

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

COMMONWEALTH EDISON COMPANY)
)
) Docket No. 07-0566
Proposed general increase in electric rates, and)
Revision of other terms and conditions of service)

REBUTTAL TESTIMONY

OF

DAVID I. FEIN
Vice President, Energy Policy

On Behalf of
CONSTELLATION NEWENERGY, INC.

DATED: APRIL 8, 2008

1 **I. INTRODUCTION**

2 **A. Identification of Witness**

3 **Q. Please state your name and your business address.**

4 **A.** My name is David I. Fein, and my business address is Constellation Energy
5 Group, Inc. (“Constellation”), 550 West Washington Boulevard, Suite 300,
6 Chicago, Illinois 60661.

7

8 **Q. Are you the same David Fein that filed Supplemental Direct Testimony in**
9 **this proceeding?**

10 **A.** Yes, I am.

11

12 **B. Purpose of Testimony**

13 **Q. What is the purpose of your Rebuttal Testimony?**

14 **A.** Constellation is submitting this testimony for the limited purpose of addressing
15 the Rebuttal Testimony filed by Commonwealth Edison Company (“ComEd”)
16 regarding its proposed Rider SMP – System Modernization Projects Adjustment
17 (“Rider SMP”). Specifically, we will address the Rebuttal Testimony of ComEd
18 witnesses Sally T. Clair and Paul R. Crumrine. (*See* ComEd Exs. 23.0 and 30.0.)

19

20 **Q. In its Supplemental Direct Testimony, Constellation expressed the need for a**
21 **collaborative process regarding any Advanced Metering Infrastructure**
22 **(“AMI”) technologies implemented in ComEd’s , and suggested that ComEd**
23 **provided additional information to provide comfort that any such offerings**
24 **proposed by ComEd be competitively neutral. Did ComEd’s rebuttal**
25 **testimony provide the desired information?**

26 A. No, ComEd did not address the issue of competitive neutrality at all. We are a bit
27 disappointed by that fact. As indicated in our Supplemental Direct Testimony:

28 We would expect that ComEd's Smart Grid and AMI plans would
29 treat all customers and RESs in an equal manner such that RESs
30 will have the same right to access the data and information from
31 the AMI and other Smart Grid technologies as do ComEd's
32 bundled service customers, and that the selection of technology,
33 hardware, software, etc. would be made with RESs and other
34 curtailment providers in mind.

35 The need for competitive neutrality is essential to fully tap into the possibilities
36 that AMI and other Smart Grid technologies can bring to the Illinois market,
37 across all suppliers. For that reason, it is important issue not only for
38 Constellation, but should be important to ComEd and other stakeholders, as well.

39

40 **Q. Did ComEd address your testimony at all?**

41 A. ComEd commented only on Constellation's recommendation that a collaborative
42 stakeholder process be used, in summary fashion. Mr. Crumrine stated that the
43 nature of Constellation's proposal was too general to comment on.

44

45 **Q. Do you agree?**

46 A. No, I do not. Stakeholder processes and workshops have been utilized in the past
47 and are being used today for the development of standards on a wide range of
48 topics on a fairly routine basis. Stakeholders commonly gather in a series of
49 meetings or workshops to discuss proposed programs, in order to address any
50 questions or concerns related to particular proposals or issues in an informal
51 setting. The free exchange of ideas and data in an informal setting has proven

52 effective in developing consensus between and among stakeholders on a wide
53 range of topics over the years.

54 In the case of AMI, for example, we would anticipate that ComEd would
55 come to meetings prepared to set forth the various alternatives for an advanced
56 metering platform and the technologies of each, in order to identify the platform
57 that is the optimal solution for the ComEd service territory. Program details
58 would be provided that would permit discussion of not only the most basic
59 considerations such as cost and functionality, but would include sufficient detail
60 to identify which platform provides the greatest benefit for the greatest number of
61 customers (including those customers that receive their energy supply from
62 alternative retail electric supplier).

63

64 **Q. Do you have a proposed timeline in mind?**

65 **A.** Yes. We would envision that such a process would be approximately six months
66 in length, the first in the series of which would begin this Fall, to conclude in
67 Spring 2009. We would hope that consensus could be reached on a number of
68 issues through the collaborative process. Within thirty (30) days after the
69 conclusion of that process, ComEd would make a filing for approval with the
70 Commission, including the project details and budget estimates. To the extent
71 that there are items for which consensus has not been achieved, the parties may
72 put forth their positions and recommendations. As a result of the use of a
73 stakeholder process to narrow the issues, a more expedited proceeding could be

74 utilized for approval of the specific projects and budgets associated with such
75 projects.

76

77 **Q. How frequent do you propose that ComEd employ a collaborative**
78 **stakeholder process?**

79

80 **A.** The collaborative stakeholder process would continue on a yearly basis, to assess
81 the projects and programs that ComEd intends to present to the Commission for
82 approval, and would include proposals by other stakeholders for ComEd's
83 consideration. Establishing this type of on on-going process is the best means of
84 capturing and capitalizing on the technological advances that will inevitably occur
85 from year to year, that will ultimately inure to the benefit of customers.

86

87 **Q. What does Constellation recommend that the Commission decide in this**
88 **proceeding?**

89 **A.** Constellation believes that the Rider SMP mechanism itself is ripe for approval in
90 this docket. However, for the reasons described above, and articulated in the
91 testimony of Staff, CUB, and BOMA/City of Chicago witnesses (Staff Ex. 9.0,
92 CUB Ex. 2.0, and BOMA/Chicago 3.0 respectively), there has been insufficient
93 discussion and detail in this docket for the Commission to approve any specific
94 project for recovery under that Rider. Therefore, Constellation recommends that
95 the Commission approve the stakeholder collaborative process for particular
96 projects proposed for recovery through Rider SMP.

97

98 **Q. Does this conclude your Rebuttal Testimony?**

99 **A.** Yes.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing documents was served this 8th day of April, 2008 by electronic mail upon the persons on the attached service list.

A handwritten signature in black ink that reads "Cynthia A. Fonner". The signature is written in a cursive style with a long horizontal stroke at the end.

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