

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Duke	)	
Energy Ohio, Inc., for Authority to Adjust	)	Case No. 19-1750-EL-UNC
its Power Forward Rider.	)	

In the Matter of the Application of Duke	)	
Energy Ohio Inc. for Approval to Change	)	Case No. 19-1751-GE-AAM
Accounting Methods.	)	

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**MOTION FOR LEAVE TO FILE CORRECTED INITIAL COMMENTS  
OF  
DIRECT ENERGY BUSINESS, LLC  
AND DIRECT ENERGY SERVICES, LLC**

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In accordance with Rule 4901-1-12, Direct Energy Business, LLC and Direct Energy Services, LLC request leave to file the Corrected Initial Comments that accompany this motion. The original version, filed on April 15, 2020, inadvertently omitted the signature block. The corrected version addresses this oversight. There are no other changes to the corrected version.

Date: April 16, 2020

Respectfully submitted,

/s/ Mark A. Whitt

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## **CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing was served by electronic mail this 15<sup>th</sup> day of April, 2020 to the following:

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**INITIAL COMMENTS  
OF  
DIRECT ENERGY BUSINESS, LLC  
AND DIRECT ENERGY SERVICES, LLC**

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Direct Energy Business, LLC and Direct Energy Services, LLC (collectively, Direct) submit these comments in response to the Commission’s Entry of March 11, 2020 in Case Nos. 19-1750-EL-UNC and 19-1751-GE-AAM, where Duke Energy Ohio, Inc. (Duke) seeks approval to recover costs incurred to implement an Infrastructure Modernization Plan. Duke’s plan is too limited and continues to delay the ability of customers to use their smart meters and data for supply purposes and not simply informational products. The Commission should order Duke to revise its Infrastructure Modernization Plan in accordance with these comments.

**COMMENTS**

Duke filed its Application pursuant to the stipulation and recommendation adopted in *In re Duke Energy Ohio, Inc.*, Case No. 17-0032-EL-AIR, et al., Opinion and Order (Dec. 19, 2018). The Commission approved Rider PF as a “placeholder” to recover future investments in projects Duke would identify in an Infrastructure Modernization Plan. Duke’s plan consists of projects

categorized under four broad initiatives: (1) a new “Customer Connect” customer information; (2) a new Land Mobile Radio (LMR) communication system; (3) Smart Cities Infrastructure Acceleration Program; and (4) an Electric Vehicle pilot program.<sup>1</sup>

Duke claims these initiatives offer “[s]olutions designed to improve the customer experience through innovation and modernization.”<sup>2</sup> Unfortunately, the latest modernization plan makes a host of new promises despite requirements from prior settlements remaining unfulfilled. Past projects to modernize Duke’s communications network and customer information systems failed to provide suppliers and customers with AMI data that could be used to both bill and supply customers with advanced energy options. As Duke noted in this filing, a settlement to resolve these issues was reached. However, Duke’s current filing does not request funding to fulfill all aspects of the settlement but instead offers a broad pilot, studies, and a billing system to be used for marketing of products. The Commission should require Duke to demonstrate that the proposed systems will provide the functionality agreed to in settlement and not further delay the ability of suppliers and customers to use the AMI functionality to its fullest. These benefits must include the features and functionality discussed below.

**A. The Commission must require Duke to make Customer Energy Usage Data available to CRES suppliers.**

One major component of Duke’s proposed IMP is the long-awaited rollout of its new CIS system – Customer Connect. According to Duke, the \$900 million Customer Connect system will utilize “[e]lectric meters and associated components [with] the capability of recording more granular data [to] create personalized opportunities for customers according to their preferences, whether in the form of rate options or other usage-related services.”<sup>3</sup> Duke seeks to implement

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<sup>1</sup> Duke App. at 5.

<sup>2</sup> Duke App. at 7.

<sup>3</sup> Duke App. at 7.

Customer Connect “to provide a more stable platform, greater flexibility, ease of configuration and ability to offer more advanced rates and billing structures, as well as services to customers.”<sup>4</sup>

If implemented successfully, Customer Connect will enable Duke to collect detailed, granular information about customer energy usage data, or “CEUD.” But Duke does not say how it will use this information and, more importantly, whether CRES providers will have access to this data for the purpose of actually supplying and billing customers. This is despite at least three previous orders requiring Duke to make CEUD available to CRES suppliers.

