

Partners for Affordable Energy (“OPAE”) also filed Initial Comments, and the Ohio Consumers’ Counsel (“OCC”) filed a letter of correspondence.² After review of the Initial Comments, Direct Energy submits the following Reply Comments. First, the Commission should direct Duke to amend its filing in order to provide CRES providers the access to interval CEUD for residential and small commercial customers with AMI meters that is necessary for CRES providers to develop time of use and other dynamically priced products. Second, the Commission should direct Duke to include an estimate of costs associated with upgrading its systems in order to facilitate CRES provider access to interval CEUD for residential and small commercial customers with AMI. Third, the Commission should direct Duke to calculate residential customers’ PLCs and NSPLs based on actual, individual customer usage and perform settlement with PJM based on actual interval hourly usage.

II. The Commission Should Direct Duke to Enable CRES Providers’ Access to Interval CEUD for Residential and Small Commercial Customers with AMI.

Direct Energy agrees with specific recommendations of RESA and IGS regarding the near-term action that should be taken by Duke to enable CRES providers’ access to interval CEUD for residential and small commercial customers with AMI. Specifically Duke should be directed as follows: 1) within 30 days of an Order in this case provide 12 and 24 months of historical, billing quality, hourly interval data via its web portal; 2) within three months of an Order in this case to provide billable quality hourly interval data available to CRES providers on a monthly basis via EDI at least three business days before the customer’s monthly bill is issued; 3) within 6 months of an Order in this case provide CRES providers access to non-billing quality (AMI meter data) in hourly intervals via an FTP file on a next-day, daily basis.³

² The letter filed by OCC notes that “the tariff changes in this case only affect non-residential customer information....”

³ RESA Initial Comments at 2. IGS Initial Comments at 10.

III. The Commission Should Direct Duke to Include an Estimate of Any Projected Cost Associated with Facilitating CRES Provider Access to Interval CEUD for Residential and Small Commercial Customers with AMI.

In the Order initiating this proceeding, the Commission ordered EDUs to include the “terms, conditions, and charges associated with providing interval CEUD” from smart meters to CRES providers.⁴ In Initial Comments, RESA notes that Duke has not yet presented any calculation or cost estimate for allowing CRES provider access to interval data from AMI.⁵ Staff also notes in Initial Comments that it believes Duke should file an estimate of costs to accommodate the revisions to Ohio Adm. Code 4901:1-10-24 and to provide access to the interval data agreed to in a prior Stipulation.⁶ OPAE comments that Duke customers have already paid millions of dollars to support deployment of AMI and that CRES provider access to interval data is necessary for customers to have TOU products and services.⁷ OPAE also references comments it filed jointly with other “Consumers” groups in the COI docket and recommends that if there are incremental costs associated with providing such data to individual suppliers, such costs should be recovered through supplier fees and charges.⁸

Direct Energy disagrees with the general premise that CRES providers should be assessed fees and charges in order to access interval CEUD from AMI meters. However, before delving into the issue of “who pays” it seems appropriate to determine “how much.” As noted by Staff and RESA, Duke has not yet provided estimates of costs and Direct Energy believes that the burden is on Duke to provide an estimate of the costs associated with enabling data access before a determination can fairly be made on how such costs should be allocated. Further, Direct

⁴ In the Matter of the Commission’s Investigation of Ohio’s Retail Electric Service Market, Case No. 12-3151-EL-COI (Finding and Order at 36) (March 26, 2014).

⁵ RESA Initial Comments at 16.

⁶ Staff Initial Comments at 6.

⁷ OPAE Initial Comments at 2.

⁸ *Id.*

Energy encourages the Commission to consider exchange of interval data in parallel with how billing data is exchanged between utilities and CRES providers today. The Commission should first direct Duke to provide an estimate of costs to enable CRES provider data access before making a determination on how such costs should be allocated or recovered by Duke.

IV. The Commission Should Direct Duke to Calculate PLCs and NSPLs and Perform Energy-Related Settlement Based Upon a Customer’s Individual, Actual Usage.

The Order initiating this docket also directed EDUs to file proposed formulas for calculating customers’ individual network service peak load factors (“NSPLs”) and peak load contribution factors (“PLCs”).⁹ IGS explains in Initial Comments that PJM calculates capacity obligations based upon a customer’s PLC, which also determines the amount of capacity a CRES provider must procure for that customer.¹⁰ Based upon information and belief, Direct Energy understands that Duke calculates each customer’s PLC and NSPL values based upon a profile rather than the customer’s actual, individual energy usage.¹¹ While it may be true that each customer has an individually assigned PLC and NSPL (i.e. each individual has such a value associated with his or her account) this is fundamentally different than each customer having a PLC and NSPL value that is based on that particular customer’s actual, individual, energy usage (rather than a profile). Direct Energy supports IGS’s argument that because Duke now has access to its customers’ usage levels during peak hours (used to set PLCs), the Commission should direct Duke to discontinue its practice of profiling and set PLCs and NSPLs based on each individual customer’s actual, individual energy usage based on AMI meter readings.¹²

⁹ *In the Matter of the Commission’s Investigation of Ohio’s Retail Electric Service Market*, Case No. 12-3151-EL-COI Finding and Order at 36 (March 26, 2014) (“COI docket” or “COI Order”), Entry on Rehearing at 19 (May 21, 2014).

¹⁰ IGS Initial Comments at 10-11.

¹¹ Duke’s response to Direct Energy INT-01-012, see Direct Energy Attachment filed March 6, 2015.

¹² IGS Initial Comments at 12.

Similarly, Direct Energy also supports IGS's argument that the Commission should direct Duke to modify its practices to perform energy-related settlements based upon actual hourly interval usage. Based on information and belief, Duke does not use non-commercial customers' actual hourly usage to determine the amount of energy a CRES provider must deliver in each hour.¹³ Therefore, if a CRES provider designed a product or service to help a customer lower her PLC value, neither the customer nor the CRES provider would be eligible to receive the full benefit of a reduced PLC because the CRES provider would still be responsible for delivering power based on averages – not actual usage. Just as Duke has access to the AMI interval data necessary to calculate PLCs and NSPLs based on a customer's actual usage, Duke also has access to the AMI interval data necessary to perform settlement based on actual usage. The Commission should direct Duke to modify its settlement methodology to actual interval usage from AMI.

V. Conclusion.

Duke's filing completely fails to comport with the directive of the Commission's Entry on Rehearing and must be amended in order to provide CRES providers the access to interval CEUD for residential and small business customers with AMI meters that is necessary for CRES providers to develop time of use and other dynamically priced products.

Respectfully Submitted,

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¹³ Duke Response to Direct Energy INT-01-009, see Direct Energy Attachment filed March 6, 2015.

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CERTIFICATE OF SERVICE

In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's e-filing system will electronically serve notice of the filing of this document on the following parties. In addition, I hereby certify that a service copy of the foregoing Initial Comments of Direct Energy Services, LLC and Direct Energy Business, LLC was sent by, or on behalf of, the undersigned counsel to the follow parties of record this 27th day of March, 2015, via email, except those specifically designated as being served via U.S. Mail.

/s/ Jennifer L. Spinosi _____

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This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

3/27/2015 2:47:29 PM

in

Case No(s). 14-2209-EL-ATA

Summary: Reply Comments electronically filed by Ms. Jennifer L. Spinosi on behalf of Direct Energy Business, LLC and Direct Energy Services, LLC