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September 30, 2010

Jonathan Booe
NAESB
801 Travis Street
Suite 1675
Houston, TX 77002

Re: WEQ and REQ Smart Grid PAP10 Recommendations

Dear Mr. Booe:

The Edison Electric Institute (“EEI”),¹ on behalf of its member electric utilities is pleased to have the opportunity to submit the following comments to the North American Energy Standards Board (“NAESB”) Executive Committee regarding recommendations for the Retail Electric and Wholesale Electric Quadrants, WEQ AP Item 6(d), and REQ AP Item 9(d), the Business Practices and Information Models to Support Priority Action Plan 10 – Standardized Energy Usage Information (collectively the “Recommendations”).

EEI appreciates NAESB’s role as a forum for the development and promotion of uniform business practice standards.² Such standards serve to lower costs for the industry and ultimately electric customers. EEI also recognizes that NAESB has achieved a very good record of reaching broad consensus among market participants by developing standards that are voluntary and do not address policy issues that are the subject of regulatory decisions. EEI thus supports NAESB’s effort to develop an energy usage information model business practice standard defining a common data format that may be used when information is communicated between customers and utilities, and their authorized third parties.

While EEI’s has some concerns with the draft standards (which are addressed in the matrix below), the industry is particularly concerned with both the process leading to the inclusion of Appendix A in the model standard as well as much of its substance. Appendix A contains a substantial number of requirements that are both outside the scope of a data model and clearly involve regulatory issues as well as stating desired outcomes instead of reflecting

¹ EEI is an association of United States investor-owned electric utilities and industry associates worldwide. Its U.S. members serve almost 95 percent of all customers served by the shareholder-owned segment of the U.S. industry, about 70 percent of all electricity customers, and generate about 70 percent of the electricity delivered in the U.S.

² EEI notes that it was instrumental in the formation of the Retail Energy Quadrant.

business practices. Moreover, the process that has resulted in the inclusion of Appendix A in the model standard is problematic because EEI understands that the NIST SGIP PAP 10 Working Group “PAP 10”) conveyed material portions of Appendix A to NAESB without all NAESB Subcommittee/Task Force participants being provided a full opportunity to have input on and/or modify those provisions.³ Specifically, EEI understands that participants in the NAESB Subcommittee/Task Force process were informed that material portions of Appendix A had been directed by PAP 10 and should not be revised. EEI believes that sound business practice standards require opportunity for unfettered feedback on all aspects of a standard and collaboration via an ANSI-accredited process. EEI therefore recommends that Appendix A should be deleted and that, in lieu thereof, Section 4 of the draft standard should be revised to reference the PAP10 Charter as “Supporting Documentation”. However, the draft standard should be clear that the PAP 10 Charter is not part of the business practice standard and is only a supporting document.

SPECIFIC COMMENTS:

The following comments track both the requirements presented in the draft model retail standard and the proposed wholesale standards (provided, if Appendix A is deleted, the comments thereto below are moot).

Requirement	Comment	Proposed Revision
REQ.18.1.1.7 WEQ-019.1.7 WEQ-019.1.8	As stated above, EEI objects to the process whereby the Appendix A requirements were provided to the NAESB PAP 10 Subcommittee/Task Force by the SGIP PAP10 Working Group and included	Delete
REQ.18.2.1 WEQ-019.2.1	This requirement should be informed by the NAESB glossary committee, which should inform how industry will treat definitions. NAESB should coordinate and promote consistent terminology across all PAPs, where possible.	Revise the draft standards to conform to the NAESB glossary terms and definitions.
REQ.18.3.1.6 WEQ-019.3.1.6 and WEQ-019.4.1.8	Most of the power quality data described is not currently collected or stored in meters commonly in use. Smart meters may be able to flag high and low voltages but they are not equipped to provide a cycle-by-cycle analysis of transients, harmonics, etc. as envisioned here. However, this sort of information might be available from customers. For example, industrial customers may put a Drantz or BMI on some sensitive equipment for the purpose of communicating this type of information to	Clarify that these requirements are limited to customers, not utilities.

³ Related thereto, EEI understands that PAP 10’s development of requirements included in Appendix A was not pursuant to an ANSI-accredited process.

	an ESP, utilities or others.	
REQ.18.4.1.12 WEQ-019.4.1.12	Calling for including data describing pollutant emissions is a fundamental policy question. Moreover, it is one which may not be feasible to implement.	Delete on the basis that these potential requirements inappropriately reflect a policy outcome and not a consensus business practices.
REQ.18.4.2.2 WEQ-019.4.2.2	Calling for the delivery of CEUD in real-time involves policy decisions with potentially huge cost implications.	Delete on the basis that these potential requirements inappropriately reflect a policy outcome and not a consensus business practices.
REQ.18.4.2.3 – REQ.18.4.2.10 WEQ-019.4.2 –WEQ- 019.4.2.10	Referencing Benefits to Facilities, Benefits to Grid and Service Provider Operations, Internet-Like Future, Improved Collaboration, Information Sources and Accessibility, Interactions and Information Exchange Supported, Information Characteristics, and Timing and Goals – all speak to how CEUD is used, and how utility infrastructures are designed and operated. While it is very useful to standardize CEUD to ensure interoperability, it would be extremely harmful to seek to standardize the design of smart grids themselves.	Delete on the basis that these potential requirements inappropriately reflect a policy outcome and not a consensus business practices.
REQ.18.4.2.11.14 – REQ.18.4.2.11.17 WEQ-019.4.2.11.14 – WEQ-019.4.2.11.17	Any requirement that CEUD <u>be provided</u> without charge intrudes upon ratemaking policy. There clearly are costs involved in collecting, processing, storing, and communicating CEUD and Applicable Regulatory Authorities must decide how such costs will be allocated and collected.	Delete on the basis that these potential requirements inappropriately reflect a policy outcome and not a consensus business practices.

CONCLUSION

EEI on behalf of its member companies, respectfully requests that NAESB ensure that future actions in developing the above described energy use information model standards will be consistent with the foregoing recommendations.

Respectfully submitted,

/s/ David K Owens

David K Owens

Executive Vice President

/s/ Aryeh B. Fishman

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cc: Rae McQuade, President