

CCIF

Critical Consumer Issues Forum

Consumer Solutions: Meeting Consumer Needs On All Levels





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TABLE OF CONTENTS

Introduction..... v

I. Objective Statement 1

II. Consumer Objectives 1

III. Consensus Principles 2

IV. Summit Discussion Highlights 3

V. Roadmap for Meeting Consumer Needs on All Levels..... 8

VI. Conclusion 11

Appendix..... 12

 Acknowledgment of 2016 Summit Participants..... 12

 Examples of Consumer Solutions..... 14

 CCIF Overview 17

 CCIF Leadership 18

 CCIF Executive Director 19

 CCIF Events on Consumer Solutions 20

 NARUC Member Public Utility Commissions..... 21

 NASUCA Member Consumer Advocates 22

INTRODUCTION

Consumer expectations of electric utilities are evolving. Consumers still expect the traditional provision of safe and reliable service at reasonable rates, but many desire a broader range of available energy products and services. Consumers want their diverse energy needs met, they want access to a range of enabling technologies, and they are often willing to pursue non-traditional approaches to achieve their energy objectives. In recognition, CCIF leadership decided to focus on the challenging issues pertaining to meeting evolving electric consumer needs as the latest topic upon which the CCIF core groups – state commissioners, consumer advocates, and electric utility representatives – should focus.

In November 2015, CCIF kicked off the new topic with an engaging program that featured speakers from the commercial customer community as well as from CCIF’s traditional three core groups. Approximately 200 people attended the kickoff, which provided a solid foundation for the summits that followed.

The summits offered the opportunity to focus in greater detail on the evolving expectations of electricity consumers and the complex regulatory and policy issues to be considered and addressed in the quest for solutions to meet these consumer needs. Not only are utilities under pressure to meet them, but state regulators and consumer advocates must balance the relevant public policy considerations, particularly with respect to potential cost shifting among customers. Thus, CCIF participants have a collective interest in exploring these issues.

Unique to this series of CCIF summits was the significant participation of commercial customers, affording a valuable opportunity to the three core groups to hear firsthand from these customers. Prior to the summits, the participating commercial customers had not interacted significantly – and certainly not directly – with state commissioners and consumer advocates about potential opportunities and challenges with respect to meeting their energy needs. As such, all participating groups became better informed and showed interest in engaging in a collaborative manner on other issues of mutual concern in the energy sector.

As a result of the summit dialogues, participating state commissioners, consumer advocates, electric utility representatives, and commercial customers developed consensus principles as well as a roadmap for meeting increasingly diverse consumer needs while minimizing negative impacts on other consumers. Without question, specific circumstances in each state and even in each service area will necessitate solutions that are tailored for each set of facts and circumstances. Therefore, CCIF’s report is intended to provide ideas and high-level guidance on issues examined within the summit process and to spur additional productive dialogue at a more granular level in order to more fully address the admittedly moving target of electric consumer expectations. CCIF trusts that the valuable perspectives reflected will be instrumental as we continue to build upon these ideas through further constructive dialogue with the broader stakeholder community.

We defined “commercial customers” as customers that often operate in multiple states, are centrally managed, and have “national account” buying power and status, such as Staples and Whole Foods. We incorporated valuable input from commercial customers throughout the report; however, we intend for references to “consumers” or “customers” to be interpreted in the broadest sense unless otherwise distinguished by class or segment.

I. OBJECTIVE STATEMENT

Participants developed the following objective statement for the CCIF initiative on consumer solutions:

As consumer expectations, technological innovations, and public policy goals evolve, the new business opportunities created for utilities and third parties spur challenging regulatory and public policy questions. With this report, CCIF participants hope to advance the dialogue on these issues to identify timely and appropriate solutions for all consumers, consistent with the roles and responsibilities of state regulators and utilities.

II. CONSUMER OBJECTIVES

Summit participants identified some of the numerous, and at times competing, consumer objectives with respect to energy products and services. Although the following list does not include all consumer objectives, it provides a useful starting point for discussion.

