



## State of Utah

JON M. HUNTSMAN, JR.  
Governor

GARY HERBERT  
Lieutenant Governor

## Public Service Commission

RIC CAMPBELL  
*Chairman*

TED BOYER  
*Commissioner*

RON ALLEN  
*Commissioner*

To: PURPA Work Group List, Docket File

From: Carol Revelt

Date: October 12, 2006

Re: Minutes of October 6, 2006 Work Group Meeting on 2005 EPAct  
Amendments to PURPA – Docket 06-999-03

---

Attendees: Dave Taylor, Rocky Mountain Power (RMP)  
Mike Peterson, Utah Rural Electric Association  
Vicki Baldwin, UIEC  
Sarah Wright, Utah Clean Energy  
Patti Case, Intermountain CHP Center/ETC Group  
Ward Camp, Cellnet Technology Inc.  
Scott DeBroff, Smigel, Anderson & Sacks  
Judith Johnson, DPU  
Andrea Coon, DPU  
Artie Powell, DPU  
Connie White, DPU  
Cheryl Murray, CCS  
Becky Wilson, PSC  
Carol Revelt, PSC

On October 6, 2006, a meeting was held in room 401 of the Heber Wells building with the purpose of developing a PURPA standards consideration process and reviewing the results of the information collected on time-based metering as requested during the previous work group meeting. The following items were discussed during this meeting:

### **Discussion Item #1: Process for going forward and reaching a conclusion for each of the standards**

The first major issue discussed was how the process should proceed in order to reach a conclusion within the required time frame. Dave Taylor explained Idaho's process (essentially a paper hearing) in which questions were posed to the three major utilities followed by a technical conference and a paper hearing. (Access the following link for Idaho's most recent order:

[http://www.puc.idaho.gov/internet/cases/elec/GNR/GNRE0602/ordnotc/20061006NOTICE\\_OF\\_MODIFIED\\_PROCEDURE\\_ORDER\\_NO\\_30146.PDF](http://www.puc.idaho.gov/internet/cases/elec/GNR/GNRE0602/ordnotc/20061006NOTICE_OF_MODIFIED_PROCEDURE_ORDER_NO_30146.PDF)). The approach taken by Utah to address the 1992 PURPA amendments was also discussed (Dockets 93-999-03 and 93-999-04). The Division then offered a proposal consisting of the following elements:

**Utah!**  
Where ideas connect™

- 1) Hold technical conferences to develop recommendations to the PSC.
- 2) The standard(s) under consideration will be scheduled in advance and participants should come prepared to discuss the following:
  - a. The purpose of the standard.
  - b. Address whether any current standards in place in Utah are equivalent/comparable.
  - c. Prior state actions (already have much of this information) and their effectiveness.
  - d. Recommendation regarding adoption of the standard.
  - e. Criteria and measurements to determine utility adherence to the standard.
  - f. Identify issues to be addressed in the Energy Efficiency Docket (discussed below).
  - g. Other considerations specific to the standard
- 3) During technical conference, the working group will attempt to reach consensus on recommendations to the PSC. If no consensus, parties will develop individual recommendations. Recommendations should include the information gathered in the technical conference.

The question was raised as to whether all of the standards should be addressed at the same time or one at a time. After considerable discussion it was agreed that the fuel sources and fossil fuel generation efficiency standards should be addressed first during one technical conference as PacifiCorp/Rocky Mountain Power's Integrated Resource Plan (IRP) is currently under development and if changes/additions to the IRP might be considered it would be better to deal with them sooner rather than later. The time-based metering and communications standard should be addressed second as the February 7, 2006, deadline for an evaluation and decision is quickly approaching. The other standards (net metering and interconnection) will also be addressed separately.

The issue of the confusion of the language in the 2005 EAct regarding the time-based metering and communications standard was discussed (see Sec.1252.Smart Metering.(a) General, paragraph 14(F) and Sec.1252.Smart Metering.(g) Time Limitations). Scott DeBroff mentioned how other states were approaching the language in 1252(a) regarding the requirements to conduct an investigation and issue a decision on the standard by February 8, 2007, and the language contained in Sec.1252.(g) Time Limitations which specifies a deadline to complete the consideration and determination of the standard by August 8, 2007. In general the group agreed that we should address the time-based metering and communication standard before February 8, 2007. A White Paper on EAct prepared by Scott will be circulated to the group.

