.

### C. Metering Infrastructure Upgrades

A number of utilities are considering Advanced Metering Infrastructure investments for their service territories. As and when these metering upgrades are implemented, utilities should be required to provide ESCOs with metering data in as close to real-time as possible in order to realize the full benefits of AMI for consumers. The Staff Proposal contemplates different metering roll-out scenarios, employing different combinations of AMI and AMR. In one scenario, the utility would deploy AMR, and AMI would be deployed to individual customers by ESCOs and other competitive DER providers. NEM is concerned that such a requirement would make it uneconomic for ESCOs to serve these customers, particularly mass market customers, and create an anti-competitive barrier to consumer shopping. ESCOs and other competitive DER providers may wish to provide metering to specific customers that offers increased functionality to support differentiated product offerings, and ESCOs should be allowed, but not required, to do so.

D. Conclusion

NEM appreciates this opportunity to offer its comments on Staff's Proposal on utility DSIP filings.

We look forward to continued participation in the REV proceeding.

Sincerely,

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