BEFORE THE NORTH CAROLINA UTILITIES COMMISSION
DOCKET NO. E-7, SUB 1115

In the Matter of:

Application of Duke Energy Carolinas, LLC, for Approval of Advanced Metering Infrastructure Opt-Out Tariff

NCSEA’S COMMENTS

The North Carolina Sustainable Energy Association (“NCSEA”) submits these comments in accordance with the Order Requesting Comments and Additional Information Regarding Proposed Smart Meter Opt-Out Charges issued by the North Carolina Utilities Commission (“Commission”) on August 11, 2016 regarding the application of Duke Energy Carolinas, LLC (“DEC”) for approval of a tariff applicable to customers who choose not to have advanced metering infrastructure (“AMI”) meters installed. NCSEA has previously discussed AMI issues in its filings before the Commission and in its January 22, 2016 letter in Docket No. E-100, Sub 141 NCSEA noted that it would provide the Commission with formal comments on DEC’s AMI opt-out policy when DEC filed its opt-out tariff.

NCSEA does not challenge DEC’s proposed initial set-up fee or monthly fee for tariff participants. NCSEA does not believe that the costs caused by customers opting out of AMI should be spread among all residential ratepayers. In its response to the questions posed by the Commission, DEC notes that “Following the premise of cost causation, smart meter opt-out costs would only be incurred for customers requesting this non-standard metering option.” Duke Energy Carolinas, LLC’s Verified Response to August 11, 2016 Order Requesting Additional Information, p. 1, Docket No. E-7, Sub 1115 (September 19, 2016) (“DEC Response to Commission Request”). Cost causation is a fundamental
principle of utility ratemaking. In this proceeding, DEC has identified discrete, measurable, and verifiable costs that are attributable to customers who are opting-out of AMI. In accordance with the principle of cost causation, these discrete, measurable, and verifiable costs should be borne by the customers causing them.

NCSEA is keenly interested in AMI due to the energy efficiency options that it enables.\(^1\) DEC states that it “will use the new capabilities of the smart meters to give customers better information on their usage and options on controlling their usage and their electricity costs, by participating in optional programs, if they so choose.” *DEC Response to Commission Request*, p. 3. NCSEA has long advocated that providing customers with better information regarding their energy consumption allows them to better control their usage, and DEC’s filings raise questions regarding customer access to their energy usage data. NCSEA does not seek answers to these questions in the present docket, as NCSEA believes they are more appropriately addressed in the current Smart Grid Technology Plan docket. Rather, NCSEA aims to educate the Commission in this docket about how AMI opt-out interrelates to other issues, including data access. In the current docket, DEC notes that “[t]hrough the AMI deployments, DEC also delivered the capability for customers to view all of the relevant usage data from their meter through the online Customer Web Portal.” *DEC Response to Commission Request*, p. 4 (emphasis added). Through its use of the qualifier “relevant,” DEC highlights two gray areas in the Commission’s current Rules governing data access.

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\(^1\) The deployment of AMI *enables* numerous energy efficiency and demand-side management programs and measures. NCSEA agrees with DEC’s assessment that the deployment of AMI is not itself an energy efficiency or a demand-side management program or measure. *See, DEC Response to Commission Request*, p. 10.
First, what is DEC’s responsibility for providing consumers with access to data collected by AMI that is not sent to DEC’s centralized Meter Data Management system?² The Commission has made clear that Rule R8-51 “is intended to provide individual customers full access to all customer usage information currently available from the IOUs.” Order Requesting Additional Information and Declining to Initiate Rulemaking, p. 8, Docket No. E-100, Sub 137 (August 23, 2013) (emphasis added). However, AMI captures more usage information than is actually transferred to DEC. See, Duke Energy Carolinas 2016 Smart Grid Technology Plan, pp. 27-28, Docket No. E-100, Sub 147 (October 3, 2016) (“The Smart Meter Usage App program is designed to give enhanced convenience and transparency to a customer regarding their electric energy usage patterns. This program installs a device in a customer’s home that is capable of reading actual usage data from the meter in near real time and then communicates with an App on the customer’s phone/computer via the customers Wi-Fi. For this program, the extremely granular usage data is not provided back to the Company, it is only leveraged by the customer.”). What is DEC’s responsibility for providing consumers with access to this data outside their Smart Meter Usage App pilot program? Similarly, DEC plans to reprogram AMI so that meters no longer display data that is collected but not used in the determination of bills. See, DEC Response to Commission Request, p. 5 (“DEC plans to remove the displays on the meter which are not being used in the determination of the customer’s bill so as not to display conflicting information, should the customer read the displays on the meter.”). Does Rule R8-51 require DEC make this information available to its customers?

² NCSEA’s comments are not intended to challenge the reasonableness or prudency of DEC’s decision to utilize a centralized Meter Data Management system to manage the capabilities and functions of AMI. See, DEC Response to Commission Request, pp. 4-5.
Second, what is the most efficient and convenient format for providing customers with their consumption data? The Commission has previously stated that it “expects the IOUs to provide the information in the available format that is efficient and most convenient to the customer, whether that is on the bill, in a separate written document or on the internet.” Order Requesting Additional Information and Declining to Initiate Rulemaking, p. 8, Docket No. E-100, Sub 137 (August 23, 2013). There are devices available that are “capable of reading actual usage data from the meter in near real time and then communicating with an App on the customer[’]s phone/computer via the customers Wi-Fi.” Duke Energy Carolinas 2016 Smart Grid Technology Plan, pp. 27-28, Docket No. E-100, Sub 147 (October 3, 2016). Is DEC responsible for providing its customers with the option to purchase or lease this type of device so that they can access their data in an efficient and convenient manner? Is DEC required to activate the internal wireless networks on AMI so that customers can connect their own devices to access their data?

The various benefits of AMI have been touted for years. However, until DEC’s filing in this docket and the filing of similar information in the current Smart Grid Technology Plan docket, the cost savings afforded by AMI have not been articulated. NCSEA has previously noted that, “while smart meters offer the potential to help consumers use better information to reduce energy consumption and save money, the potential will not be realized if the Commission does not enable the potential[.]” NCSEA’s Comments, p. 17, n. 15, Docket No. E-2, Sub 1089 (February 10, 2016). As the Commission considers the costs and benefits of AMI in this and other dockets, NCSEA
respectfully requests that the Commission also consider whether its current Rules enable
the full potential of the benefits that can be afforded by AMI.

Respectfully submitted, this the 24th day of October, 2016.

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CERTIFICATE OF SERVICE

I hereby certify that all persons on the docket service list have been served true and
accurate copies of the foregoing Comments by hand delivery, first class mail deposited in
the U.S. mail, postage pre-paid, or by email transmission with the party’s consent.

This the 24th day of October, 2016.

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