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By Electronic Filing and Federal Express

September 24, 2015

Mr. David J. Collins
Maryland Public Service Commission
6 Saint Paul Street, 16th Floor
Baltimore, MD 21202-6806

Re: Case No. 9154

Dear Mr. Collins:

Enclosed for filing in the referenced matter please find the Comments of the NRG Retail Affiliates. An original and 17 copies of these Comments will be sent via Federal Express to the Commission.

Sincerely,

Brian R. Greene

CC: Ms. Leah Gibbons

Enclosure

BEFORE THE
PUBLIC SERVICE COMMISSION
OF MARYLAND

In the Matter of Baltimore Gas and Electric Company's energy efficiency, conservation and demand response programs pursuant to the EmPOWER Maryland Energy Efficiency Act of 2008	* * * * *	Case No. 9154

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COMMENTS OF NRG RETAIL AFFILIATES

I. Introduction

The NRG Retail Affiliates ("NRG Retail") appreciate the opportunity to provide these Comments to the Maryland Public Service Commission ("PSC" or "Commission") on the EmPOWER Maryland Plan filed by Baltimore Gas and Electric Company ("BGE") in its semi-annual report for the January 1, 2015 through June 30, 2015, time period.[1] The companies comprising NRG Retail – NRG Home, Green Mountain Energy Company, and Energy Plus Holdings LLC – are all licensed by the Commission to serve retail customers across Maryland, and are all wholly-owned subsidiaries of NRG Energy, Inc. ("NRG"), a Fortune 200 company. NRG is one of the country's largest power generation and retail electricity supply businesses. NRG owns and operates approximately 50,000 megawatts of generating capacity, including approximately 4,850 megawatts located in Maryland. NRG's retail businesses serve nearly three million customers across more than a dozen states. NRG Retail's northeast business is headquartered in Philadelphia, Pennsylvania.

Through these Comments and as explained more fully below, NRG Retail respectfully requests that the Commission direct BGE to: (1) provide retail suppliers with timely, efficient,

[1] BGE's Semi-Annual Report for First and Second Quarters – January 1, 2015 through June 30, 2015 in Case No. 9154, July 31, 2015.

and scalable access to their customers' 48 hour old (or less) Bill Quality Interval Usage data by the end of 2015; and (2) settle retail supplier load at PJM based on interval usage data as soon as practicable.

II. Background

The Maryland General Assembly passed the EmPOWER Maryland Energy Efficiency Act of 2008 (the "Act") with a goal of reducing energy consumption by 15 percent by 2015.[2] The Commission has issued various Orders since that time that require the utilities it regulates to implement a variety of energy efficiency and conservation ("EE&C") and demand reduction ("DR") programs – including approval of the deployment of an Advanced Meter Infrastructure and Smart Meters by BGE and the Pepco Holdings, Inc. ("PHI") companies – aimed at achieving the goals of the Act.[3]

Smart meters provide hourly customer consumption data, which can be relayed to customers or their retail electricity suppliers (with customer consent) very quickly – within 48 hours or less. This data is critically important not only to engaging and educating customers about their electricity use, but also to developing individually tailored products and services designed to help consumers take control of their energy consumption.

Today, both BGE and the PHI companies are leveraging this data to offer their ratepayers retail electricity products and services that help them lower their electricity usage – thereby supporting their EmPOWER Maryland consumption reduction targets.[4] For example, both Potomac Electric Power Company ("Pepco") and BGE offer customers the ability to view their

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[2] Chapter 131, Laws of Maryland, 2008.

[3] The Smart Grid Initiatives of BGE and PHI in Maryland were approved by the PSC in Case Nos. 9208 and 9207.

[4] BGE reports that it has engaged almost 770,000 customers in its Smart Energy Manager/Smart Energy Rewards Program, which leverages customers' interval usage data to reward customers for use less electricity during summer peak demand periods called Energy Savings Days ("ESDs"). BGE 2015 EmPOWER Maryland report, Case 9154, at p. 4.

48 hour old usage and historical daily or hourly energy usage. Customers can also view graphs comparing this data to other metrics. Moreover, BGE's customer portal includes Online Savings Tools that allow customers to "track your energy usage right after you use it, compare daily usage trends, set energy goals for the entire year, sign up for alerts to keep you informed of your usage and discover new energy-saving practices."[5] These products and services are only available by leveraging their customers' 48 hour old, or less (i.e., "near real-time"), Billable Quality Interval Usage ("BQIU")[6] data.

