

06/06/2014 -WORKING GROUP 1-CUSTOMER ENGAGEMENT

MEETING 4 – DRAFT MEETING MINUTES

ADMINISTRATIVE

- Roll Call
- Next Meetings will be held on Thursday, June 12 from 1 pm-3pm.
 - Staff will send out information requests next week to parties on topic of customer data. Request will be to determine what types and amount of data would be helpful for future market products and services.
 - Again, Staff encourages participants who voiced their opinion, or did not voice their opinion on the call but nonetheless would like to weigh in, to email LuAnn.Scherer@dps.ny.gov with their comments.
- Parties need to officially sign up as a part in the REV proceeding in order to receive all notifications. The link is [New York State Dept. of Public Service](#) please click on the first bullet Reforming the Energy Vision (REV). Under Stay Connected is a link "How to Register with DMM" which will direct you to an account login process.

MEETING NOTES:

REAL ESTATE

- Purpose of Customer Engagement Activities was reviewed by Facilitator (LuAnn). Staff has heard from some parties on one or several occasions, however not all parties have participated to date.
- Agenda was to review information received by staff regarding barriers to customer engagement by parties who were previously categorized by groups.
- Review of documents received with barriers identified:
 - Real Estate-[2014 0605 Related Barriers Rev.xlsx](#)

Parties reviewed barriers as follows: Building causal relationships-feeling is need for more in-depth knowledge of large building energy M+V (measurement & verification), retrofit to enhance energy systems can be flying blind vs hydrodynamic energy levels.

- Incentive money is needed for causality.
- Distributed generation-When investment tariffs are complicated-example-stand by rates-When 15% of peak capacity results in standby rates it is viewed as a barrier.
- Campus tariffs-Contract demand (Hudson Yards) rules apply to each building not combined total. In their opinion this favors utility.
- Cogeneration-If 60% efficiency, feels there is risk. Is it hourly uptake of energy use or annual figures?

- DR-thinks is more complicated-building owner focus-not many resources from service providers-discloses emergency generators-wants it to be in new initiatives-would like design assistance-emission control is complicated for 500kw or less are exempt from rules if under DR program-City regulation based on size-NYS based on emission standards. Their permit process is complicated.
- Sound Attenuation-not concerned with this in emergency situation-streamline this area-feels that not price signal-emergencies are more of a challenge
- Submetering-essential in large apartment complexes- followed by discussion with staff and other parties as to how many unmetered living units in NYC that were under a master meter situation. Public housing-some have been metered-but over 700k was quoted-
 - ➡ Action item-Con Ed has data will verify.
- Issue of metering extends to community sector and is very significant-presents challenges to project developers.
- Agenda-at city and State levels that need to be addressed with regard to metering-it was noted there is legislation that there are standards to go in effect 2025-2030 regarding submetering.
 - ➡ Action item-NYC to update on submetering
 - ➡ NYSERDA-discussion that they have data that predates legislation-they will research

ESCO-Added Barriers

- Discussion on DR programs-Utilities do not offer
- Feel that competitive market transactions be independent entity-like ERCOT mode in Texas
- Uniform regulation is to specify utilities, although granular differences
- Reverse slamming-staff indicated there are rules in place that prohibit practice
- Escro standards were quota's in phase 2 of retail markets provision of value added or differentiated work
- Uniform statewide PV codes-was picked up under other barriers
- Process reform-issues are made in rate cases-no explanation
- Utility account numbers-they want proxy accounts without reference to utility bill
- Barriers to fixed price term offers-rules of receivables and early termination
- Utilities unable to move quickly on new technology due to risk-averse regulators-Net metering rules do not allow ESCO's to revise
- Over reliance on rate-ready utility consolidated billing-discussion ensued thinks available in theory not in practice-If ESCO issue to bill with prorated partial payment-customer fully in arrears-literal barriers to implement

Discussion of both types of billing and billing consolidation-Utilities weighed in that ESCO's moved away from around 2000-now ConEd administers consolidated billing-

Before EDI-there were no takers with ESCO's in marketplace-now looking at value added services as potential-Still looking at complexity of customer bills and protections-this was a factor for ESCO's

- Lack of transparency in early commodity prices
- Access to Customer Data-

NYC-Energy Consumer Group (Michelle)

- In creation of platform –may promote cost barrier for low income residents-If bill increase to compensate for change-they will not be able to afford smart tools

Utility Response- no document issued

- Re Utilities do not offer DR-Some do...untapped response from consumers-in other choices in Demand Response-example-Large customers have varying needs-
- Re Standby rates barriers to DG-They feel it does not present barrier-they want feedback-varied as relates to setting and outcome-situational issue
- Revenue Decoupling-not a barrier –welcomes feed back
- RDM-removes incentive to input before RDM-utilities could increase solar now to RDM-
- Net metering-statutory issue-need intervention-could be impediment-long term programs instead of rebates-is it situational-they would amend to combine long term and rebates-from customer perspective-extent of availability upside for all
- Need for simple billing and payment process
- Reverse price signal-fixed price could send wrong signal
- Non-demand-noted-surcharge imposed on non kWh-by reviewing surcharge for cases uneven usage increases-Methodology drives disproportionate charges—surcharges should change to cost to rate design.
- Lack of on-bill financing-should include inability to bill for other products and service-NYSERDA programs-not widely used by ESCO's-need broader base from NYSEDA for ESCO's-would broaden customer products and services-customer may need financing mechanism potential mass market customers-Utilities weighed in s to who would do the financing? Utility private financing is one model or service provider carrying cost.
 - Long Island--Billed for Services"-more than on bill financing-
 - Other Escos-would be helpful to use similar arrangement as the model for Telcom when introduced billing for long distance.

Limited direction-consolidated bills are inadequate –Rate Ready; Current-consolidated process' are adequate Rate only. Staff advised comments in rate ready case-if decision is to bill for other products-then could be changes to reflect that. Bill ready-ESCO provides total AMI-**Staff indicated Utilities bills were modified to allow for on bill financing**

- Lack of training Utility Commodity Prices-the utilities disagree-they abide by rules of commodity without profit –may not be real time pricing
- To Staff-have to address barriers-not clear on task-if utility rebuttal to ESCO's concerns-we need to determine significant barriers
- Customer Data-dealing in retail access case-is it methodological or access issue
- Consistent ISO rules-

Parties stated energy savings not priority for customers-need to understand what customers are looking for-linked to outreach and education. Rebuttal-what drives price signals in development-for residential customers and segments-cost was not out front-obstacles when demographic, geographic-

Concept of free ridership shouldn't exist-efforts underway from Utility administration-thinks there is pushback on people who take advantage of benefits.

National Energy Marketers Association Paper-covered by Stacy –main points

Potential Retail DR Load Profiles could be as follows:

1. Voluntary-(Non-technology enabled)involve communications by the ESCO to consumers (texts, phone calls, emails) urging them to adjust thermostats
2. Voluntary (Technology enabled)involve the ESCO and consumer utilizing smart thermostat or other available technology-consumer would consent to ESCO controlling to achieve DR savings subject to consumer override(opt-out)
3. Mandatory (technology enabled)DR load profile-pre programmed customer thermostat consumer would agree not to override

Next meeting: Thursday, June 12 1:00 pm-3:00 pm