

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

RESOLUTION E-3502

November 5, 1997

RESOLUTION

RESOLUTION E-3502. PACIFIC GAS AND ELECTRIC COMPANY REQUESTS APPROVAL TO TARIFF AN ELECTRIC AND GAS METER PULSE AGREEMENT FORM THAT WOULD ALLOW PG&E TO INSTALL SPECIAL PULSE-METERING AND RECORDING DEVICES ON CUSTOMERS' STANDARD METERING EQUIPMENT ENABLING THE CUSTOMERS ACCESS TO REAL-TIME DATA REGARDING THEIR ENERGY USAGE.

APPROVED ON A PROVISIONAL BASIS, WITH MODIFICATIONS.

BY ADVICE LETTER 1662-E/2014-G FILED ON APRIL 8, 1997.

SUMMARY

1. By Advice Letter 1662-E/2014-G, Pacific Gas and Electric Company (PG&E) requests approval to tariff an electric and gas meter pulse agreement form (Standard Form 79-865) that would allow PG&E to install special pulse-metering and recording (PM&R) devices on customers' standard metering equipment, enabling customers access to their own real-time energy usage data. The equipment would consist of an Electric Relay System for an electric customer and a Gas Interface System for a gas customer.
2. Protests were filed and subsequently withdrawn by Enron and Portland General Corporation.
3. This Resolution authorizes PG&E to tariff, on a provisional basis, the electric and gas meter pulse agreement form, with modifications to reveal the estimated cost of the Electric Relay System and the Gas Interface System, and to disclose to customers that (1) other types of electric metering equipment and comparison price information may be available from competing providers beginning January 1, 1998 for electric customers with a maximum demand greater than or equal to 20 kilowatts (kW), and beginning January 1, 1999 for all other electric customers, (2) open architecture standards for electric meters and metering communication will be in place prior to the onset of competition and PG&E's Electric Relay System may not conform to those metering standards, and (3) the competitive provision of gas metering services is under consideration by the Commission.

BACKGROUND

1. In Decision (D.) 97-05-040, the Commission directed implementation of direct access for all customer classes beginning on January 1, 1998. In order to participate in direct access transactions, the Commission required that customers with a maximum demand greater than or equal to 20 kW have in place meters capable of providing, at a minimum, hourly data. The Commission allowed customers who have a maximum demand of less than 20 kW to participate in direct access through statistical load profiling.
2. In D. 97-05-039, the Commission authorized competitors of utilities to provide electric metering services. Beginning January 1, 1998, customers with a maximum demand greater than or equal to 20 kW may choose electric metering services from among competing providers. This option will be available to all other customers by January 1, 1999.
3. The Commission, also in D.97-05-039, directed energy service providers, distribution utilities and other interested parties to confer and agree upon open architecture standards for electric meters and metering communication prior to the onset of competition.
4. In addition, the Commission stated that it is time to consider unbundling of gas metering functions, and directed this topic to be included in the development of the Commission's new gas industry strategy.
5. On April 8, 1997, PG&E filed Advice Letter 1662-E/2014-G requesting Commission approval to tariff an agreement form which would allow PG&E to install, at the customer's request and expense, PM&R devices on PG&E's standard electric and gas metering equipment, enabling gas and electric customers access to real-time energy usage data.
6. These devices provide an interface to allow data pulses from PG&E's standard gas and electric meters to be used as input into customers' software programs giving customers the ability to monitor and control their energy usage. For an electric customer to obtain these pulses, PG&E must install an Electric Relay System. PG&E must install a Gas Interface System for a gas customer to obtain these pulses. Depending on the type of metering equipment at the customer's site, other work may need to be performed such as replacing the meter with a pulse-initiating meter.
7. As the owner of all energy metering equipment, PG&E has been installing PM&R devices at customers' request for more than 20 years. However, PG&E has not previously requested Commission authorization to tariff this service.

NOTICE

1. Advice Letter 1662-E/2014-G was served on other utilities and government agencies, and to all interested parties who requested such notification, in accordance with the requirements of General Order 96-A.

PROTESTS

1. The Energy Division received timely protests to Advice Letter 1662-E/2014-G from Enron and Portland General Corporation. Enron and Portland General Corporation withdrew their protests on June 17, 1997 and June 18, 1997, respectively.

DISCUSSION

1. In its efforts to restructure the electric industry, the Commission has adopted policies and rules that promote and facilitate the creation of a competitive electric marketplace. Consistent with its stated policies, it has authorized competitors of utilities to provide electric metering services. In doing so, the Commission required the development of open architecture standards for electric meters and metering communication prior to the onset of competition in order to avoid constructing a barrier to competition. The Commission has also deemed it appropriate to consider whether the provision of gas metering services should likewise be opened up to competition.

2. Electric customers with a maximum demand greater than or equal to 20 kW may choose metering services from among competing providers beginning January 1, 1998, with the remaining electric customers eligible to choose beginning January 1, 1999. There is also the likelihood that gas customers also will be able to choose among competing providers in the near future.

3. Until such time that metering services are offered on a competitive basis, a customer who wants access to their real-time energy usage data has no other option than to go through the utility. The utility can either offer the service through a tariff, which requires approval of an advice letter filing, or it can offer the service untariffed, which requires no approval. PG&E has been offering the installation of PM&R devices enabling customers access to their real-time energy usage on an untariffed basis for over 20 years. By Advice Letter 1662-E/2014-G, PG&E is requesting authorization to tariff the service.