Moreover, these competitive retail products and services all appear to be available as a result of the utilities' contractual relationships with their conservation services provider ("CSP"), Opower.[7] According to its website, Opower "tightly integrates into legacy utility enterprise systems" to provide real-time performance monitoring which can offer customers personalized experiences such as "proactive energy alerts" and operational "insightful bill notifications."[8] The ability of Opower to provide these value-added services is dependent on accessing customer interval meter data, which is only available from the utilities.

Importantly, the PHI companies are making this near real-time BQIU data available to competitive retail suppliers in a timely and efficient manner so that they may similarly offer their customers competitive retail products and services aimed at controlling electricity consumption. The PHI companies are providing near real-time BQIU data via flat files (or Batch CSV Files)

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[5] BGE's secure, password protected Customer Portal at www.bge.com.

[6] Near real-time BQIU data is interval usage data that is 48 hours old or less, and that is sourced from the utility's meter data management system that has completed the process of being verified, estimated, and edited ("VEE") in association with such systems.

[7] *See* Press Releases found at www.opower.com: *Pepco and Opower Launch Customer Engagement Program – Will Provide Customers with the Tools and Information Needed to Reduce Energy Consumption*, Washington, DC, October 11, 2012. *Opower Selected by Baltimore Gas and Electric Company to Deploy a Customer Engagement Solution for Smart Meters – Opower to design a smart meter-enabled customer experience intended to help customers save on energy bills*, Arlington, VA, April 7, 2011.

[8] Information available at http://www.opower.com/.

through their secure supplier portal.[9] Retail suppliers, including NRG Retail, are able to log into the Pepco and Delmarva Power supplier web portals using the username and password provided by these utilities and download their customers' near real-time BQIU data all at one time, every single day. Only suppliers that are licensed by the PSC and certified to do business with the PHI companies have access to the supplier web portal and a supplier is only able to access the near real-time BQIU data for its own customers.[10] Equally important, the PHI companies are settling supplier load at PJM based on this interval meter data – a function that is critical to enabling suppliers to offer time differentiated and demand response products. As discussed below, when suppliers are given timely access to interval data, they are able to develop and offer a wide range of new products and services.

Unfortunately, BGE does not provide suppliers with timely and efficient access to their customers' near real-time BQIU data, nor does BGE settle supplier load at PJM based on customers' actual interval meter data.[11] As a result, BGE is able to exploit its monopoly position to discriminate against competitive retail suppliers by denying them timely, efficient, and scalable access to their customers' near real-time BQIU data. Unless the Commission acts promptly to order BGE to provide suppliers with equal access to their customers' near real-time BQIU data – in the same manner that the PHI companies provide it – BGE will continue to provide interval meter data to its CSP pursuant to its EmPOWER Maryland plans, to develop and

[9] The PHI companies have been providing near real-time BQIU data access in this way for at least the last twelve months and with great precision, to within a hundredth of a watt. This precision is essential to offering economic time differentiated and demand response products and services because most residential homes consume between zero and two kilowatts an hour. This level of precision goes hand in hand with settling load at PJM against this data. Moreover, PHI also calculates customers' PLC tags leveraging customers' actual interval meter data down to the watt level.

[10] Competitive retail suppliers access their customers' electricity consumption data with their consent.

[11] Statement about PJM Settlement based on NRG Retail inquiries to BGE's supplier support team. BGE continues to settle supplier load based on historic customer class load profiles.

perfect products and services leveraging this data to the detriment of the competitive retail market, retail suppliers and their customers.

III. The competitive retail electricity market will deliver innovative, value-added products and services that leverage BQIU data when competitive suppliers have access to that data.

NRG Retail is keenly focused on delivering innovative products and services that engage and empower the state's retail electricity customers to take control of their energy consumption. NRG Retail's ability to deliver such product innovations hinges on timely and efficient access to its customers' near real-time interval usage data every single day, and having its load settled at PJM based on that data.

