

## AMI DONE RIGHT

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The body of work that we have gathered, reviewed, discussed, and organized in MADRI's AMI Toolbox (<http://www.energetics.com/madri/toolbox/>) leads to one inescapable conclusion: that the time to begin the roll-out of Advanced Metering Infrastructure (AMI) is now. The benefits of AMI for the electricity sector are many and every part of the electric industry wins. AMI provides end-use customers with a tool for managing electric bills and enhances both the quality and timeliness of customer service ranging from billing to outage information. AMI provides electric distribution companies (EDCs) with information to build and manage an intelligent transmission and distribution system (80% of the value added by AMI). AMI provides state regulatory commissions with the flexibility to put in place rates that better reflect the actual costs of producing electric power and without AMI customers can't capture the value of their decisions to conserve. AMI provides balance between supply and demand in the evolving wholesale and retail electricity market by enabling both consumption and production to be measured on similar terms. And according to the experts AMI technology already exists.

The alternative of doing nothing is not supportable. Even as customer expectations changed in the last century when standard watt-hour meters were developed so now are internet savvy customers demanding usage and outage information that is timely, accurate, understandable, and easily accessible. Given rising electricity prices the insistence of customers on better information will doubtless increase.

The challenge for the electric industry is not deciding whether to implement AMI but rather to move with deliberate speed to make the necessary regulatory and business decisions that will provide AMI's benefits at the lowest reasonable cost both of implementation and of obsolescence. This effort should be coordinated across state jurisdictions and recognize the scale and scope advantages provided by the EDCs that have now or soon will have franchises in three, four or more states. This effort needs to take advantage of the best independent technical expertise of standards boards and other institutions. This effort cannot and should not settle for anything less than an AMI with technical standards that mean the devices of competitors can "plug and play". Every "proprietary software" trap that we do not avoid adds risks/costs. We know from

experience that this effort will take the focused attention of regulators and other stakeholders over a timeframe of months if not years. Now is the time for doing AMI right.

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