

CASE No. 9111 – PSC Investigation into Demand Side Management Programs and Advanced Metering

The PSC launched an investigation on January 23, 2007 into demand side management programs (DSM) (energy efficiency programs) and “advanced meters”.

Demand Response¹: *Changes in electric usage by end-use customers from their normal consumption patterns in response to changes in the price of electricity over time, or to incentive payments designed to induce lower electricity use at times of high wholesale market prices or when system reliability is jeopardized.*

Advanced Metering: *Advanced metering is a metering system that records customer consumption [and possibly other parameters] hourly or more frequently and that provides for daily or more frequent transmittal of measurements over a communication network to a central collection point.*

OPC has actively participated in all hearings and in discussion of related matters at PSC Administrative Meetings. This is a long –term case to decide upon which energy efficiency programs are most cost-effective for residential customers and to decide whether requiring advanced meters for all residential customers is prudent. OPC has filed comments on whether to approve a pilot Demand Response Program for BGE. OPC approved of the pilot and the PSC ultimately issued an order approving the pilot program. OPC has opposed requiring advanced meters for residential customers and re-iterated that opposition in comments filed on March 16, 2007. OPC has also filed comments and attended PSC hearings on proposed “Fast Track” programs for PEPCO and Delmarva Power & Light (DPL). OPC also attended and actively participated in collaborative discussions throughout the year. The case is expected to continue well into FY08.

¹ Definitions of Demand Response and Advance Metering from FERC web site
<http://www.ferc.gov/industries/electric/indus-act/demand-response.asp>