

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission :
On Its Own Motion :
-vs- : **13-0285**
Commonwealth Edison Company :
: :
Investigation regarding progress in :
implementing the Advanced Metering :
Infrastructure Deployment Plan. :

INTERIM ORDER

By the Commission:

This proceeding is a statutory investigation which commenced on April 9, 2013 by the Illinois Commerce Commission (the “Commission”) pursuant to Section 16-108.6(e) of the Public Utilities Act, (the “PUA”) 220 ILCS 5/16-108.6(e) for the purpose of investigating Commonwealth Edison Company’s (“ComEd’s”) progress in implementing its Commission–approved Advanced Metering Infrastructure (“AMI”) Implementation Plan (“AMI Plan”) and ComEd’s 2013 Smart Grid Advanced Metering Annual Implementation Progress Report (“AIPR”) filed on April 1, 2013.

Pursuant to Public Act 98-0015, which became effective on May 22, 2013, the Commission is required to enter an order that “accelerate[s] the commencement of the meter deployment schedule approved in the final Commission order on rehearing entered in Docket No. 12-0298.” 220 ILCS 5/16-108.5(l)(1)(A). In light of the evidence and the parties’ submissions concerning acceleration of AMI meter deployment, the Commission can now implement, in this Interim Order, the General Assembly’s direction to accelerate AMI meter deployment. Other issues concerning ComEd’s 2013 AIPR will continue to be addressed through the Comment process agreed to by the parties before the time when Public Act 98-0015 became law, and the Commission will resolve any remaining issues in an order issued as is specified in Section 16-108.6(e) of the PUA. However, the Commission will not revisit the issue of the schedule for AMI meter deployment in this proceeding; that issue is being decided by this Interim Order.

I. PROCEDURAL HISTORY

Under Section 16-108.6(c) of the PUA, 220 ILCS 5/16-108.6(c), ComEd submitted an AMI Plan to the Commission on April 1, 2012. That Plan was approved with modifications by the Commission on June 22, 2012. See *Commonwealth Edison Co.*, ICC Docket No. 12-0298, Final Order (June 22, 2012) at 64 (¶¶ 4, 5). On rehearing, the AMI meter deployment schedule was subsequently “modified consistent

with the recommendations of Staff of the Commission” on December 5, 2012. Order on Rehearing (Dec. 5, 2012) at 33. In that same Order, the Commission directed ComEd to address the potential for acceleration of meter deployment and to report thereon to the Commission with its 2013 AIPR. See *Id.* (at 32-33).

Section 16-108.6(e) of the PUA, 220 ILCS 5/16-108.6(e), directs utilities participating in the Energy Infrastructure Modernization Act (“EIMA”) with an approved AMI Plan, such as ComEd, to file with the Commission each April 1 an AIPR that “(1) describe[s] the AMI investments made during the prior 12 months and the AMI investments planned to be made in the following 12 months; (2) provide[s] sufficient detail to determine the utility’s progress in meeting the metrics and milestones identified by the utility in its AMI Plan; and (3) identif[ies] any updates to the AMI Plan.”

On April 1, 2013, ComEd submitted to the Commission its 2013 AIPR, including three Attachments and two Appendices. As part of its response to the information it was directed to provide by the Commission’s Order on Rehearing, ComEd also submitted with that Report the written direct testimony of four witnesses, Messrs. Robert Garcia, Richard O’Toole, Joseph R. Trpik Jr., and Ronald Donovan. See ComEd Exhibits (“Exs.”) 1.0-4.0.

On April 9, 2013, the Commission entered its Initiating Order commencing this statutory investigation proceeding pursuant to Section 16-108.6(e) of the PUA. That statute authorizes the Commission to “enter upon an investigation regarding the utility’s progress in implementing the AMI Plan as described in” ComEd’s AIPR. In its Initiating Order, the Commission specifically found that “[t]he Commission has the authority under Section 16-108.6(e) of the Act to investigate the Company’s progress in implementing the AMI Plan approved in Docket No. 12-0298. The Commission will exercise this authority in this proceeding.” Initiating Order at 1. A schedule was agreed upon by the parties and adopted by the Administrative Law Judges (the “ALJs”) that allowed both for the submission of comments on questions of law and policy and submission of testimony on questions requiring background information regarding questions of law and policy, as well as findings of fact.

