



National Energy Marketers Association

Before the
DEPARTMENT OF COMMERCE
National Telecommunications and Information Administration
Washington, D.C. 20230

In the Matter of)	
Request for Comments on Energy, Water,)	Docket No. 010327080-1080-01
And Railroad Service Providers' Spectrum)	RIN 0660-XX12
Use Study)	

COMMENTS OF THE NATIONAL ENERGY MARKETERS ASSOCIATION

The National Energy Marketers Association (NEM) hereby files these comments in the above-referenced proceeding pursuant to the April 9, 2001, Federal Register Notice requesting comments on how current and emerging technology trends affect the use of radio spectrum. These comments specifically pertain to the use of radio spectrum for the provision of automatic meter reading (AMR). In that regard, NEM supports the comments filed by Itron, Inc., a member of its Executive Committee, pertaining to the merits of AMR in the era of competitively restructured energy markets, particularly, the ability of such technology to allow energy suppliers to better match supply and demand.

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.

On October 28, 1992, President George Bush signed into law Public Law 102-556. Section 401 of the Act directed the Departments of Energy and Commerce to develop a proposal to demonstrate the ability of new innovative communications equipment and services to conserve energy and protect public health and safety. As a result of the findings by the Departments of Energy and Commerce, the Federal Communications Commission authorized the use of the 1427-1432 MHz frequency bands for AMR service on a nationwide basis. The FCC in a decision dated June 8, 2000, cast doubt on the future availability of spectrum for AMR. Subsequently, the FCC issued a notice of proposed rulemaking on November 20, 2000, with several options for allocating the 1.4 GHz band, including a proposal which, in relevant part, would allocate the 1427-1429 MHz on a primary basis exclusively for telemetry operations used by utilities and energy suppliers and permit such telemetry operations to share the 1429-1432 MHz on a co-primary basis with the wireless medical telemetry service.

NEM asserts that AMR offers many benefits including:

- Increaseing productivity and efficiency, making it possible for a meter reader to increase by a factor of ten, twenty, or more the number of meters that can be read in an eight-hour shift; obviates the need for estimated bills and multiple trips to customer homes; and improves the ability to detect meter tampering and theft of services.

- Establishing a direct link between a supplier and meters on its customers premises, enabling the supplier to offer its customers a variety of strategies to reduce peak demand and shift usage to off-peak hours, as well as encourage conservation by providing customers with detailed, real-time price and consumption data.
- Reconciling the multiple, overlapping transactions involving multiple service providers in the deregulated energy environment requires consumption information on a daily basis, and in some cases more frequently.

The stability of spectrum available for AMR is the foundation for new investments to upgrade the Nation's metering system. Investments made to upgrade existing meters and to install advanced meters will permit more accurate forecasting to meet customer demand. Statistical load profiles, which can vary significantly from actual customer usage, are currently used to forecast energy needs. Advanced meters will permit energy suppliers to more accurately match supplies to meet demand and to avoid wasteful imbalance, standby, storage, injection and withdrawal costs. In this way, consumers can save billions of dollars in unnecessary costs.

NEM asserts that in order to bring true price competition to the markets, consumers must be able to respond to price signals. FERC recently approved the implementation of Load Response Programs in the PJM,¹ NYISO,² and ISONE³ markets, in order to provide a means of avoiding energy shortfalls for the summer. Metering is an important element in providing the price responsive demand on which these Programs are based.

The timely, accurate dissemination of critical energy usage information is vital to the efficient management of both energy supply and demand. Historically, the installation, maintenance and reading of energy meters have been part of a utility's responsibility. Increasingly, however,

¹ PJM Interconnection, L.L.C., Docket No. ER01-1671-000, Order Accepting Tariff Sheets as Modified, issued May 30, 2001.

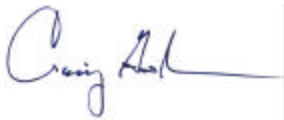
² New York Independent System Operator, Docket Nos. ER01-1740-000 and ER01-1740-001, Order on Tariff Filing, issued May 16, 2001.

³ ISO New England, Docket Nos. ER00-2811-005 et. al., Order Accepting for Filing Proposed Market Rule Changes, issued May 18, 2001.

metering has become a competitive market, particularly for larger commercial and industrial users. However, for the true benefits of competition in energy markets to be enjoyed by all consumers of energy, investments to upgrade existing meters are long overdue and must be made. Clearly, the stability and availability of dedicated spectrum will play a large role in decisions to invest. The challenge in reading meters from remote locations is not one of technology but rather the ability to do so in a cost-effective manner. The use of spectrum to read meters is well suited to support real time pricing, load control and demand side management.

In conclusion, NEM asserts that the benefits of AMR are increasing and will continue to do so in the future provided that stable and dedicated spectrum is available.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Craig Goodman", is written over a horizontal line.

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