Suppliers need to be able to retrieve that near real-time BQIU data as fast as possible each day so they can quickly load data into their systems and present it to their customers promptly. The key to being able to offer customers products and services that enable them to change their behavior and shift their energy consumption is communicating information about their consumption to them as quickly as possible, so they are able to make a connection between what they were doing at a given time with their electricity usage during that time. Consumers simply cannot remember what they did days, weeks or months after the fact – therefore, time is of the essence. We live in the age of "Amazon.com" consumerism. Customers expect instant access to timely information in all aspects of their lives - from the number of steps they take in a day, to instant access to movies online, to the products and services that they buy. The older the BQIU data that is provided to consumers, the less valuable and useful it is to motivating them. Commissions all over the country want retail suppliers to "engage" with consumers. The only way to do that is to require that the retail electricity industry generally, and utilities specifically, join the 21st century and provide access to customer data as quickly as possible. When suppliers have that kind of data access, they deliver value-added products and services to customers.

Just this summer in Maryland, NRG Retail tested its first product offer based on near real-time BQIU data in the Pepco service territory. NRG Retail piloted a demand response product called "Degrees of Difference" that provided residential customers with a bill credit for using less electricity than normal during high demand hours. Participating customers received an alert of upcoming periods of high electricity demand so that they could reduce usage. During these high demand hours, when participating customers adjusted their thermostats and held off on high-usage activities, such as running the dishwasher, washer and dryer, or oven, they earned Degrees of Difference bill credits.[12] This is just one example of many that are possible when competitive retail suppliers have timely and efficient access to their customers' near real-time BQIU data.

In Texas, where all suppliers are able to access near real-time BQIU data for all of their customers at one time, every single day, NRG Retail affiliate, Reliant, currently has more than 700,000 customers benefiting from at least one "Smart Energy" product or service. Reliant owns a "Smart House" in downtown Houston where it tests new technologies and new products to determine the most practical in home applications so that it can then develop product and service offerings. Examples of home energy management tools and offerings that Reliant offers in Texas, and which are made possible with access to near real-time BQIU data, include:

- An Account Management tool that allows customers to personally monitor their electricity use, set cost and usage alerts, and compare their energy use to that of their neighbors.
- Cost and Usage alerts - provided via email or text messages – notify customers when they are approaching any cost or usage thresholds they have selected.

[12] Notably, the Degrees of Difference product offer required no investment from ratepayers – there was no surcharge on customers' bills to support the offer.

- Home Energy Monitors that allow customers to track their usage in real time.
- Weekly Summary Emails that highlight the customer's electricity usage - and approximately what it costs - for the most recent week as compared to the previous week. This information is then used to generate an estimate of the next bill to help the customer better manage his or her electricity budget.
- Pricing Plans that encourage consumers to shift usage and conserve such as:
    - Reliant "Keep Your Cash Nights and Weekends" which provides a discounted price on electricity used every night after 8:00 p.m. and all weekend long. This plan allows customers to enjoy one fixed price during all other times.
    - Reliant "Truly Free Weekends Plan" which provides no electricity charges from 8:00 p.m. on Friday to 12:00 a.m. on Monday, and a low fixed price during the week.
- Payment plans that help customers budget their energy costs more easily, such as Reliant "Smart Start." Smart Start is a pre-pay plan that allows customers to pay as they go; the plan is very easy to understand – it is very similar to how many mobile phone plans are structured – and it is growing in popularity. This plan gives the customer the ability to decide how much they want to spend.
- Reliant "Solar Sell-Back" allows customers with solar PV systems installed at their home to choose to have sell-back savings automatically credited to their monthly Reliant bill for surplus electricity generated and returned to the grid. Interval data allows Reliant to determine the usage profile for the customer so Reliant knows how much electricity to purchase and Reliant purchases supply based on actual demand. This allows Reliant to

offer better pricing to the customer and determine the amount of the credits that can be offered.

- Demand response programs such as "Degrees of Difference" provide customers a bill credit for using less electricity than normal during high demand hours. Degrees of Difference alerts customers to upcoming periods of high electricity demand so that the customer can reduce usage.