In Duke’s 2011 ESP case (ESP II), Duke settled by offering the following commitment:

Duke will work with interested CRES providers and Staff to jointly develop a secure, web-based system that will provide electronic access to key customer usage and account data that can be accessed via a secure, supplier website that presents the following data and information in a format that can be automatically retrieved, by the CRES provider authorized by the customer. The following data and information, in a format that can be automatically retrieved, will be the subject of the web-based system: account numbers; meter numbers; names; service address, including zip codes; billing address, including zip codes; email address; meter reading cycle days; meter types; indicator if customer has an interval meter; rate code indicator; load profile group indicators; peak load contribution (PLC) and network service peak load (NSPL) values (capacity and transmission obligations); 24 months of consumption data (in kWh) by billing period; 24 months of demand data (in kWh); 24 months of interval data; indicator if SSO customer; and, identifier as to whether customer is participating in the budget billing plan (emphasis added). Duke shall make a commercially reasonable effort to add the other items [items other than the load profile group indicators and customer service addresses] by June 1, 2013 but

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<sup>4</sup> *In the Matter of the Application of Duke Energy Ohio, Inc., for Authority to Adjust its Power Forward Rider*, Direct Testimony of Retha Hunsicker, at 5-6 (Sept. 24, 2019).

agrees to complete the additional data items no later than June 1, 2014.<sup>5</sup>

In February 2012, Duke signed a stipulation in the SmartGrid Rider I case to “provide CRES providers the necessary system functionality to offer CRES customers time of use (“TOU”) rates consistent with its existing supplier tariff beginning January 1, 2013.”<sup>6</sup>

In the 2012 Commission Ordered Investigation of Ohio’s retail electric service market, the Commission found that “the EDUs must provide interval CEUD to CRES providers, in a manner consistent with the Commission’s rules, Ohio Adm. Code 4101:1- 10-24, and must file amended tariffs that specify the terms, conditions, and charges associated with providing interval CEUD within six months of this Entry on Rehearing.”<sup>7</sup>

Nearly a decade after these series of orders, Duke still has not delivered. Allowing a customer and supplier to look at usage data is not the same as allowing a customer and supplier to use the data. Historical or next day information is valuable for customer actions and responses to change usage. However, if that information cannot actually be used to bill a customer designed energy product or to properly settle the supply then the information is useless. Any action taken by the customer will not translate into time differentiated prices, savings, changes in capacity, or other costs. There is a fundamental difference between allowing a customer and supplier to view data and calling that access, versus allowing a customer and supplier to use, supply, and settle with the data, which would be real access.

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<sup>5</sup> *In the Matter of Application of Duke Energy Ohio, Inc. for Authority to Establish a Standard Offer*, Case No. 11-3549-EL-SSO Opinion and Order at 36-37 (November 22, 2011). (hereinafter “ESP II”)

<sup>6</sup> *In the Matter of the Application of Duke Energy Ohio, Inc. to adjust and Set its Gas and Electric Cost Recovery rate for 2010 Smartgrid Costs*, Case No. 10-2326-GE-RDR, Stipulation at 11 (February 24, 2012). (hereinafter “SmartGrid Rider I”)

<sup>7</sup> *In the Matter of the Commission’s Investigation of Ohio’s Retail Electric Service Market*, PUCO Case No. 12-3151-EL-COI, Entry on Rehearing at 19 (May 21, 2014).

CRES providers should have access to CEUD so they can offer more innovative products for shopping customers, such as dynamic pricing and time-of-use rates. It is questionable whether EDUs should be offering these services at all. The demand for advanced products and services that can be satisfied by the CRES market has been shown throughout the Power Forward working groups. Allowing Duke to monopolize CEUD would only place a barrier to competition for these advanced products and services in Duke's market. The Commission should require Duke to explain how it will make CEUD available to CRES suppliers as required by settlement.

The stipulation that authorized Rider PF envisioned CEUD being made available to CRES suppliers in five phases. Phase I must “[a]dd methods to identify customers who have billing quality interval CEUD” including “all customers with AMI meters, certified on MDM, with VEE performed on interval CEUD” within six months of December 19, 2018.<sup>8</sup>

In Phase II, Duke was to “[m]odify the CRES portal to allow CRES providers to upload customer information release consent forms for residential customers in bulk and allow customers to self-authorize the release of AMI data through the authenticated Duke Energy website[,]” “[w]ithin 12 months of an Opinion & Order in the current case.”<sup>9</sup> By Stipulation, this capability should have been available by December 19, 2019.