4. By tariffing the service, the Commission can require PG&E to offer it on a non-discriminatory basis, reveal estimated costs, and disclose important information to customers enabling them to make informed decisions. PG&E's electric and gas meter pulse agreement form proposed in Advice Letter 1662-E/2014-G should be modified to reveal the estimated cost of the Electric Relay System and the Gas Interface System, and to disclose to customers that (1) other types of electric metering equipment and comparison price information may be available from competing providers beginning January 1, 1998 for electric customers with a maximum demand greater than or equal to 20 kW, and beginning January 1, 1999 for all other electric customers, (2) open architecture standards for electric meters and metering communication will be in place prior to the onset of competition and PG&E's Electric Relay System may not conform to those metering standards, and (3) the competitive provision of gas metering services is under

consideration by the Commission.

5. PG&B should be authorized to tariff the electric and gas meter pulse agreement form, with these modifications, but only until competitors of utilities are allowed to provide metering services. Therefore, PG&B should be authorized to offer the tariff to all electric customers until January 1, 1998, to electric customers with a maximum demand less than 20 kW until January 1, 1999, and to all gas customers until the Commission allows the competitive provision of gas metering services. After each of these respective dates, PG&B should de-tariff the service for the specified customers.

FINDINGS

1. By Advice Letter 1662-E/2014-G PG&B requests Commission approval to tariff an agreement form which would allow PG&B to install, at the customer's request and expense, PM&R devices on customers' standard electric and gas metering equipment, enabling gas and electric customers access to real-time energy usage data.
2. Protests to Advice Letter 1662-E/2014-G were received from, and subsequently withdrawn by, Enron and Portland General Corporation.
3. Electric customers with a maximum demand greater than or equal to 20 kW may choose metering services from among competing providers beginning January 1, 1998, with the remaining electric customers eligible to choose beginning January 1, 1999.
4. The competitive provision of gas metering services is under consideration by the Commission and there is the likelihood that gas customers may be able to choose among competing providers in the near future.
5. Until such time that metering services are offered on a competitive basis, a customer who wants access to their real-time energy usage data has no other option than to go through the utility.
6. The utility can either offer the service through a tariff, which requires approval of an advice letter filing, or it can offer the service untariffed, which requires no approval.
7. PG&B has been offering the installation of PM&R devices enabling customers access to their real-time energy usage on an untariffed basis for over 20 years.
8. By tariffing the service, the Commission can require PG&B to offer it on a non-discriminatory basis, reveal estimated costs, and disclose important information to customers enabling them to make informed decisions.
9. PG&B's electric and gas meter pulse agreement form proposed in Advice Letter 1662-E/2014-G should be modified to reveal the estimated cost of the Electric Relay System and the

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Gas Interface System, and to disclose to customers that (1) other types of electric metering equipment and comparison price information may be available from competing providers beginning January 1, 1998 for electric customers with a maximum demand greater than or equal to 20 kW, and beginning January 1, 1999 for all other electric customers, (2) open architecture standards for electric meters and metering communication will be in place prior to the onset of competition and PG&E's Electric Relay System may not conform to those metering standards, and (3) the competitive provision of gas metering services is under consideration by the Commission.

10. PG&E should be authorized to tariff the electric and gas meter pulse agreement form, as modified, but only until competitors of utilities are allowed to provide metering services.

11. PG&E should be authorized to offer the tariff, as modified, to all electric customers until January 1, 1998, to electric customers with a maximum demand less than 20 kW until January 1, 1999, and to all gas customers until the Commission allows the competitive provision of gas metering services.

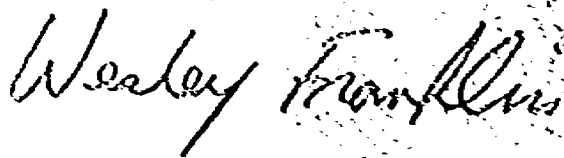
12. After each of these respective dates, PG&E should de-tariff the service for the specified customers.

THEREFORE, IT IS ORDERED that:

1. Pacific Gas and Electric Company's electric and gas meter pulse agreement form proposed in Advice Letter 1662-E/2014-G shall be modified to reveal the estimated cost of the Electric Relay System and the Gas Interface System, and to disclose to customers that (1) other types of electric metering equipment and comparison price information may be available from competing providers beginning January 1, 1998 for electric customers with a maximum demand greater than or equal to 20 kilowatts, and beginning January 1, 1999 for all other electric customers, (2) open architecture standards for electric meters and metering communication will be in place prior to the onset of competition and Pacific Gas and Electric Company's Electric Relay System may not conform to those metering standards, and (3) the competitive provision of gas metering services is under consideration by the Commission.
2. Pacific Gas and Electric Company shall file the required modifications to the electric and gas meter pulse agreement form in a supplement to Advice Letter 1662-E/2014-G within 10 days.
3. The Energy Division shall determine whether the supplemental advice letter filing satisfies the requirements of this Resolution.
4. The tariffs are effective when the necessary supplement is approved by the Energy Division.
5. Pacific Gas and Electric Company is authorized to offer the tariff, as modified, to all electric customers until January 1, 1998, to electric customers with a maximum demand less than 20 kilowatts until January 1, 1999, and to all gas customers until the Commission allows the competitive provision of gas metering services.
6. After each of these respective dates, Pacific Gas and Electric Company shall de-tariff the service for the specified customers.
7. This Resolution is effective today.

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I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on November 5, 1997. The following Commissioners approved it:



WESLEY M. FRANKLIN
Executive Director

P. Gregory Conlon, President
Henry M. Duque
Josiah L. Nepper
Richard A. Bilas
Commissioners

I dissent.

/s/ Jessie J. Knight, Jr.
Commissioner