

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio)
Power Company for Approval to Initiate) Case No. 19-1475-EL-RDR
Phase 3 of Its gridSMART Project.)

REPLY COMMENTS
OF
DIRECT ENERGY BUSINESS, LLC
AND DIRECT ENERGY SERVICES, LLC

Direct Energy Business, LLC, and Direct Energy Services, LLC (collectively, Direct) submit these Reply Comments in response to Initial Comments filed on September 9, 2020.

INTRODUCTION

Direct's Initial Comments focused primarily on Ohio Power Company d/b/a AEP Ohio's (AEP) failure to adhere to its obligation under the gridSMART Phase 2 Stipulation in Case No. 19-1939-EL-RDR to build their systems with the functionality to provide CRES with data that can be used for billing and settlement purposes. To mitigate the impact of AEP's unfulfilled commitment, Direct offered two recommendations: (1) that the Commission not approve AEP's application until it makes substantial strides toward meeting this commitment to provide CRES with not only bill-quality data, but with the systems and processes that make the data usable to bill customers, so customers can shop for dynamic CRES products; and (2) that in the alternative, if the Commission approves AEP's application, it should mandate that AEP work with the gridSMART Collaborative to develop and implement a plan for AEP to provide CRES with access to usable systems and data to bill products that allows for all shopping customers

with AMI meters to access CRES AMI enable products, to be completed within 6 months from a final order in this proceeding. Adopting one of these recommendations would be a positive step towards a more competitive market for innovative CRES product offerings. Any initial comments by other parties not addressed in the following should not be interpreted as an agreement or disagreement on those issues.

COMMENTS

Several entities filed comments emphasizing AEP's failure to meet prior obligations under the gridSMART Phase 2 Stipulation to upgrade its systems to provide CRES providers with access to interval data and THEO, NSPL, and PLC values for all customers.¹ Among other things, the Phase 2 stipulation required AEP "to develop the systems and/or processes to provide the customers and CRES with interval data using a phase in approach and to transfer as much data as possible to the customers and the CRES provider through the various implementation stages."² AEP committed to, and was assured cost recovery of, systems capable of providing interval data that would integrate with AEP's billing and settlement systems. To date, this has not occurred, and AEP has offered no guidance on how it intends to meet these obligations. Until AEP fulfills its obligations under gridSMART Phase 2, the Commission should not allow AEP to recover costs for gridSMART Phase 3.

IGS expresses similar concerns, noting that AEP's Application demonstrated "little consideration for data access."³ Direct agrees. "This disregard for such a key component of grid modernization efforts is disappointing, and it is essentially rendering it impossible for CRES providers to offer cost-effective time-varying rates and programs."⁴ Subsequently, IGS

¹ IGS Comments at 7; Staff Review and Recommendation at 4.

² *In re Ohio Power Co.*, Case No. 13-1939-EL-RDR, Stipulation at 5 (April 7, 2016).

³ IGS Comments at 2.

⁴ IGS Comments at 5.

recommends that the Commission (1) “direct the Company to undertake necessary system upgrades to facilitate the calculation of CRES provider wholesale market settlements for energy and capacity based on actual customer energy data within a specific timeline established by the Commission[;]”⁵ and (2) “direct AEP Ohio to upgrade its systems to provide CRES providers with access to interval data and THEO, NSPL, and PLC values for all customers, with proper consent, through EDI transactions and an API.”⁶

Staff echoed IGS and Direct’s concerns, recommending “that the Commission direct the Company to amend its pending application in this case[;]” that AEP “file supplemental testimony that details a timeline to update the wholesale settlement systems and processes needed to calculate and settle individual THEO, NSPL, and PLC values for all customers with AMI meters[;]” and that AEP “detail how this data would be made available to CRES marketers.”⁷ Staff notes that “the current case is the appropriate forum to address the wholesale settlement issues and data access enhancements necessary to advance the retail market and to better leverage existing AMI deployments before further deploying AMI meters.”⁸ Direct agrees. “[I]t is essential to address this barrier to utilizing AMI data to advance the retail market. Failing to address the matter in a substantive way in the current case limits the value of AMI meters to current customers as well as customers included in any continued deployment.”⁹

OCC stands alone in its attempt to limit CRES access to data for billing of CRES products, arguing that “[t]he costs associated with streamlining data sharing between AEP Ohio

⁵ IGS Comments at 5-6.

