

Update | Perspective from MADRI

PJM DSR Symposium II

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Pennsylvania | MADRI Update

- ❑ Investigation into DSR, Energy Efficiency Conservation, and Advanced Metering.
- ❑ Recent DSR Activities by EDCs
- ❑ Pennsylvania's Special Session on Energy
- ❑ Pending Legislation
- ❑ Implementation Issues
- ❑ MADRI Activities

Investigation AMI, DSR, and Energy Efficiency

- The PUC initiated an investigation of DSR, energy efficiency, conservation and advanced metering infrastructure (Oct. 11, 2006 Docket M-00061984).
- The objective was to identify cost-effective AMI, energy efficiency and DSR strategies.
- The DSR Working Group provided a report and policy recommendations to the Commission in June 2007.
- The PUC suspended its investigation in August 2007 pending the Special Legislative Session on Energy.

EDC DSR Related Activities

- PPL is currently upgrading its AMR network, without replacing meters, to provide an hourly pricing option for all customers by 2010.
- PECO filed a proposal in March of 2008 to open a Real Time Pricing Pilot to 2,000 residential customers in October of 2008. Program could be expanded to more customers in 2011.
- Other EDCs would have to make meter or other changes to their systems to offer real time pricing to residential customers.



Pennsylvania Special Session on Energy

- Governor Edward Rendell convened a special session on energy policy on September 17, 2007.
- Session is addressing funding for clean energy, energy conservation, and the establishment of alternative fuels mandate.
- Regular legislative session ongoing, and energy legislation can be introduced in both the regular and special sessions.

Legislation: Active Bills

- Senate Bill 1 (Special Session Bill). Passed the Senate in on December 12, 2007. Provides state funding for loans and grants, as well as tax credits for project developers and consumers investing in renewable energy or energy efficiency. Referred to the Pa House.
- House Bill 2200 (Regular Session). Passed in the House on February 12, 2008. Mandates 2.5% load reduction and 4% peak demand reduction targets for all EDCs with at least 100,000 customers by 2012; requires EDCs to install smart meters at all customer locations within 10 years; and make at least one real time or TOU rate available to all customers by 2010. Referred to the Pa Senate.
- Available at www.legis.state.pa.us



AMI Implementation Issues

- ❑ Assuming AMI Deployment is mandated, new rules will need to be developed by the PUC.
- ❑ Minimum AMI standards: Open architecture, etc.
- ❑ Meter Data Access Standards for Customers and Other Entities (EGS, CSPs, etc.).
- ❑ Standardized Communication Protocols Between EDC AMI and RTOs to facilitate the utilization of DR at the wholesale level.



MADRI- Mid-Atlantic Distributed Resources Initiative

- MADRI seeks to identify and remedy retail barriers to the deployment of distributed generation, demand response and energy efficiency in the Mid-Atlantic region.
- MADRI was established in 2004 by the public utility commissions of Delaware, District of Columbia, Maryland, New Jersey and Pennsylvania, along with the U.S. Department of Energy (DOE), U.S. Environmental Protection Agency (EPA), Federal Energy Regulatory Commission (FERC) and PJM Interconnection.
- The guiding principle for MADRI is a belief that distributed resources should compete with generation and transmission to ensure grid reliability and a fully functioning wholesale electric market.
- MADRI has three goals:
 - Educate stakeholders, especially state officials, on distributed resource opportunities, barriers, and solutions.
 - Develop alternative distributed resource solutions for states and others to implement.
 - Pursue regional consensus on preferred solutions.

Recent MADRI Activities

- On April 21, 2008, MADRI filed comments in response to the FERC's Notice of Proposed Rulemaking on *Wholesale Competition in Regions with Organized Electric Markets*; Docket RM07-19-000.
- MADRI expressed support for 2 changes proposed by FERC:
One, eliminate "deviation charges" to buyers for voluntary reductions during system emergencies.
Two, allow aggregation retail customers to bid demand response into RTO/ISO energy markets.

MADRI did not comment on other issues.

Recent MADRI Activities, continued

- MADRI members and other interested parties last met on March 4, 2008 in Philadelphia.
- Issues discussed include the forecasted capacity shortfall in eastern PJM, the development of metering data and communication standards for AMI, and the incorporation of energy efficiency resources into wholesale energy market activities.
- The next meeting is scheduled for June 27, 2008 in Trenton, NJ. Agenda to be provided.
- For more information: <http://www.energetics.com/MADRI/>