- **Appropriate Rates**
 - Fair, just, and reasonable / Affordable / Least cost
 - Stable and predictable
 - Simple, convenient, and transparent
 - Proper allocation of costs and benefits
 - Consideration for low- and fixed-income
- **Reliability and Service Quality**
- **Resiliency and Security**
 - Storm restoration
 - System hardening
 - Physical and cyber security
- **Choice and Control**
 - Customization
 - Standardization
 - Sustainability / Clean Energy
 - Energy Efficiency
 - Electrification of transportation infrastructure
 - Data availability, management, privacy, and control
- **Customer Service**
 - Continuous improvement and accountability
 - Effective utility-consumer communications
 - Consumer protections and education

III. CONSENSUS PRINCIPLES

Participants developed the following consensus principles concerning the expansive topic of consumer solutions:

Flexibility to Meet Consumer Objectives While Protecting Non-Participating Consumers

- As technology and/or consumer needs and preferences evolve:
 - Utilities should actively evaluate and be given the opportunity to adopt new cost-effective technologies and pursue opportunities to provide customized products and services to meet consumer needs.
 - States (legislators and commissioners) should consider increased flexibility for utilities to pursue opportunities to provide products and services to consumers in front of and behind the meter, provided that non-participating consumers are protected.
- Utilities should be allowed to seek and receive a timely decision to offer, on a competitively neutral basis, customized and appropriately priced products and services for customers, provided that non-participating customers are held harmless.
- When existing utility customers are permitted and choose to self-supply or receive supply or other energy services from a provider that is not the utility, regulators, utilities, customers and alternative energy developers should work together to ensure that the utility and its other customers are held harmless with regard to the stranded costs associated with prior resource commitments approved by the commission, provided it does not conflict with state policy goals.

System Planning and Integration of Consumer Resources

- As technologies evolve and additional devices are connected to the grid to meet more customized consumer needs, customers and third party providers should coordinate with utilities to ensure that resources are integrated in a safe, reliable, effective and timely manner.
- Utilities should evaluate the costs and benefits of distributed energy resources (DER) and grid-scale resources that would help meet consumer objectives.
- Commissions should enable utilities to develop the infrastructure and tariffs that integrate and recover associated costs from DER and grid-scale technologies, and/or compensate DER and grid-scale technologies that provide cost-effective ancillary and other grid support services.
- Commissions should recognize the evolving cybersecurity risks of DER integration and encourage collaboration among utilities and DER providers to address these emerging risks.

Consumer Protection and Education

- As technology and/or consumer needs and preferences evolve, consumer protections in the following areas will need to be reviewed and addressed accordingly:
 - Protections for participants and non-participants
 - Accountability for unregulated entities
 - Oversight and enforcement
- In addition, effective consumer education will become increasingly critical as energy products and services become more complex.

IV. SUMMIT DISCUSSION HIGHLIGHTS

In the process of identifying the key consumer objectives and developing the consensus principles, summit participants engaged in vibrant discussion. We discussed the challenges associated with meeting expectations of customers who seek more customized energy products and services; customers who essentially want just the basics –safe, reliable electric service at reasonable rates; and customers whose energy needs fall somewhere in between. In particular, we considered the challenges of meeting diverse customer expectations within the existing regulatory framework. To better examine some of the critical regulatory considerations, provide additional context for the principles, and aid in future dialogue on these issues, key highlights from the summit discussions are included below.

Appropriate Rates & Cost Allocation

One objective that most, if not all, consumers have in common is to pay no more than a fair, just, and reasonable rate for whatever suite of utility products and services they receive. However, a “fair, just, and reasonable rate” is interpreted differently by different consumers. The fundamental standard embodied in regulation is that rates should be based on the cost of service. In that respect, regulators and stakeholders must address questions about prudent costs and for whose benefit they are incurred. Some consumers expect the provision of services at least cost. For others, affordability is the fundamental concern, and no matter how rates are established, their primary consideration is the ability to pay the bill and continue electric service.