#### **Discussion Item #2: Possible New Energy Efficiency Docket**

During the meeting the Division proposed opening an energy efficiency docket which would contain "spillover" issues from the evaluation of the 2005 EAct standards such as reducing peak usage, demand-side issues associated with energy efficiency, barriers to entry, energy efficiency issues in support of Utah's energy efficiency goal published in

2006, how we make energy efficiency a win-win for everyone, etc. Artie Powell indicated that the Division is working on an investigation regarding net-metering which will be completed soon. There was some discussion about whether to open such a docket sooner than later – most agreed that sooner would be better. Becky Wilson cautioned that a request to open a new docket would need to be supported by a detailed explanation of the reason for opening the docket accompanied by analytical data

### **Discussion Item #3: Possible Schedule for Technical Conferences**

Based upon the time-frames contained in the 2005 EPAct and the desire to complete the consideration/determination effort by June 1, 2007, the following tentative dates were identified for the four technical conferences necessary to gather sufficient information in order to make recommendations on the standards. These dates are subject to check by Rocky Mountain Power (RMP) to determine if PacifiCorp/RMP experts will be available:

- 1) October 17, 2006 at 9:30 a.m.: Fuel Sources and Fossil Fuel Generation Efficiency - confirmed
- 2) November 9, 2006 at 9:30 a.m.: Time-Based Metering and Communications
- 3) December 13, 2006 at 1:30 p.m.: Interconnection
- 4) January 10, 2007 at 1:30 p.m.: Net Metering

### **Discussion Item #4: Resources for Smart Metering**

During the meeting several resources – mostly addressing the time-based metering and communication standard -- were mentioned. The websites for most of the resources mentioned are listed below:

- 1) Mid-Atlantic Distributed Resources Initiative work group – especially the Advanced Metering Initiative Toolbox: [www.energetics.com/madri](http://www.energetics.com/madri)
- 2) Edison Electric Institute – responding to EPAct and look at smart meters, time-based-rate structures, and net metering: [http://www.eei.org/industry\\_issues/electricity\\_policy/federal\\_legislation/responding\\_to\\_epact.pdf#search=%22EEI%20time-based%20structure%22](http://www.eei.org/industry_issues/electricity_policy/federal_legislation/responding_to_epact.pdf#search=%22EEI%20time-based%20structure%22)
- 3) Illinois Real-Time Pricing: By unanimous votes in both chambers, The Illinois General Assembly last week became the first legislative body in the U.S. to mandate that utilities provide residential consumers the option to access hourly, market-based electricity prices. The measure requires utilities to begin offering the real-time pricing option by January 1, 2007 as part of a program that would include customer education and support to assist consumers in managing their energy use and costs.
- 4) The following link is to the report associated with the Illinois Energy-Smart real-time pricing pilot program. The pilot has been in effect since 2003 – they are not using “super smart” meters, there is a website for pricing, also participants would get call under certain conditions: <http://www.energycooperative.org/reports.php>
- 5) State of California: Charles River Associates Impact Evaluation of State-Wide Pricing Pilot: [http://www.energy.ca.gov/demandresponse/documents/group3\\_final\\_reports/2005-03-24\\_SPP\\_FINAL\\_REP.PDF](http://www.energy.ca.gov/demandresponse/documents/group3_final_reports/2005-03-24_SPP_FINAL_REP.PDF)

- 6) Ontario Smart Price Pilot:  
[http://www.oeb.gov.on.ca/documents/smartpricepilot\\_backgrounder\\_010806.pdf#search=%22Ontario%20Smart%20Price%20PIlot%22](http://www.oeb.gov.on.ca/documents/smartpricepilot_backgrounder_010806.pdf#search=%22Ontario%20Smart%20Price%20PIlot%22)
- 7) FERC Report on Demand Response & Advanced Metering:  
[http://www.oeb.gov.on.ca/documents/smartpricepilot\\_backgrounder\\_010806.pdf#search=%22Ontario%20Smart%20Price%20PIlot%22](http://www.oeb.gov.on.ca/documents/smartpricepilot_backgrounder_010806.pdf#search=%22Ontario%20Smart%20Price%20PIlot%22)

Issues/comments raised regarding the smart metering and communication standards during this discussion include: what are the impediments; price is the key; are there different issues facing vertically integrated utilities and those that have been deregulated with respect to smart metering?; “smart” metering is different than automated meter reading; this is the most difficult standard to address; there are many existing studies available which the group can utilize; the Power Forward program has been successful in helping reduce peak usage; should the technical conference include a primer on smart metering types?. Ward Campbell offered to provide additional information/training if necessary.

#### **Discussion Item #5: Fuel Sources and Fossil Fuel Generation Efficiency Technical Conference**

The group discussed potential questions regarding this subject, i.e., How are these issues handled within PacifiCorp’s IRP? Are these issues addressed in the standards and guidelines ordered in Docket 90-2035-01? If they are not addressed in the IRP should they be? Questions for each standard don’t need to be different. PacifiCorp will come prepared to address the issues in Discussion Item #1 above as will other interested parties. A notice of technical conference was issued by the Commission on October 10, 2006 – see: <http://www.psc.utah.gov/misc/06orders/Oct/0699903notc.pdf>