

NRG Retail Northeast 3711 Market Street Philadelphia, PA 19104

May 26, 2015

FEDERAL EXPRESS

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission P.O. Box 3265 Harrisburg, PA 17105-3265

Re: Electronic Data Exchange Working Group's Web Portal Working Group's Solution Framework for Historical Interval Usage and Billing Quality Interval Use – Docket No. M-2009-2092655; Comments of NRG Retail Affiliates

Dear Secretary Chiavetta:

Enclosed for filing with the Commission on behalf of NRG Retail Affiliates is an electronic copy of its Comments in the above-referenced proceeding.¹

If you have any questions regarding this filing, please direct them to me at 301.509.1508 or via email at lgibbons@nrg.com.

Sincerely,

Leah Gibbons

Director, Regulatory Affairs

Electronic CC:

Office of Competitive Market Oversight at ra-OCMO@state.pa.us

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¹ NRG Retail Affiliates include Reliant Energy Northeast LLC d/b/a NRG Home, Green Mountain Energy Company and Energy Plus Holdings LLC.

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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Submission of the Electronic Data Exchange Working Group's Web Portal Working Group's Solution Framework for Historical Interval Usage and Billing Quality Interval Use

: Docket No. M-2009-2092655

COMMENTS OF NRG RETAIL AFFILIATES APRIL 23, 2015 TENTATIVE ORDER

Date: May 26, 2015

Tentative Order on Access to Interval Usage Data NRG Retail Affiliates Comments

The NRG Retail Affiliates ("NRG Retail") appreciate the opportunity to provide feedback on the Public Utility Commission's ("Commission") proposal for the deployment of a standardized solution for the acquisition of historical interval usage (HIU) and billing quality interval usage (BQIU) data via a secure web portal. 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 the Commonwealth, and are all wholly-owned subsidiaries of NRG Energy, Inc., ("NRG") a Fortune 250 Company. NRG is one of the country's largest power generation and retail electricity supply businesses. NRG owns and operates more than 50,000 MW of generating capacity, including approximately 14,000 megawatts located in Pennsylvania. The company's retail businesses serve almost 3 million customers across 16 states. NRG employs more than 1,700 people in Pennsylvania and NRG Retail's northeast business is headquartered in Philadelphia.

In its Tentative Order issued April 23, 2015, the Commission requested stakeholder feedback, "especially with regard to the proposed implementation timelines," on its proposal that:

"those EDCs with smart meter requirements implement, within eight months of the entry date of a Final Order on this proceeding, the Single User – Multiple Requests (SU-MR) option outlined in the Framework. Additionally, we propose that those EDCs with smart meter requirements implement, within twelve months of the entry date of a Final Order in this proceeding, the System-to-System (StS) functionality outlined in the Framework."

As detailed in its March 13, 2015 letter, NRG Retail is keenly focused on delivering innovative products and services that engage and empower the Commonwealth's retail electricity customers to take control of their energy

² Submission of the Electronic Data Exchange Working Group's Web Portal Working Group's Solution Framework for Historical Interval Usage and Billing Quality Interval Use, Docket No. M-2009-2092655, Tentative Order entered April 23, 2015 at 2, 12 ("Tentative Order").

consumption. NRG Retail's ability to deliver such product innovations hinges on timely access to our customers' real-time BQIU data every single day.³

As is explained in more detail below, NRG Retail urges the Commission to:

- Explicitly require that the System-to-System ("StS") Solution implemented by the Electric Distribution Companies (EDCs) be the "Active EGS" Rolling 10-Day Solution proposed by NRG Retail during the Web Portal Work Group process and which is described in the EDEWG's February 17th Report⁴ and in NRG Retail's March 13, 2015 comments⁵; and
- 2. Require that the StS Solution be implemented prior to implementation of the Single User Multiple Requests (SU-MR) solution, and no later than four months from the date the Commission enters its Final Order in this Docket.