Stability and predictability of electric bills are also objectives that often transcend consumer classes. Residential and small business consumers trying to make ends meet, as well as commercial customers, would benefit from the ability to more accurately budget electricity expenses.

Simplicity, convenience, and transparency are also of interest to consumers. While more options are available to them today as a result of technological advances and policy changes, many electric consumers remain interested in keeping service as simple and convenient as possible. At the same time, commercial customers expressed a desire for all the relevant information to be provided in a timely and useful format. Utility participants recognized a need to work more closely with commercial customers on providing the necessary information while maintaining simplicity and convenience.

Traditional Customer Classes

Participants identified challenges with respect to the traditional classifications of consumers, especially as the needs of specific consumers within each of those classes are becoming more unique. As explained in the Regulatory Assistance Project’s March 2011 *Electricity Regulation in the US: A Guide*:

- Data is reported to the US Energy Information Administration in only three classes – Residential, Commercial, and Industrial.
- There is no uniformity in how customers are classified. Nearly all utilities place residential consumers in a separate class. Some try to separate commercial from industrial consumers, while others organize business users by size or voltage. Many have separate classes for agricultural and government consumers.

Proper allocation of costs and benefits among consumers is an important consideration in meeting consumer needs. “Proper” is a subjective term, but in general, consumers tend not to want to pay for expenses that they do not perceive as benefitting them. Likewise, they expect to receive all benefits for which they have paid. Throughout the summits, we kept returning to various forms of the following question:

How do we maintain the balance between the utility's obligation to provide safe, reliable, and affordable energy to all consumers and a growing desire for more products and services from a smaller subset of consumers?

Commercial customers stressed that they do not want to see costs shifted to other consumers. At the same time, they recognized that the new products and services that they would like utilities to offer come with a cost that must be allocated among consumers in some manner. The amount of the burden that commercial customers – or any other type of customer – would be willing to carry likely depends on a host of variables. What benefits would that consumer receive? What benefits would other consumer classes receive, even if they didn't request the product or service? How much would the bill increase?

For consumer advocates, many of whom by statute represent multiple classes of consumers, cost allocation has historically presented challenges, often pitting one group of consumers against another. As certain segments of one customer class unite with segments of another customer class in support of a particular product or service, cost allocation issues are likely to become even more challenging. Consumer advocates expressed concerns about shifting costs among classes generally, but particularly with respect to cost shifts to residential and small business consumers. While sympathetic to the pressures on commercial customers, several consumer advocates made clear that utility products and services that are customized to meet the needs of a few should not be financed by the many.

Recognizing that their consumers have a wide array of expectations about their utility service, utilities expressed a desire to deliver what their consumers seek in a way that does not result in cost shifts. The need for greater flexibility was emphasized, as some utilities are interested in forming partnerships with consumers and third parties to help meet specific consumer needs.

While Commissioners generally would like for all electric consumers to have access to the utility products and services they expect, they too expressed concerns about potential cost-shifting, especially to consumers who just want basic services and a basic bill. In addition, they wanted to ensure that consumers understand the potential implications of additional products and services – not only on their own bills but potentially on other consumers' bills.

Stranded cost issues were also discussed. As more consumers pursue self-generation options, previously-approved investments in infrastructure to meet a utility's obligation to serve may become stranded. Participants highlighted a need for regulators, utilities, customers and alternative energy developers to work together to ensure that the utility and its other customers are not harmed in such situations.

Finally, in the context of appropriate rates and cost allocation, participants emphasized the need for special consideration for low- and fixed-income customers, particularly as some customers seek more customized energy products and services to meet their individual objectives. The concern is that asking all customers, specifically those where any increase in the price of electricity can present a significant challenge, needs to be carefully considered and determined not to cause an undue burden. States address this concern in a variety of ways, through regulatory approaches or broader public policies enacted by state legislatures and even by Congress (i.e., the federal Low Income Home Energy Assistance Program).