On May 23, 2013, PA 98-0015 became law and, by its terms, was immediately effective. Section 5 of PA 98-0015, among other things, adds new language to Section 16-108.5 of the PUA. New Section 16-108.5(l)(1) addresses AMI meter deployment, with subsection (A) thereof being applicable to the circumstances the Commission and parties face here: this investigation proceeding was commenced, but not completed, at the time PA 98-0015 became law. New Section 16-108.5(l)(1)(A) requires that “the order entered in such [investigation] proceeding shall, after notice and hearing, accelerate the commencement of the meter deployment schedule approved in the final Commission order on rehearing entered in Docket No. 12-0298.”

Prior to enactment of PA 98-0015, several parties submitted comments in the instant matter which address the question of meter acceleration and suggest that the Commission consider several acceleration options. Only ComEd submitted testimony on the subject of accelerated deployment or the operational issues relating to such acceleration.

Pursuant to notice and without objection, a hearing on the question of immediate deployment of AMI meters convened on May 28, 2013. No party objected to severing the issue of acceleration of the meter deployment and addressing the adoption of an accelerated meter deployment schedule, as is now mandated by Section 16-108.5(l)(1) (due to enactment of PA 98-0015) at the May 28, 2013 hearing.

At the hearing, ComEd offered into evidence the previously-mentioned testimony as well as portions, including Appendix B, of ComEd's AIPR that was filed on April 1. This evidence addressed the question of which accelerated schedule for AMI meter deployment should be adopted by the Commission under the conditions that would follow from PA 98-0015 becoming law. The evidence submitted by ComEd recommended the adoption of a modestly-modified version of an acceleration proposal that had previously been sponsored by our Staff during the rehearing proceedings in Docket No. 12-0298, which was therefore designated "Staff Alternative – Adjusted" (sometimes referred to by the parties as "SA-A") in the filings. Under this schedule, AMI meter deployment would resume in 2013 and continue through 2021.

At the hearing, no other parties offered evidence or objected to the admission of the evidence offered by ComEd. The ALJs admitted that evidence into the record. No party has objected to an Order which allows ComEd to deploy AMI meters. No party has objected to the Staff Alternative – Adjusted schedule.

ComEd's evidence in this docket in support of the Staff Alternative - Adjusted accelerated meter deployment schedule includes direct testimony and analyses of the SA-A schedule by ComEd witnesses Messrs. Robert Garcia, Richard O'Toole, Joseph R. Trpik Jr., and Ronald Donovan. See ComEd Exs. 1.0-4.0. The record also reflects evidence provided in ComEd's AIPR and supporting Appendices, as filed on April 1, 2013. The AIPR, and Appendix B in particular, provides detailed analysis in support of the adoption of that schedule.

II. APPROVAL OF AN ACCELERATED METER DEPLOYMENT SCHEDULE

The Commission addresses the question of the schedule for AMI meter deployment under the PUA, as amended, and the criteria set out in Sections 16-108.5 and 16-108.6 thereof.

The evidence in the record, including ComEd's direct testimony, the AIPR, and Appendix B to the AIPR, describes the Staff Alternative - Adjusted accelerated meter deployment schedule and its financial and operational characteristics. The evidence shows that the Staff Alternative - Adjusted accelerated meter deployment schedule meets each of the criteria established under Section 16-108.6 of the PUA with respect to the meter deployment features of an AMI Plan, including being cost-beneficial.

The evidence additionally establishes that the Staff Alternative - Adjusted accelerated meter deployment schedule accelerates the currently approved deployment of AMI meters to customers. It also slightly levels the peak of deployment by pushing the deployment of meters from 2016-18 forward.

Approximate Number of Meters (000s)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL
Currently-Approved AMI Plan	0	0	0	500	846	846	700	485	377	275	4029
Staff Alternative – Adjusted	0	60	160	680	770	770	770	275	275	269	4029

Under the Staff Alternative - Adjusted accelerated meter deployment schedule, AMI meters would be deployed as follows (the numbers are nominal and will change slightly with, for example, changes in population):

Year	# of Meters Deployed	Operating Center(s)
2013	60,000	Maywood
2014	160,000	Maywood, Chicago South
2015	680,000	Chicago South, Glenbard, Mount Prospect
2016	770,000	Chicago South, Mount Prospect, Chicago North, Crestwood
2017	770,000	Chicago North, Crestwood, Bolingbrook, University Park, Joliet
2018	770,000	Chicago North, Joliet, Aurora, Elgin, Skokie, Crystal Lake
2019	275,000	Skokie, Crystal Lake, Libertyville
2020	275,000	Libertyville, Rockford
2021	269,000	Rockford, Dekalb, Dixon, Freeport, Streator
TOTAL	4,029,000	