In Phase III, Duke agreed that by December 19, 2020, it would “[m]odify the Company's systems for billing to increase ability for larger volumes of interval AMI CEUD to flow through electronic data interchange (EDI) transactions and for CRES providers to receive interval AMI

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<sup>8</sup>*In the Matter of Duke Energy Ohio, Inc for an Increase in Electric Distribution Rates*, Case No. 17-0032-EL-AIR Et al., Stipulation at Attachment F (April 13, 2018).



CEUD; [e]nable CRES providers to calculate charges associated with interval AMI data and provide the billing amount to the Company.”<sup>10</sup>

In Phase IV, Duke must “[e]nhance the systems needed to accommodate the increased data from AMI meters that will flow through electronic data interchange (EDI) transactions for billing purposes and allow CRES providers to access interval AMI CEUD via EDI transactions. Interval (hourly, “bill-quality”) AMI CEUD will be made available to CRES providers the day after it is delivered, i.e. “Next Day” usage, via EDI transaction.”<sup>11</sup>

In Phase V, Duke is required to make [e]nhancements to the PJM settlement systems and processes, such that actual interval CEUD will be used to calculate the peak load contribution (PLC) and network service peak load (NSPL) values.”<sup>12</sup>

The Commission required all five phases to be completed within 24 months of the order approving the stipulation (i.e., by December 2020) and “pre-approved” cost recovery totaling \$12.5 million.<sup>13</sup> Duke’s filing in this case references these items but the testimony and exhibits appear to not actually include these. The Commission must require that Duke achieve the functionality described in the five phases of Attachment F of the Stipulation.

**B. The Commission must order Duke to implement supplier consolidated billing.**

The same stipulation that authorized Rider PF also directed Duke to implement a new CIS that could accommodate supplier consolidated billing. Duke’s modernization plan has little to say about supplier consolidated billing, other than that “a number of details” must be considered before implementing it. These details must be considered now, not later.

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<sup>10</sup> *Id.*

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> *Id.*

Duke is proposing to build a new CIS from scratch. It is inconceivable that Duke would design and plan this system without determining how supplier consolidated billing will fit into it. Waiting until “late 2023,” after Customer Connect has already been “deploy[ed]” and “stabiliz[ed]” is not a solution. Duke has not indicated if the new system can accommodate supplier consolidated billing. Building a system to accommodate the basics based on what DP&L and AEP have done would be more economical rather than waiting and reopening the entire system later. The Commission is entitled to know now, not later, that Customer Connect will accommodate supplier consolidated billing and should order Duke to build the system using AEP and DP&L as the foundation.

**C. Duke should clarify that none of the programs involve Duke owning the charging stations.**

Generally, Direct is okay with Duke’s EV Pilot proposals, with one caveat. Duke must clarify what is means by EV “infrastructure.” Duke has stated that the customer, not Duke, will own the charging stations, but then uses the generic term “infrastructure” for utility ownership. The Commission should require Duke to clarify that “infrastructure” is referring to distribution infrastructure to support customer owned EVs. If customer’s in the program have ownership of the system, then who supplies the system technology, and who supplies the energy and any other non-distribution system requirements should also be clarified to not be the utility. The program must be focused on making it less costly for customers to connect charging stations to the grid. It appears this is Duke’s intent, however Duke must clarify the more general term “infrastructure.”

## CONCLUSION

Duke's Infrastructure Modernization Plan needs more details to ensure all requirements of the settlement referenced in the introduction are achieved. Duke committed to provide CRES providers access to interval CEUD for customers under Commission directive in ESP II and the COI, as well as by Commission approved Stipulation in SmartGrid Rider I. Duke requests \$900 million to build out its new CIS system. The Commission should ensure that Duke's prior obligations are met. CRES providers should have equal access to CEUD; Supplier Consolidated Billing should be incorporated into the new CIS system; and the EV Pilot Program should be limited to distribution infrastructure. The Commission should Order Duke to meet these requirements.

Date: April 15, 2020

Respectfully submitted,

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## **CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing was served by electronic mail this 15<sup>th</sup> day of April, 2020 to the following:

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Summary: Motion for Leave to File Corrected Initial Comments electronically filed by Mr. Lucas A Fykes on behalf of Direct Energy Business, LLC and Direct Energy Services, LLC