Reliability and Service Quality

While reliability and good service quality represent a universal consumer objective with respect to electric service, consumers vary as to what levels of service quality they expect. Most would agree that some minimum level of reliability should come standard, but what should consumers who have a need for greater reliability do? Commercial customers, for example, may face substantial economic consequences if electric

service is interrupted. If you increase the standards for reliability across the board, some consumers may be paying more for that level of reliability than it's worth to them. Might utilities offer differentiated levels of reliability for those consumers more dependent on extremely reliable electric service? These are questions with which the regulatory community will grapple as consumer needs and interests continue to diverge.

Resiliency and Security

Consumer expectations regarding resiliency and security have increased. Particularly in areas hard hit by severe weather events, consumers and public officials have called upon utilities to do more to prevent extensive damage to the system, prolonged outages, and the sometimes staggering economic losses to customers that result. However, greater investment in resiliency impacts the cost of service for consumers, presenting challenges for regulators and policymakers.

Military customers are especially concerned about resiliency and security. They are working with utilities to address their objectives from a national security perspective. Projects are being developed that benefit both military and non-military consumers, without cost shifts. Specific examples of such projects are included in the Appendix.

Choice and Control

Some consumers desire more choice and control, more technology innovations, and the freedom to select their preferred options. The introduction of smart meters and the ability for customers to have greater control over their energy usage has increased the demand for, and offering of, dynamic and real-time pricing. Pricing in this way represents a separate energy product for customers, and they may have an option to choose a clean energy product. Additionally, electric suppliers are offering value-added services, where along with providing electricity as a commodity on a kWh basis, the service comes with a separate device such as smart thermometers that help the customers control their energy usage and their bills.

Commercial customers seek enhanced customization and stress a need for utilities to be flexible in accommodating their unique needs. On the other hand, they explained that standardization of the demand side management (DSM) programs across states, utilities, or even in a single service territory will increase program subscription by minimizing the number of individual applications and site visits associated with identical installations in identical floorplans.

In the related areas of sustainability, carbon reduction, and green or clean energy, the consumer desire for choice and control is perhaps most evident. Electric consumers across all classes are expressing concern about the environmental impacts of energy production, delivery, and use. For commercial customers, the demand for “greener” products and services may be motivated by corporate sustainability goals – whether aspirational or hard targets – that heighten the need for cleaner generation options. Today, more corporate boards and management teams are requiring companies to be conscious of their carbon footprints and other environmental impacts. This may be part of a cost-reduction effort, a risk-mitigation strategy, for marketing purposes, or to better position a company among competitors.

Commercial customers communicated that their sustainability goals are real and that they would prefer to have utility help; however, they indicated that they will pursue their goals with or without a utility.

Commercial customers also expressed interest in electrification of transportation infrastructure and in partnering with utilities on the effort. Participants discussed the potential load management benefits of this technology and the prospect of conducting pilots to learn more.

Energy efficiency (EE) is another area of significant consumer interest. Not only do cost-effective EE measures tend to lower a customer's electric bills, they also provide system benefits associated with reducing peak demand and the need for additional generation resources. Commercial customers shared a number of their objectives for making utility EE programs more effective, and many of their suggestions are highlighted in the Roadmap section of the report.

Finally, with technological advancements that facilitate collection of substantial energy data, issues concerning data availability, management, privacy, and control are of increasing concern to consumers and policymakers. Commercial customers are interested in how such data and related products and services can assist them to better understand and manage bills, meet sustainability and energy efficiency goals, among other things. At the same time, all want to ensure that data is handled properly, used in a secure manner, and managed so as not to jeopardize a consumer's privacy.

Customer Service

Good customer service is important to all consumers. One key component of good customer service is frequent and effective communication. Generally, consumers favor utility communications that are more customized to their needs, use plain language, and employ social and traditional media. Areas of keen importance to consumers with respect to utility communications include:

- service connections
- rates and billing
- customer service
- utility work on infrastructure (new facilities, vegetation management)
- consumer education
- planned and unplanned outages
- rate cases

Many of these are further addressed in the Roadmap section of the report.