In addition, NRG Retail provides responses to some of the questions posed by Commissioner Cawley in his statement on the Commission's Tentative Order.

Require the "Active EGS" Rolling 10-Day Solution as the Mandatory System-to-System (StS) Solution Implemented by the EDCs

NRG Retail commends the Commission for recognizing the importance of an StS solution to maximizing the benefits of the smart meter technology being deployed across the Commonwealth. The Commission has proposed that an StS solution be mandatory for inclusion in EDC web portal implementation,

⁵ See NRG Retail letter filed in Docket No. M-2009-2092655, March 13, 2015.

NRG Comments - Web Portal Work Group Report

³ In a restructured retail electricity market, EGSs are the entities best suited to deliver the value-added products and services to consumers that are enabled with the deployment of smart meter technology, and they will when the barriers currently inhibiting the deployment of these products and services – lack of timely access to BQIU data and EGS load being settled at PJM based on customer class load profiles rather than based on BQIU data – are removed. EGSs are fully motivated to identify customer needs and deliver the products and services that customers want. EGSs have customer call centers that listen to consumers, and product development teams focused on creating products that meet those consumers' needs. And EGSs do not have captive ratepayers. EGSs must provide products and services at prices customers want because if they do not, customers either will not choose the EGS service or they will leave. By relying on the competitive retail market to deliver innovative solutions, the Commission – and, most importantly, consumers – can be certain that customers will get the best price and the best value for those products. EDCs should not be encouraged or permitted to develop and offer value-added products and services that leverage smart meter technology.

⁴ See *EDEWG Web Portal Work Group Solutions Report*, filed in Docket No. M-2009-2092655, February 17, 2015 ("EDEWG Report") at Appendix C, Position 2: System to System Mandatory, pp 36-38.

and states that it "believes that the EDCs should be providing those entities that have obtained customer consent with that customer's HIU and/or BQIU data in an efficient and timely fashion." NRG Retail wholeheartedly agrees. However, the Tentative Order's guidance on which of the proposed StS solutions should be implemented is somewhat vague and should be clarified.

The EDEWG Report includes proposals for two separate and distinct StS solutions: the "Active EGS" 10-Day Rolling Solution, and the "By Request" Simple Object Access Protocol Web Service (SOAP) Solution. The *SOAP* solution offers no meaningful value to EGSs like NRG Retail, who are interested in deploying innovative products and services on a large scale to all of its customers. *SOAP*, while automated, only allows users to request their customers' historical HIU or BQIU data *one account at a time*. Users will not be able to request or obtain BQIU data for all of their customers at one time. Moreover, as noted in the EDEWG Report, "High request volume (both number of requests and volume of data requested) may impact the performance of the EDC's service," and the EDCs reserve the right to cap the number of requests within any given time window at their discretion. As such, the SOAP solution should not be the first or primary StS solution that is implemented by the EDCs.

NRG Retail urges the Commission to explicitly require that the EDCs implement the "Active EGS" StS solution. The "Active EGS" solution is the only proposed solution that will provide EGSs with the quick and easy access to their customers' BQIU data that is necessary to develop and deploy the innovative products and services that will empower Pennsylvania consumers and enable them to realize the full value of the very large AMI investment they have made.⁷

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⁶ EDEWG Report, pp. 27.

⁷ NRG Retail assumes that once smart meters are deployed, the EDCs will settle all EGS load at PJM based on the BQIU data rather than the historic practice of settling EGS load based on the customer class load profile. NRG Retail encourages the Commission to clarify that it shares this expectation, since a failure to settle EGS accounts at PJM based on BQIU data would undermine EGSs ability to offer value-added products and services to customers in Pennsylvania.

The StS Solution must be implemented prior to implementation of the Single User – Multiple Requests (SU-MR) solution, and no later than four months from the date of the Commission's Final Order

The Commission has proposed that the EDCs implement the SU-MR solution within eight months, and the StS solution within twelve months of the Final Order in this proceeding. NRG Retail urges the Commission to reconsider this timeline and the order in which these solutions are implemented.

