

Position Paper – APS Energy Services

PSWG Issue – “Should a Standard Offer Customer be Allowed to Own a Meter?” October 11, 2000

Situation 1: Meter ownership by direct access customers returning to UDC bundled service

Description:

Current UDC procedures do not provide for direct access customers to keep their existing meter when they return to UDC bundled service. A direct access customer who already owns an interval data recording (idr) meter, which was installed by an ACC certified MSP, may want to retain their meter upon return to bundled service from the UDC. Direct access customers' reasons for keeping the IDR meter may include continuing to receive energy information services or the customer anticipating a return to direct access service in the future. Customers may have already paid for the meter directly or through the direct access rates charged by the ESP. To facilitate customer choice, the customer should be allowed to keep their existing meter when they switch back to bundled service.

Changes required to allow standard offer customer meter ownership:

- UDC procedures must be amended to allow meter ownership by customers on standard offer
- Meters installed for DA customers must be included on a State/ACC list of approved meters so that the UDCs would accept those meters if the customer returned to bundled service
- UDCs should address the limitations of their current meter reading systems and publicize the list of meters that their systems can read
- UDCs should enable themselves to obtain end-of-cycle reads for billing purposes from a variety of meters on the State/ACC list of approved meters that would be developed

Benefits:

- No harm to the customer or UDC will result since only approved meters and meter-installers were utilized when the meter was initially installed for direct access service
- Customer will avoid unnecessary expenses of removal of existing meter and re-installation of a meter (idr or non-idr meter) owned by the UDC
- Customer will be able to continue to receive their energy information services
- Customer ownership of meter facilitates customer choice and development of a deregulated market

Situation 2: Meter ownership by UDC standard offer customers prior to choosing direct access service

Description:

Just as with customers returning to standard offer service, current UDC procedures do not provide for customers owning their own meters prior to receiving direct access service from an alternative supplier.. Bundled customers' reasons for wanting to install and own an idr meter may include wanting to obtain usage data prior to choosing a direct access service provider or simply to prepare for a future move to an alternative supplier. Currently, if a standard offer customer wants a meter that will meet their needs, the customer must request special metering from the UDC and the customer pays for the special meter and its installation. However, the customer still does not own the meter. Therefore, even though the meter the customer paid for and had installed may be compatible to the meter required for direct access service, the customer must replace the meter with a new (possibly the exact same make and model) meter when they go to direct access. The requirement that the customer cannot own the meter results in additional, unnecessary meter exchanges which simply adds costs to the customer and thereby reduces their economic incentive to switch electric suppliers.

Changes required to allow standard offer customer meter ownership:

- UDC procedures must be amended to allow meter ownership by customers prior to going DA
- Meters installed by the UDC at the customer's request must be included on a State/ACC list of approved meters so that they are compatible and acceptable as a DA meter if the customer should go direct access

- UDCs should address the limitations of their current meter reading systems and publicize the list of meters that their systems can read
- UDCs should enable themselves to obtain end-of-cycle reads for billing purposes from a variety of meters on the State/ACC list of approved meters
- UDCs should be allowed to sell, install, and maintain meters for customers prior to going direct access

Benefits:

- Meter ownership encourages UDC bundled customers to learn more about their energy usage patterns and be smarter shoppers when considering alternative energy suppliers
- IDR meters are required for energy information services and customer ownership of the meter will avoid a customer paying for the meter while a standard offer customer and paying again when they go direct access
- Customer choice is easier because customers can move from supplier to supplier without having to pay the metering cost each time they switch.

Summary:

For the reasons stated above, APS Energy Services takes the position that standard offer customers in Arizona should be allowed to own their meter both before they make any switch to an alternative energy service provider and after they might switch back to bundled service from another supplier. Standard offer customer meter ownership facilitates customer choice and better prepares customers to evaluate alternative energy service providers.