Consumers also expect necessary consumer protections to be in place and enforced, and they expect consumer education to be provided. Given the rapidly changing landscape, review of consumer protection policies will be important to make sure that they are updated to adequately protect consumers. In addition, consumer education will become increasingly critical as utility products and services become more complex.

Flexibility for Utilities to Meet Consumer Objectives

Flexibility was a common theme throughout the summit process, particularly with respect to providing flexibility to utilities in meeting consumer needs. How a state provides such increased flexibility will be based on a unique set of facts and circumstances. Therefore, participants did not attempt to identify any one approach for utilities to meet consumer objectives.

There was agreement about encouraging utilities to evaluate and adopt new cost-effective technologies and pursue opportunities to provide customized products and services to meet consumer needs. Likewise, there was agreement that states should consider increased flexibility for utilities to pursue such opportunities, provided there are protections for non-participants.

Economic Development

Notably, some Commissioners shared that they have been given greater flexibility to consider economic development in reviewing utility projects. (For example, legislation adopted by the Iowa General Assembly is available in the Appendix.) This type of flexibility has been an especially useful tool in locating data centers in some states. Some participants, however, expressed concerns about considering economic development in the regulatory arena.

System Planning and Integration

Participants stressed the importance of maintaining a reliable and secure electric system. As more resources are connected to the grid, system planning and integration become more critical, and better coordination is needed to ensure that resources are integrated in a safe, reliable, effective, and timely manner.

V. ROADMAP FOR MEETING CUSTOMER NEEDS ON ALL LEVELS

Each state and service area have unique characteristics that often require individual solutions for meeting customer needs. Recognizing that the complex issues identified in this process need to be further explored and addressed, and that there is no one-size-fits-all solution, CCIF participants believe that a toolbox of approaches, projects, decisions, and lessons learned with respect to meeting consumer needs would facilitate productive dialogue at the state level.

Potential Approaches

A number of formal and informal approaches for addressing consumer objectives are identified below.

<u>Formal Approaches</u>	<u>Informal Approaches</u>
<p>Where appropriate, more formal processes (perhaps using various regulatory tools such as consumer segmentation, rate design, integrated resource planning, incentives, risk allocation, etc.) may be used to address consumer objectives.</p> <ul style="list-style-type: none"> • Pilot projects • Rate cases • Hearings • Rulemakings and policy statements • Declaratory orders • Legislative engagement • Technical conferences (state and federal) • Integrated Resource Planning (IRP) workgroups 	<p>Informal processes – those outside of formal proceedings – may also be employed to address various consumer objectives where appropriate.</p> <ul style="list-style-type: none"> • Workshops and webinars • Stakeholder collaboratives and working groups • Presentations/dialogue with commission, commission staff, and consumer advocates • Site tours and demonstrations • Targeted outreach and education to consumers • Stakeholder communications highlighting energy opportunities • Association (NARUC, NASUCA, EEI, et al.) and regional group (CREPC, EISPC, et al.) activities and events • Energy education forums

Near-Term Opportunities

Participants also discussed ways we can begin working together now to better address consumer expectations. We recognize that such efforts must align with all applicable state laws and policies and may necessitate associated work on the proper allocation of costs and benefits among consumers.

Sustainability

- Providing customers with information about their provider’s fuel mix and about opportunities for renewables.
- Coordinating plans among utilities, customers, and third parties for renewable and other technology development in a transparent manner.
- Accommodating a customer’s use of renewables on their own property (behind the meter).
- Providing customers with opportunities to access grid-scale renewables (or alternative energy and fuel sources) to align with their sustainability or other relevant goals.

Energy Efficiency

- Streamlining and accelerating the review and approval process of applications.
- Addressing free ridership concerns.
- Improving evaluation, measurement and verification (EM&V) processes with respect to transparency, efficiency, cost, real-time information, and potentially standardization.

