

June 18, 2021

**Via Electronic Mail**

Ms. Aida Camacho-Welch, Secretary  
New Jersey Board of Public Utilities  
44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314  
P.O. Box 350  
Trenton, New Jersey 08625-0350

**Re: I/M/O the Petition of Atlantic City Electric Company For Approval of the Smart Energy Network Program and Cost Recovery Mechanism and Other Related Relief**

**BPU Docket No.: EO20080541**

Dear Secretary Camacho-Welch:

On behalf of Utilidata, Inc. (“Utilidata”), we submit the following letter in opposition to the Settlement Agreement regarding Atlantic City Electric’s (ACE) Petition for approval to deploy an advanced metering infrastructure (AMI) system known as the Smart Energy Network (SEN) program. Utilidata has tremendous respect for this proceeding and the parties involved, and would therefore like to take this opportunity to explain the reasoning for its opposition.

This proceeding was intended to ensure that AMI be used as “a means to achieve the goals provided in the Energy Master Plan” (EMP).<sup>1</sup> However, at a cost of \$220 million to ratepayers, ACE’s proposal provides no assurances that AMI will be used to achieve the State’s goals related to clean energy, affordability, and resiliency, nor did this proceeding provide an opportunity for substantive discussion on the link between AMI and those policy goals.

ACE’s proposal makes reference to a number of ways AMI *could* support clean energy goals but there are no concrete commitments to pursue those use cases nor requirements from the Board that these use cases, especially those in Group 2 and 3, ever materialize. Utilidata provided specific recommendations to the Settlement Agreement which would have required ACE to file a Benefits Implementation Plan (BIP) to set milestones and deadlines for achieving AMI benefits

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<sup>1</sup> See I/M/O the Petition of Rockland Electric Company for Approval of an Advanced Metering Program; and for Other Relief, Docket No. ER16060524, Decision and Order (Feb. 19, 2020) (“February 2020 AMI Order”)

and include stakeholder input.<sup>2</sup> Despite the fact that this process is being used effectively in New York, the recommendation to require a BIP was rejected by other Parties.

The BIP is an effective way to safeguard against the shortcomings that have plagued AMI deployments in the rest of the country. Failing to plan for more than the quantified Group 1 use cases will lead to an AMI system that quickly becomes outdated, prematurely becomes a stranded asset and makes decarbonization slow, expensive and unreliable. A 2020 report by the American Council for an Energy-Efficient Economy (ACEEE) found that “many utilities are under exploiting AMI capabilities and attendant benefits, thus missing a key tool to deliver value to their customers and systems” and “when used effectively by utilities or third party service providers, AMI can improve grid performance, save energy, and reduce customer bills.”<sup>3</sup> Utilidata also summarized lessons learned from these previous AMI deployments in comments filed in the AMI Infrastructure Working Session, Docket No. EO20110716.

Without a clear plan, milestones, deadlines, budgets or even details around the Group 2 and 3 use cases, the Board, stakeholders, and ratepayers have no assurances that ACE will pursue these benefits. With no plans or commitments in place, ACE will inevitably do what other utilities did with their first-generation AMI systems and procure a system that meets only what is committed to in the benefit-cost analysis (BCA). This narrow focus - while appropriate given this settlement - is likely to lead to a host of decisions that will hinder the achievement of further benefits, including:

- Purchasing legacy meters without sufficient grid-edge computing capabilities or the ability to host on-meter software;
- Procuring limited bandwidth AMI communications systems designed only for billing and outage detection that cannot provide data in real-time to support grid operations;
- Failing to procure software that can integrate meter data into real-time grid operations;
- Relying on single use software solutions, rather than a scalable platform that can support Group 1, 2 and 3 use cases; and
- Failing to integrate AMI into efforts to drive more clean energy, enable more DERs, accelerate electrification and modernize the distribution grid.

In both the AMI Working Session and Docket No. QO20020184 regarding the Solar Successor Program, Utilidata outlined how AMI can be an essential tool to operate a modern, clean grid with growing wholesale renewables, distributed energy resources and electrification, *if executed correctly*. Unfortunately, ACE’s plan is an example of the kind of insufficient planning that has left stakeholders in other jurisdictions vastly underwhelmed with their AMI investment. Given the current economic crisis, the increased threat of outages, and the clean energy transformation that is well underway, maximizing a \$220 million AMI investment is not just a matter of financial prudence, it is central to the achievement of the State’s EMP goals.

Utilidata therefore urges the Board to require that ACE develop specific plans, deadlines and budgetary commitments to deliver benefits that drive meaningful value around lower costs,

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<sup>2</sup> Letter sent to Docket No. EO20080541 Service List on April 23, 2021.

<sup>3</sup> See [Leveraging Advanced Metering Infrastructure to Save Energy](#), American Council for an Energy Efficient Economy (Revised January 27, 2020)

increasing equity, promoting resiliency, and enabling clean energy. While it is Utilidata's sincere hope that the Settlement Agreement can be amended to address these concerns, we also urge the Board to leverage other ongoing proceedings, such as the Solar Successor Program or Docket No. QO21010085 regarding Solar Interconnection, to set expectations for how AMI will be used to enable clean energy outcomes and the achievement of the EMP goals.

We thank the Board for its attention to this matter.

Respectfully submitted,

**DECOTIIS, FITZPATRICK, COLE  
& GIBLIN, LLP**

By: s/ Alice Bergen  
Alice M. Bergen

AMB/ma

cc: BPU Service List (*via e-mail only*)