As explained in our March 13, 2015 Letter, the SU-MR solution has no value to EGSs and will not be used. SU-MR is a manual process that requires users to request customer IU data one account at a time. It does not allow for any automation and, most significantly, it is not scalable. This solution provides only the bare minimum of access to interval usage data for any EGS or CSP. Moreover, the SU-MR solution includes non-interval data related components embedded in it, allowing users to request information such as load profile, Peak Load Contribution, monthly usage, etc., none of which are in the scope of the Commission's prior web portal orders. This solution will also take the most time to develop and implement. SU-MR should not be the priority solution that is implemented by the EDCs.

In contrast, the "Active EGS" solution is simple and easy to implement and will provide the data access EGSs need to deploy innovative products and services that leverage their customers' BQIU data. The data files can be provided to EGSs via the EDCs existing secure supplier portals. EGS would log into the existing supplier portal using an EDC-assigned username and password, download their data file(s), and begin the work necessary to translate that data into useful information for its customers.

NRG Retail urges the Commission not to tie implementation of these solutions to the smart meter deployment timelines of the EDCs. Both PPL and PECO have fully deployed smart meters in their service territories and are currently in possession of the interval usage data of all customers. There is simply no reason to force more than half of the customers in the Commonwealth, and their suppliers, to wait to gain access to their interval usage data until a time when the other utilities have more fully deployed their smart meter technology. Customers and their suppliers have already been waiting too long for access to this data.

NRG Comments - Web Portal Work Group Report

6

⁸ PECO reported having 1,621,896 (~95%) smart meters deployed as of March 2015.

Most importantly, a twelve month delay in EGSs gaining access to the BQIU data means that customers will not see innovative product and service offerings for at least 24 to 36 months. Once they gain access to the BQIU data, EGSs need time to bring new products and services to market. EGSs 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, the longer it will be before the innovative solutions that the Commission anticipates will be available to customers.

The Commission should require the EDCs to implement the "Active EGS" solution prior to implementation of the SU-MR solution, and no later than four months from the date of the Commission's Final Order in this Docket. NRG Retail is not aware of any technical or operational barriers to this solution being implemented quickly, and believes it can be implemented without an undue burden on EDC resources. 9

Response to the Questions Posed by Commissioner Cawley

In a Statement issued by Commissioner Cawley on April 23, 2015, the Commissioner posed several questions that delve deeper into the details of the solutions being proposed and the costs associated with those solutions. NRG Retail offers the following responses to those questions that it has a reasonable ability to answer.

1. What are the implementation costs for the SU-MR option, as well as the StS solution?

While NRG Retail cannot estimate the cost associated with either the SU-MR or StS solutions that would be borne by the EDCs, it can say with some degree of confidence that the "Active EGS" StS solution is a very low cost solution, and orders of magnitude lower than the cost of

⁹ NRG Retail is well aware that the EDCs are currently devoting significant resources to the deployment of various initiatives including accelerated switching, seamless moves and instant connects. NRG Retail does not believe that the development of the "Active EGS" solution will require a reallocation of EDC resources currently devoted to those other important activities. Those solutions demand resources with EDI expertise, while the "Active EGS" solution does not.

implementing the SU-MR option, the scope of which extends beyond the provision of HIU and BQIU data.

The "Active EGS" option will require each EDC to write some new code to include in their automated systems that will, on a daily basis, automatically run a query against its customer database, create data files containing the BQIU information for each EGS on the EDCs' existing secure web portals. An EGS will then be able to log into an EDC's portal as soon as the information becomes available every day and retrieve the data files containing its customers BQIU information.

Based on its experience working with its own customer database and with developing code to run automated queries and create various reports, NRG Retail estimates that it would take a single FTE roughly three weeks to develop, test, and deploy such code. Once complete, the ongoing maintenance would be minimal, as the system would be set up to automatically run queries, create reports, and place them in EGSs accounts, functions that the EDC systems are already set up to do.