Communications with Consumers

Utilities and other participants frequently communicate with customers on a broad range of topics that were previously identified as being of particular importance to consumers. In general, when communicating with customers on these and other issues, participants highlighted the benefits of:

- Communicating more frequently in a manner that is more customized to consumer needs.
- Using plain language.
- Employing both social media and traditional media to better reach consumers.

More specific opportunities for strengthening communications in key areas follow.

- Communications about Rates and Billing
 - Informing consumers about the services they’re getting, how they’re paying for them, and why.
 - Providing support for evaluating tariff options and product and service offerings.
 - Providing information that facilitates consumer budgeting.
 - Making bills more consumer-friendly by consolidating, simplifying, and clarifying charges while making additional details available if needed.

- Communications concerning Outages
 - Making outage maps available.
 - Providing restoration status as proactively as possible.
 - Sharing preparation efforts for forecasted weather events and tips for customer preparation.
 - Coordinating with local, state, and federal officials, emergency services, and the military, among others.
 - Developing a communications plan.

- Communications about Rate Proceedings
 - Providing information about the underlying drivers of the utility rate request.
 - Sharing the benefits from prior rate decisions.
 - Providing advance notification to the extent possible/practical.
 - Sharing the projected impacts of the request on consumers.

Again, these suggestions are areas for which participants believe opportunities for additional coordination and near-term action currently exist. Specific examples of consumer solutions are included in the Appendix.

Finally, we highlight a key takeaway from the summits with respect to the prospect for additional coordination:

A resounding theme during the summits was the need for more interaction between the three core groups and commercial customers. In fact, commercial customers were encouraged to reach out to state commissions and consumer advocates before rate cases or other formal proceedings, consistent with applicable communications rules that vary significantly by state. We believe that this exchange made a significant impression on participants and will result in additional, productive dialogue at the state level.

VI. CONCLUSION

Objective Met

More than 80 state regulators, consumer advocates, electric utility representatives, and commercial customers worked together to develop the consensus principles as well as a roadmap on a number of key issues featured in this report. Recognizing that the principles do not address all issues with respect to the expansive topic, the consensus achieved is significant nonetheless, and the roadmap provides a useful tool for additional dialogue, collaboration, and actions aimed at meeting consumer needs on all levels.

Disclaimer

Please note that the principles herein are not intended to override any individual or collective policies or positions developed by state commissioners, consumer advocates, electric utility representatives, or by the National Association of Regulatory Utility Commissioners (NARUC), the National Association of State Utility Consumer Advocates (NASUCA), Edison Electric Institute (EEI), or any other organizations referenced herein. Instead, CCIF work products are meant only to complement such policies or positions and provide a framework for additional discussion and policy development.

Special Recognition

The CCIF Executive and Advisory Committees would like to acknowledge the valuable contributions of the following individuals and organizations whose valuable contributions resulted in the CCIF principles and roadmap:

- NARUC, NASUCA, and EEI, particularly the guidance of their respective leaders and the valuable input and hard work of their respective teams.
- All participating state commissioners, consumer advocates, and electric utility participants.
- All participating commercial customers, including representatives of the EEI National Key Accounts (NKA) Program and the Customer Advisory Group (CAG), as well as a participating representative of the World Wildlife Fund (WWF).
- All speakers, panelists, and attendees who participated in the November 2015 Kickoff Forum in Austin, where many of the issues addressed within this report were introduced.

APPENDIX

ACKNOWLEDGMENT OF 2016 SUMMIT PARTICIPANTS

Due to the nature of the collaborative process and the extensive degree of participation, specific principles developed within the 2016 summit process should not be attributed to specific individuals or to the organizations that he or she represents. With that understanding, CCIF acknowledges the following individuals who participated in CCIF events focused on the topic of Consumer Solutions:

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Staples

Hon. Nick Wagner
Iowa Utilities Board

Hon. Stan Wise
Georgia Public Service Commission

Mr. Jeff Zethmayr
Citizens Utility Board of Illinois

EXAMPLES OF CONSUMER SOLUTIONS

The following are examples of projects, decisions, and other efforts aimed at addressing a range of consumer objectives. Links are provided for additional information. Inclusion of an example should not be construed as an endorsement of that project, decision, or effort by CCIF or its participants.

