

December 7, 2020

VIA ELECTRONIC MAIL

Aida Camacho-Welch
Secretary of the Board
New Jersey Board of Public Utilities
44 South Clinton Avenue
P.O. Box 350
Trenton, NJ 08625-0350

Re: NOTICE OF ADVANCED METERING INFRASTRUCTURE (AMI) WORK SESSION
Docket No. EO20110716

Dear Secretary Camacho-Welch,

We thank the Board for its leadership in presenting this important topic for discussion. The NJUA strongly supports efforts to deploy advanced metering infrastructure (“AMI”) in New Jersey, and very much appreciates the Board’s efforts in opening the process for electric distribution companies to file proposals to enable that effort. As you consider stakeholder input in this process, we strongly recommend that parameters established for your review of utility company proposals and any policies to enable AMI deployment not be designed through a “one size fits all” approach. Instead, we ask that you leave determinations about implementation to each utility. Each utility has unique service territories as well as unique system characteristics, which need to be evaluated on a utility specific basis. Also, each utility is starting from a different stage in AMI development, so each program should be appropriately individualized. For example, it will be necessary for each utility to undertake an analysis of the timeframe for the roll-out of an AMI program along with an associated analysis of requirements related to meter deployment, grid enhancements, integration of communication technology onto the grid, and IT infrastructure upgrades. In addition, it is important to consider that with the roll out of AMI comes the collection of more granular customer and system data. We must also emphasize that the privacy of our customer data is sacrosanct, and strongly recommend that any AMI related rules involving data sharing with third-party entities be considered in a statewide stakeholder process and ultimately be subject to Board review and scrutiny.

With the above considerations in mind, we strongly support deployment of AMI. Current EDC proposals will integrate modern AMI technology and that technology, according to the U.S. Department of Energy (U.S. DOE),¹ provides that “[m]ore customer control over electricity consumption, costs, and bills from greater use of new customer tools” (like web portals and smart thermostats) will reduce inconveniences

¹ Smartgrid.gov, U.S. Department of Energy Advanced Metering Infrastructure and Customer Systems: Results from the Smart Grid Investment Grant Program (Sept. 2016), available at https://energy.gov/sites/prod/files/2016/12/f34/AMI%20Summary%20Report_09-26-16.pdf

for consumers due to faster restoration after major storm events or disruptions, and will “lower customer costs through decreases in peak demand for electricity.” More expensive generation resources are typically dispatched during peak electricity demand, so curbing that peak can reduce the overall cost of the electricity commodity charge for all customers. For utilities, the smart energy system benefits found by the USDOE include efficiencies such as fewer truck rolls and improvements in asset utilization and maintenance, improved billing accuracy, and faster isolation of outages allowing “dispatch [of] repair crews more precisely, reducing outage duration, limiting inconvenience, and reducing” associated costs.

Like the USDOE, leading environmental advocates also find that smart energy systems offer numerous benefits: the American Council for an Energy Efficient Economy (ACEEE) cites numerous benefits to utilization of AMI, including “[n]ear-real-time feedback, combined with communications and possible automation, [that] can better inform and motivate customers to respond to pricing signals and change their energy use accordingly”²; and the Environmental Defense Fund (EDF)³ has expressed support for utilities taking steps to effect a clean, modern grid that provides customers with access to energy-use data through implementation of AMI. Likewise, customers are increasingly interested in monitoring, analyzing, and increasing the efficiency of their energy use but to do so, they need access to their usage data. New Jersey’s electric utilities have proposals underway to provide that access.⁴ Moreover, the workforce required to build and maintain these systems will create jobs and help bolster the economy at a time that is sorely needed.

While we enthusiastically await implementation of these programs, we note that Rockland Electric Company was authorized to install AMI through a pilot program approved in 2017 that has already improved reliability of its system. For Rockland, AMI became an essential aspect of service restoration activities during Isaias, enabling the Company to boost the effectiveness of its outage management operations as well contributing to a reduction in outage duration and costs. Smart meters with outage detection and notification automatically transmitted a “last gasp” notification when power to the meter was lost and enabled automatic outage and restoration notification, which previously had to be verified by a phone or service call. Smart meters also transmitted “power on” notifications to the Outage Management System when power was restored. This information was used effectively to manage service restoration efforts and helped to confirm partial restoration steps for larger outages.

Along with approval of EDC proposals, we respectfully ask you to consider establishing a process to allow natural gas utilities to seek approval of AMI deployment in their systems. Like EDCs, AMI can assist natural gas utilities in realizing cost savings through reduction in manual meter reads and associated truck rolls and can raise awareness of gas energy usage leading to enhanced conservation and lower bills for customers. In addition, a modern gas AMI infrastructure system with gas leak detection and alarm

² <https://www.aceee.org/sites/default/files/pdfs/u2001.pdf>

³ See <https://www.utilitydive.com/news/firstenergy-reaches-settlement-to-invest-500m-in-grid-modernization/542021/> and <https://www.edf.org/media/new-smart-meters-allow-new-jerseyans-take-charge-their-energy-use-and-costs>

⁴ PSE&G has proposed a smart system, the “Energy Cloud,” that would, among other benefits, provide more than 2.3 million customers with usage information to promote efficiency and near-real-time outage notification to facilitate faster restoration; Atlantic City Electric has proposed a “Smart Energy Network” that will take a critical step in advancing a clean energy future for Southern New Jersey by upgrading the grid into a common platform connecting customers to new energy services and more choices and improving outage response; and JCP&L’s AMI Program proposal, would have the potential to reduce labor costs, provide voltage optimization, detect outages, increase the opportunity for data collection, provide faster service restoration, improve billing accuracy, detect theft and enhance energy efficiency for its 1.1 million customers.

capabilities can greatly enhance safety and reduce emissions by helping to identify and isolate at-risk pipes.

Finally, in addition to increased reliability and efficiency, AMI will enable the efficient deployment of electric vehicle charging, energy storage, and integration of renewable energy sources like wind and solar that are called for in Governor Murphy's Energy Master Plan. We applaud the New Jersey Board of Public Utilities for its leadership in facilitating these proposals and related discussions. With smart meters in more than 70 percent of American households, we should welcome a clean, efficient, and customer-centered future to New Jersey.

Thank you for providing the opportunity to submit these comments.

Respectfully,

A handwritten signature in blue ink, appearing to read "T. Churchelow", written over a light blue horizontal line.

Thomas R. Churchelow, Esq.
President
New Jersey Utilities Association