Via E-Mail

December 7, 2020

Aida Camacho-Welch
Secretary of the Board
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor, P.O. Box 350
Trenton, New Jersey 08625

RE: Docket No. EO20110716, In the Matter of the November 23 Advanced Metering Infrastructure (AMI) Work Session

The Building Performance Association (BPA) respectfully responds to the November 10, 2020 notice by the New Jersey Board of Public Utilities (NJBPU) to provide public comments on the AMI Work Session held on November 23.

BPA is a membership-driven 501(c)6 industry association focused on the home and building performance industry—delivering improved energy efficiency, health, safety, and environmental outcomes. BPA supports home performance contractors, state and regional organizations, weatherization agencies and training centers, manufacturers and local non-profits focused on residential and commercial energy efficiency.

As leaders in the residential energy efficiency industry, we are pleased to provide the following comments on how to ensure AMI is leveraged to its full promise to benefit customers and help meet New Jersey's long-term clean energy goals.

Role of AMI in achieving New Jersey's long-term clean energy and environmental objectives

AMI offers the opportunity to advance residential energy efficiency and peak demand reduction in a number of ways. Including:

- **Improving EM&V of residential efficiency programs.** AMI produces granular data and monitoring which enables the ability to conduct evaluations of home improvement installations. NJBPU should also consider utilizing AMI to reduce evaluation and paperwork costs so that programs can reach more customers and have more opportunity to meet energy savings targets.
- **Supporting grid-interactive efficient buildings and demand flexibility.** Grid-interactive efficient buildings (GEBs) can respond to grid conditions to not only save energy, but also provide demand flexibility to shift energy usage off-peak or even absorb and store excess renewable energy when supply exceeds demand. AMI can provide a critical piece

of the building-to-grid connection to enable GEBs. Residential Grid-Interactive Efficient Building Technology and Policy, published by the National Association of State Energy Offices (NASEO), discusses how AMI and other smart technologies can help advance energy efficiency and demand flexibility to support energy affordability, reliability, and carbon reductions.[1]

- **Creating the opportunity for time-varying pricing.** Programs that utilize AMI data can also emphasize savings when power is most expensive or polluting and, thus, energy savings are most valuable. AMI opens up the door for price signals that incentivize customers to move their energy use off of peak hours, and thereby allow them to reduce their utility bills while supporting a cleaner grid.
- **Developing more accurate load shapes.** AMI interval meter data can also assist in developing load shapes to support energy efficiency and demand response programs. This would also support better integration of renewable energy, energy storage, and grid-interactive technologies. However, demand response programs must also incorporate base-load efficiency concerns to ensure that customer participating in a heating or cooling demand event are in homes that are insulated and can maintain temperature when their thermostats are adjusted.
- **Program targeting and behavior-based programs.** More granular data from AMI can be used to target customers with the greatest energy-saving potential, improving program cost-effectiveness. AMI data can also support behavioral efficiency programs by providing more detailed and near real-time feedback. Market actors and aggregators can help customers understand that data and turn it into actionable insights, provided that protocols are in place to enable third-party access to data (discussed further below).

Optimizing AMI Potential

In order to ensure all of the benefits outlined above can be fully realized, we encourage the NJBPU to learn from experiences in other states and look at ways to address barriers that have prevented AMI from being fully leveraged. New research from the American Council for an Energy-Efficient Economy (ACEEE) finds that most utilities who have implemented AMI are greatly underutilizing the technology and missing opportunities to save energy. The report, Leveraging Advanced Metering Infrastructure to Save Energy, published in January, explains that installation of meters alone will not automatically generate energy savings. The authors note, "AMI data need to be paired with customer engagement tools; pricing strategies; and programs with incentives and services that enable, motivate, and support customers to take actions and make changes to modify their energy use."

[1] The residential sector is a top contributor to peak demand and, therefore, demand flexibility and increased visibility and control over when energy savings occur are increasingly important for the transition to a clean energy grid.

There are steps that the NJBPU can take to encourage utilities to leverage AMI to its full potential and avoid missed opportunity. The ACEEE report notes, "Regulators can encourage utilities to better leverage AMI by quantifying and incorporating benefits from saving energy in the AMI business cases in regulatory proposals, then adjusting shareholder compensation based on performance in realizing those benefits. They can also establish clear and reasonable protocols for data access, set performance standards for metered energy savings, and encourage innovation and pilots that could leverage AMI but might involve technology or business model risk."

Key Considerations for Data Access

BPA appreciates the inclusion of data access as a focus of the November 23 Work Session. Enabling easy and secure access to customer utility data is critical to ensuring that AMI is fully leveraged to deliver energy savings and save customers money. Establishing clear and appropriate protocols for data access *before* AMI implementation begins and ensuring those protocols are applied consistently is critical. BPA therefore urges the NJBPU to require utilities to implement Green Button Connect My Data, including billing and account information data fields, to accomplish the dual objectives of increasing customers' access to their utility data, while also maintaining rigorous privacy and security standards—in accordance with Goal 5.3.2 of the New Jersey Energy Master Plan. We also recommend that the NJBPU review Mission:data Coalition's report Energy Data: Unlocking Innovation with Smart Policy which provides guidance for regulators and describes ten key elements that should be included in a data-sharing policy.

BPA would like to echo Mission:data's comments on this docket, too, in underlining the importance of having data access requirements in place up front before AMI is approved to ensure that meter data can be used to its fullest potential. For any future AMI investments, cost recovery should be linked to achieving well-defined data-sharing and data-utilization goals, and by bringing direct efficiency or conservation benefits to customers, including base-load efficiency. Otherwise, there is a risk of wasting investment and delaying opportunities to save energy, help customers, and bring New Jersey closer to its clean energy goals.

Thank you again for the opportunity to provide these comments. We welcome the opportunity to answer any questions you may have.

Sincerely,

Kara Saul Rinaldi
Vice President of Government Affairs, Policy, and Programs
Building Performance Association
kara.saul-rinaldi@building-performance.org; 202.276.1773
www.building-performance.org