Alabama

In June 2016, the Alabama Public Service Commission approved a long-term contract between Alabama Power and a subsidiary of Origis Energy for the output from a solar project near LaFayette, Alabama. Supporting the project was a separate contract between Alabama Power and Walmart, under which Walmart will receive a majority of the solar facility's environmental attributes:

<http://alabamanewscenter.com/2016/06/09/alabama-public-service-commission-approves-contract-with-solar-facility-in-east-alabama/>.

Arizona

Arizona Public Service (APS) partnered with the US Department of the Navy on a 25 MW low emission microgrid project at the Marine Corps Air Station in Yuma, Arizona:

http://www.yumasun.com/news/power-microgrid-coming-for-mcas-yuma-region/article_62419336-97be-11e5-92b1-9bca049b6446.html.

California

Under PG&E's Solar Choice Program launched in California in early 2016, all PG&E customers are eligible for a voluntary tariff that will match 50% or 100% of their energy requirements with supplies from newly developing solar projects in PG&E's service territory (interim needs met with existing solar supplies). Participating customers are paying for the costs of the new supplies:

www.pge.com/solarchoice.

Colorado

In March 2016, the Colorado Public Utilities Commission approved Xcel Energy's partnership with Panasonic to build a demonstration microgrid at the Denver International Airport:

<https://microgridknowledge.com/demonstration-microgrid/>.

Georgia

The Georgia Public Service Commission approved five Georgia Power solar self-build projects on military installations in Georgia (Fort Benning, Fort Gordon, Fort Stewart, Kings Bay Naval Base, and Marine Corps Logistic Base) for 166 MW total:

<http://www.georgiapower.com/about-energy/energy-sources/solar/georgia-3x30-project>.

Hawaii

In October 2015, the Hawaii Public Utilities Commission approved a Hawaiian Electric Company, Inc. (HECO) biofuels project with the US Army at Schofield Barracks:

<http://www.bizjournals.com/pacific/news/2015/10/01/hawaii-regulators-approve-hawaiian-electrics-167m.html>.

Iowa

The Iowa Utilities Board's Notice of Inquiry (NOI) on Distributed Generation includes a 5-page checklist for residential and commercial customers as they consider working with third parties on DG options:

https://iub.iowa.gov/sites/default/files/files/misc/IUB_Informational_Guide_Distributed_Generation.pdf.

The Iowa General Assembly removed reference to least cost options in terms of building new generation but still allowed for prudent approaches to construction costs. The Iowa General Assembly also added language about its intent "to attract the development of electric power generating and transmission facilities within the state in sufficient quantity to ensure reliable electric service to Iowa consumers and provide economic benefits to the state.”:

<https://coolice.legis.iowa.gov/Cool-ICE/default.asp?category=billinfo&service=iowaCode&input=476.53>.

Minnesota

In Minnesota, Xcel Energy is using a Power Purchase Agreement (PPA) to offer its customers a year-to-year, 5-year, and 10-year opportunity to participate in a blend of wind and solar resources, providing them with up front price certainty and the opportunity to be 100% renewable:

https://www.xcelenergy.com/company/corporate_responsibility_report/library_of_report_briefs/customer_renewable_energy_solutions.

New Jersey

Among other storm-related matters addressed, the New Jersey Board of Public Utilities required electric distribution companies to improve pre- and post-event communications to the public and local officials in a January 2013 order that was a result of collaboration between regulators, utilities, and other stakeholders:

<http://www.nj.gov/bpu/pdf/boardorders/2013/20130123/1-23-13-6B.pdf>.