The Staff Alternative - Adjusted accelerated meter deployment schedule meets the statutory requirements of Section 16-108.5 of the PUA, requiring acceleration of the “commencement of the meter deployment schedule approved in the final Commission order on rehearing entered in Docket No. 12-0298.” 220 ILCS 5/16-108.5(l)(1)(A). In particular, under the Staff Alternative - Adjusted accelerated meter deployment schedule, meter deployment is scheduled to begin earlier and end no later than the schedule adopted on rehearing in Docket 12-0298, and the average meter deployment date is also moved forward. In fact, additional AMI Meter deployment will commence in accordance with the Staff Alternative – Adjusted schedule in just a few months, during the third quarter of 2013. The Staff Alternative - Adjusted accelerated meter deployment schedule provides for this acceleration without shortening or extending the end dates for the applicable period set forth in Sections 16-108.5 and 16-108.6 of the PUA, again satisfying the requirements in PA 98-0015.

The record provides substantial support for the adoption of the Staff Alternative - Adjusted accelerated meter deployment schedule. As is required by Section 16-108.5(l), the evidence took into consideration “procurement times for meters and other equipment and operational issues” related to meter deployment and deployment and implementation of the related support systems. In this regard, the evidence shows that

the Staff Alternative - Adjusted accelerated meter deployment schedule can be met without undue cost, labor, and training and safety issues. ComEd presented evidence establishing that the Staff Alternative - Adjusted accelerated meter deployment schedule proposal enables more efficient labor planning via more desirable meter installation labor mobilization and demobilization periods. Its evidence also established that its Staff Alternative - Adjusted accelerated meter deployment schedule will minimize the potential for exceptions and re-working. This proposed schedule further is consistent with the revised installation schedule for the new Meter Data Management System and the capacity limitations of the existing system. It should also allow ComEd to procure the necessary AMI meters and integrate their deployment with development and deployment of related communications and other systems. The Commission also notes that this schedule is based on a schedule developed by Commission Staff several months ago in Docket No. 12-0298, with which, the Commission and parties are familiar.

The Commission finds that the statutory requirements are met by the acceleration of the current AMI Plan that ComEd proposes.

The Commission concludes that adopting the Staff Alternative - Adjusted accelerated meter deployment schedule accelerates meter deployment, as is required by PA 98-0015. It also satisfies the other requirements in Sections 16-108.5 and 16-108.6 of the PUA that are applicable to ComEd's AMI Plan and applicable to ComEd's AMI meter deployment schedule.

The Commission's approval of the Staff Alternative - Adjusted accelerated meter deployment schedule in this Interim Order is final. So that it is clear that this Order is final, the Commission concludes that there is no just reason for delay or enforcement of this Order. See, S. Ct. Rule 304(a). Remaining proceedings in this docket are directed to address only the other issues that are within the scope of this investigation.

III. FINDINGS AND ORDERING PARAGRAPHS

The Commission, having reviewed the entire record, is of the opinion and finds that:

- (1) Commonwealth Edison Company is an Illinois corporation engaged in the transmission, sale, and distribution of electricity to the public in Illinois, and is a public utility as defined in Section 3-105 of the PUA;
- (2) the Commission has jurisdiction over Commonwealth Edison Company and the subject matter herein;
- (3) the facts recited and conclusions reached in the prefatory portion of this Order are supported by the record and are hereby adopted as findings of fact and conclusions of law;
- (4) the AMI meter deployment schedule entitled Staff Alternative – Adjusted meets the requirements of the Public Utilities Act, as amended by PA 98-0015, and is approved and adopted;

- (5) Commonwealth Edison Company's AMI Plan approved by the Commission's December 5, 2012, final Order on Rehearing in Docket No. 12-0298 should be modified to reflect the Staff Alternative – Adjusted AMI meter deployment schedule; and
- (6) there is no just reason for enforcement or delay.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that the Staff Alternative – Adjusted schedule for the deployment by Commonwealth Edison Company of AMI meters is adopted and approved pursuant to Section 16-108.5(l)(1)(A) of the PUA.

IT IS FURTHER ORDERED that Commonwealth Edison Company's AMI Plan, as previously approved by the Commission's December 5, 2012, final Order on Rehearing in Docket No. 12-0298, is hereby modified, effective immediately, to reflect the Staff Alternative – Adjusted AMI meter deployment schedule.

IT IS FURTHER ORDERED that all motions, petitions, objections, and other matters in this proceeding pertaining to Commonwealth Edison Company's meter deployment schedule which remain unresolved are to be disposed of in a manner consistent with the conclusions herein.

IT IS FURTHER ORDERED that there is no just reason for enforcement or delay; this Order is not subject to the Administrative Review Law.

By Order of the Commission this 5th day of June, 2013.

(SIGNED) DOUGLAS P. SCOTT

Chairman