IV. The Competition Act requires nondiscriminatory access.

As the Commission is well aware, Maryland has adopted a policy to foster the development of a robustly competitive retail electricity market.[13] The Competition Act requires, among other things, that the Commission order the utilities "to adopt policies and practices reasonably designed to prevent . . . discrimination . . . or giving undue or unreasonable preference in favor of the electric company's own electricity supply" and "any other forms of self-dealing or practices that could result in noncompetitive electricity prices to customers".[14] In addition, the Competition Act requires the Commission to issue orders reasonably designed to "ensure the creation of competitive electricity supply and electricity supply services markets," and to require "access by electricity suppliers and customers to the electric company's transmission and distribution system on a nondiscriminatory basis."[15]

The Competition Act's requirements mandate that BGE be required to provide retail suppliers with equal access to their customers' near real-time BQIU data, which they appear to be providing their contracted CSPs. Allowing BGE to act as a gatekeeper for this information or to selectively and exclusively provide it to entities that develop retail products for BGE, while

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[13] Electric Customer Choice and Competition Act of 1999, Md. Public Utilities Code Ann. § 7-505 *et seq.* (the "Competition Act").
[14] *Id.* at § 7-505 (b)(3).
[15] *Id.* at § 7-505 (b)(10)(i) and (ii)(2).

not providing it to retail suppliers, harms consumers and undermines the competitive retail market. Permitting BGE to exploit this data to advantage its own retail products and services creates a barrier to competition by giving the utility the ability to offer a utility branded product, while at the same time denying the same opportunity to suppliers and their customers. The end result harms consumers who are denied a choice of products and services. In addition, the lack of equal access to retail suppliers of their own customers' near real-time BQIU data fosters the misimpression that standard offer service ("SOS") is "better" than competitive service because of the ability of the utility to develop (with the assistance of their CSPs) utility branded value-added products and services for retail customers.

V. BGE's current interval meter data access process is discriminatory.

BGE, which reported in August 2015, that it has successfully deployed smart meters to 85% of its customers,[16] does not provide timely and efficient access to near real-time BQIU data to retail suppliers for their customers. Suppliers wishing to obtain interval usage data must do so monthly, via the Electronic Data Interchange ("EDI") (which provides historical interval usage for the entire month) or via BGE's CDWeb, a web portal that allows suppliers to request twelve months of historical interval usage data by manually entering customer account information one at a time and submitting a request.[17] CDWeb does not provide near real-time BQIU data – which,

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[16] BGE reported smart meter installations at 1,151,728 (85%). Second Quarter 2015 Metrics Report of Baltimore Gas and Electric Company *In the Matter of Baltimore Gas and Electric Company for Authorization to Deploy a Smart Grid Initiative and to Establish a Surcharge Mechanism for the Recovery of Cost*, Case No. 9208 (Aug. 17, 2015).

[17] Using CDWeb, a supplier may submit a request with up to twenty customer accounts and each customer account must be manually entered into the request one at a time. A supplier must wait one business day and return to the site to retrieve the response file that includes twelve months' worth of historical interval usage data. Moreover, the response file may or may not include data for all of the accounts requested. BGE does not tell suppliers which customer accounts are AMI certified. Suppliers have no way to know if a customer even has a smart meter that is recording hourly interval usage. Unlike PHI, BGE is not currently using the 814e (enroll/accept) EDI transaction to indicate if the customer's account is smart meter enabled. The EDI functionality exists to make this indication to suppliers simple

as explained in these Comments, is required for suppliers to offer value-added products and services geared toward helping consumers control their electricity consumption. Even if CDWeb was modified to provide near real-time BQIU data, the system does not allow for any automation and, most significantly, it is not scalable. It is simply not possible for a supplier who has thousands of customers to efficiently obtain the near real-time BQIU data for those customers on a daily basis. Simply put, it's akin to computing with an abacus.

Of crucial significance is the fact that the retail products and services offered by BGE and described above are only available today from BGE, and not suppliers, because BGE does not provide suppliers any access (let alone efficient or scalable access) to their customers' near real-time BQIU data. As a result, suppliers cannot develop or offer services and products to customers leveraging near real-time BQIU data even though such services and products are available in other states where suppliers do have efficient and scalable access to this data. The result of this gives BGE an unfair competitive advantage and creates an unequal playing field that deprives consumers the benefit of a choice of competitive retail products and services.

VI. Require BGE to provide suppliers access to near real-time BQIU data via CSV batch files and to settle load at PJM based on interval usage data – just as the PHI companies do today – to enable suppliers to deliver innovative solutions aimed at EmPOWERing Maryland's electricity consumers.