⁶ IGS Comments at 7.

⁷ Staff Review and Recommendation at 4.

⁸ *Id.*

⁹ *Id.*

and Marketers should be paid by the Marketers, not customers through the gridSMART rider.¹⁰ Marketers are not the sole beneficiaries of streamlining data sharing, as OCC suggests. In fact, shopping customers and the competitive electric market, as a whole, would benefit substantially from these enhancements. Customers today are restricted to the limited (and proven unpopular options) in AEP's tariff. Limiting data access or requiring CRES to foot the bill would act as a barrier to customers fully using their own data by forcing them to pay (through a CRES) to access what belongs to them. This will negatively impact the offerings available to current and future shopping customers, whose interests OCC also purports to represent. OCC's proposal is counter to the purpose of the gridSMART program and would create another unnecessary barrier that customers and CRES must overcome in order to bill innovative offerings. The Commission should reject OCC's proposal.

Before AEP's Application to initiate gridSMART Phase 3 and cost recovery is approved, the Commission must ensure that AEP is fulfilling obligations agreed to as part of Phase 2, including its commitment to provide CRES with data that can be used by all customers to shop and ultimately receive dynamic CRES provided products. But, in the alternative, if the application is approved, the Commission should direct AEP to work with the gridSMART Collaborative to achieve systems and processes that allow access for CRES providers to not just view data, but to actually offer and enroll customers on products which rely on AMI data, within six months of a final order in this proceeding. Until the systems and processes are in place, the real value of AMI cannot be realized. The intent and value of gridSMART, from a customer innovation perspective, is stagnant. Until customers can fully utilize and not just view their own data, their investment in gridSMART and the value

¹⁰ OCC Comments at 14.

derived from that investment is eroded. The Commission should not allow AEP to continue recovering money for promises not kept.

CONCLUSION

Direct respectfully requests that any revisions to AEP's Application to initiate gridSMART Phase 3 reflect the comments contained here and in Direct's Initial Comments.

Dated: September 25, 2020

Respectfully submitted,

/s/ Lucas A. Fykes
Mark A. Whitt (0067996)
Lucas A. Fykes (0098471)
WHITT STURTEVANT LLP
The KeyBank Building, Suite 1590
88 East Broad Street
Columbus, Ohio 43215
Telephone: (614) 224-3946
Facsimile: (614) 675-9448
whitt@whitt-sturtevant.com
fykes@whitt-sturtevant.com

*Attorneys for Direct Energy Business, LLC
and Direct Energy Services, LLC*

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing was served by electronic mail this 25th day of

September, 2020 to the following:

stnourse@aep.com
cblend@aep.com
ambrosia.wilson@occ.ohio.gov
amy.botschner.obrien@occ.ohio.gov
Christopher.healey@occ.ohio.gov
Jodi.bair@ohioattorneygeneral.gov
Bethany.allen@igs.com
Joe.oliker@igs.com
Michael.nugent@igs.com
rdove@keglerbrown.com
Bojko@carpenterlipps.com
MLeppla@theOEC.org
CTavenor@theOEC.org
jfinnigan@edf.org
werner.margard@ohioattorneygeneral.gov

GLPetrucci@vorys.com
FDarr2019@gmail.com
Mo27531@att.com
William.michael@occ.ohio.gov
CCox@elpc.org
MFleisher@DickinsonWright.com
MKurtz@BKLawfirm.com
MBoehm@BKLawfirm.com
JKylerCohn@BKLawfirm.com
tdougherty@theOEC.org
Paul@carpenterlipps.com
DBorcher@bricker.com
DParram@bricker.com
mpritchard@mceeslaw.com

Attorney Examiner:

Sarah.parrot@puc.state.oh.us
Greta.see@puco.ohio.gov

/s/ Lucas A. Fykes _____
One of the Attorneys for Direct Energy
Business, LLC and Direct Energy Services,
LLC

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Summary: Comments Reply Comments of Direct Energy Business, LLC and Direct Energy Services, LLC electronically filed by Ms. Valerie A Cahill on behalf of Direct Energy Business, LLC and Direct Energy Services, LLC