2. Assuming the StS functionality is to be implemented, what are the incremental costs of the SU-MR option? In other words, are the implementation costs for the SU-MR solution reduced if the StS solution is implemented?

The "Active EGS" StS solution proposed by NRG Retail and the SU-MR solution are two totally different solutions that would require separate work streams to complete, with different costs associated with each solution.

3. Is it practical for all system users to use the StS solution, or is this more costly and burdensome than the SU-MR solution for lower data volume users?

As explained in our March 14, 2015 letter to the Commission, the "Active EGS" solution proposed by NRG Retail is a solution that all EGSs (both large and small) that are licensed by the PUC and certified to do business with the EDCs would be able to access. The customer database query that the EDCs would perform would be based on an EGSs Dunn and Bradstreet number (DUNS), a unique identification number that each EGS has. When an EGS is certified by an EDC, it is set up to transact business with the EDC based on its unique DUNS number. It is this DUNS number that allows the EDC to easily query its customer database to identify and pull all of the BQIU data for each EGS.

In contrast, Conservation Services Providers (CSPs) would not be able to take advantage of the "Active EGS" solution because they are not certified with the EDCs on a DUNS basis and do not have access to the EDCs' existing web portals.

As explained in our March 14, 2015 letter to the Commission, and as detailed in the EDEWG Report, a second StS solution was discussed in the Web Portal Work Group – the "By Request" Simple Object Access Protocol Web Service (SOAP) Solution – to provide secure web portal access to both EGSs and CSPs and allows them to request their customers' HIU or BQ IU data one account at a time. SOAP would allow for automation so that an EGS or CSP computer system can communicate directly to an EDC's computer system. However, *unlike the "Active EGS" solution, users will not be able to request or obtain BQIU data for all of their customers at one time*, and thus the SOAP solution fails to provide access to BQIU data efficiently – a clear goal identified in Commissioner Cawley's April 23, 2015 Statement.

SOAP simply cannot handle the number of requests or volume of data necessary for a retail supplier – even a small supplier with only a few thousand customers – to effectively deploy a retail product offer that is entirely dependent on the timely access to its customers' real time interval usage data. Moreover, and as explained above, multiple EGSs submitting high numbers of requests at the same time are likely to cause significant performance problems for the EDC systems, and the EDCs reserve the right to cap the number of requests within any given time window at their discretion.

Given this significant limitation, SOAP has little to no value to EGSs like NRG Retail, who are interested in deploying innovative products and services to its customers on a large scale. As noted above, the significant delay in obtaining BQIU data significantly diminishes its usefulness and value for an EGS and would prevent an EGS from offering the innovation that will empower consumers.

That said, NRG Retail is unsure whether SOAP would meet the needs of CSPs. NRG Retail again urges the Commission to explore whether SOAP would meet the CSPs needs before determining whether it should be implemented.

4. What other standards are appropriate for this working group to establish in order to assure that a consistent solution is developed across all EDCs?

To the extent the Commission grants NRG Retail's request to require the "Active EGS" solution, NRG Retail encourages the Commission to direct the EDCs to develop a consistent CSV Batch file format with standard column headings that would allow EGSs to more easily bring the BQIU data into their systems using a single methodology. Such consistency would help EGSs avoid the need to develop a unique approach for acquiring the data from each EDC.

Conclusion

NRG Retail appreciates the opportunity to share its perspective with the Commission and urges the Commission to help propel Pennsylvania's electric service into the 21st Century by:

- 1. Explicitly requiring that the System-to-System ("StS") Solution implemented by the Electric Distribution Companies (EDCs) be the "Active EGS" Rolling 10-Day Solution; and
- 2. Requiring that the StS Solution be implemented prior to implementation of the Single User Multiple Requests (SU-MR) solution, and no later than four months from the date of the Commission's Final Order.