NRG Retail respectfully requests that the Commission require BGE to follow the PHI companies' example and enable suppliers to access all of their customers' near real-time BQIU data, all at one time, every single day. Such data access can be provided via flat files (or "Batch CSV Files") for each certified supplier that include all of the 48 hour (or less) BQIU data for all

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and easy. It is unclear why BGE chooses not to use this important EDI indicator and until BGE has fully deployed and certified smart meters, they should be required to tell suppliers which customer accounts are smart meter enabled.

of the customers being served by the supplier.[18] The data files should be provided to suppliers via BGE's existing secure supplier portal.[19] Suppliers would log into BGE's supplier portal using the BGE-assigned username and password, download their data file(s), and begin the work necessary to translate that data into useful information for their customers. Suppliers would continue to obtain historical IU data through the existing EDI process. Only suppliers that are licensed by the Commission and certified to do business with BGE have access to the supplier portal and a supplier would only be able to access the near real-time BQIU data for its own customers.

This data access process is also very similar to the near real-time BQIU data access methods employed in Texas and, as explained above, by the PHI companies. In Texas, a single, standardized web portal is used by all transmission and distribution services providers ("TDSPs" – i.e., utilities), retail suppliers and customers to transmit and access near real-time BQIU data for all customers. The Texas TDSPs load the customer data into the system daily and suppliers access the system daily to download all of their customer data at one time.

This solution will provide suppliers with the quick and easy access to their customers' near real-time BQIU data that is necessary to develop and deploy the innovative products and services that will (1) EmPOWER Maryland's consumers and (2) enable them to realize the full value of the very large AMI investment they have made.

NRG Retail also recommends that the Commission require BGE to implement this solution by the end of 2015. NRG Retail is not aware of any technical or operational barriers to

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[18] To the extent the utilities can provide interval usage data that is less than 48 hours old, the Commission should require them to do so – the more current the data is, the more valuable and useful it is to the customer, and the better products that will be delivered by the market.

[19] In addition, the near real-time BQIU data that is provided should include watt precision down to two decimal places to the right – meaning, BGE should not round or alter the interval usage data; fractions of a watt should be indicated to within a hundredth of a watt.

this solution being implemented quickly, and believes it can be implemented without an undue burden on utility resources.[20] Moreover, with smart meters now almost fully deployed, NRG Retail requests that the Commission require BGE to settle all supplier load at PJM based on interval usage data rather than the historic practice of settling supplier load based on the customer class load profile. BGE's failure to settle supplier accounts at PJM based on interval usage data undermines suppliers' ability to offer value-added products and services to customers in Maryland (assuming they can get access to the near real-time BQIU data in the first place).

Suppliers and their customers have been waiting too long for access to this data. Moreover, suppliers will need time to bring new products and services to market. Suppliers will need to (1) become familiar with and analyze the data, (2) design and program the systems needed to capture, store, analyze, and push that data to customers in real-time, and (3) develop, test, market and deliver new products that leverage that data to customers. The longer retail suppliers must wait to gain access to this data and for their load to be settled at PJM based on this data, the longer it will be before they can deliver innovative solutions to their customers, and the longer BGE will have to continue to create a preference for SOS.

VII. Conclusion

NRG Retail respectfully requests that the Commission direct BGE to offer suppliers access to their customers' near real-time BQIU data via Batch CSV Files through their secure supplier portal by December 31, 2015, and to direct BGE to settle supplier load at PJM based on interval meter as soon as practicable. By doing so, the Commission will be taking decisive action to correct the unequal marketplace that exists in the BGE service territory and create an equal

[20] Moreover, with the RM-54 final order expected by the end of 2015 that is likely to include accelerated switching, which may potentially require significant utility resources to implement, it is even more important that this BQIU data access solution be implemented as quickly as possible so that it is completed prior to the effective date of these new rules.

opportunity for suppliers to utilize near real-time BQIU data to provide their customers value-added products and services leveraging that data, just as BGE is doing today. As the Commission considers this request, it is important to remember that Maryland's utilities, not unlike utilities across all retail competitive states, are struggling to redefine their traditional business models and are working to expand those business models into competitive markets. When they do so, at the expense of other stakeholders, leveraging their historical monopoly positions to benefit themselves and harming competition and consumers, this Commission must act promptly and decisively.

Respectfully submitted,

NRG RETAIL AFFILIATES

By Counsel

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CERTIFICATE OF SERVICE

I certify that copies of the foregoing Comments of NRG Retail Affiliates were sent on September 24, 2015, to the official service list for Case No. 9154.

Brian R. Greene