New York

For its Solar Plus Storage Program, Con Edison and SunPower partnered to offer solar panels, backed up with resiliency services from battery storage, to New York homeowners in Con Edison's service area for no upfront cost and a monthly charge:

<http://solar.sunpower.com/asp-nystorage>.

Virginia

Dominion Virginia Power has sought regulatory approval for an optional market-based rate that is structured to reflect pricing in the PJM wholesale market, that will assist Vadata, an affiliate of Amazon Web Services and owner of Amazon's data centers in Northern Virginia, in financially integrating renewables into its energy portfolio:

<https://www.greentechmedia.com/articles/read/Amazon-and-Dominion-Power-Forge-a-New-Renewable-Energy-Path-in-Virginia>.

Washington

The Washington Utilities and Transportation Commission concluded that per state statute, the Commission has the authority to regulate third party leasing companies the same as any other utility -- consumer protection, safety and economic regulation. However, they also decided that it would not be appropriate to economically regulate third-party leasing companies:

<http://www.utc.wa.gov/aboutUs/Lists/News/DispForm.aspx?ID=263>.

Collaborative Efforts

With the World Wildlife Fund (WWF) and the World Resources Institute (WRI) facilitating their efforts, a group of large energy buyers developed the Corporate Renewable Energy Buyers' Principles. Publicly launched in July 2014, 58 companies have signed on as of May 2016. WWF's Dr. Spitzer shared that even the most energy efficient big box stores can only supply 30% of their electricity on-site with rooftop solar energy and thus need the grid for the remaining 70% of renewable energy needs.

See buyersprinciples.org for more information.

WWF, WRI and EEI initiated the Utility–Corporate Buyer Collaborative Forum to provide a platform for dialogue and cooperation between utilities and their corporate customers. The goals of the collaboration are to develop a shared understanding of participants' respective needs and constraints, and identify collaborative opportunities for improving utility-scale renewable energy products. For more information, the workshop proceedings are available at:

<http://buyersprinciples.org/wp-content/uploads/Utility-Corporate-Buyer-Collaborative-Forum-Strategic-Insights.pdf>.

CCIF OVERVIEW

CCIF Formation, Leadership & Process

Formed in 2010, the Critical Consumer Issues Forum (CCIF) brings state commissioners, consumer advocates, and electric utility representatives together to tackle consumer-focused energy issues through interactive discourse and debate, to find consensus when possible, and at a minimum, to achieve a clearer understanding of—and appreciation for—each other’s perspectives and positions.

To provide leadership, CCIF organized Executive and Advisory Committees, each with balanced representation from the three core communities. Current members are recognized on the next page and guide CCIF initiatives at each of the following steps in the process:

1. A large open kickoff forum, typically collocated with the NARUC & NASUCA Annual Meetings, to introduce a topic and initiate discussion among CCIF’s three core communities and other stakeholders;
2. A series of invitation-only summits in which the three communities engage in facilitated dialogue; and
3. A report issued in the summer to share key takeaways with the broader stakeholder community and serve as a foundation for additional dialogue on numerous fronts.

CCIF Value & Successful Track Record

By providing a non-adversarial, collaborative environment in which participants from the three core groups can candidly discuss and proactively address a variety of energy issues with potentially broad impacts on electric consumers, CCIF has consistently produced credible reports that:

- Demonstrate support for key concepts to the broader stakeholder community;
- Demonstrate leadership of the three core groups on a range of energy topics;
- Initiate, inform or focus dialogue at the state level (regulatory and broader public policy dialogue); and
- Focus on consumer aspects of energy topics and facilitate proactive consumer education & protection.

Specifically, the following CCIF reports have contributed to the energy policy debate in a constructive way:

- [*Grid Modernization Issues with a Focus on Consumers*](#), July 2011
- [*Focus on The Regulatory Process*](#), July 2012
- [*Policy Considerations Related to Distributed Energy Resources*](#), July 2013
- [*DG: A Balanced Path Forward: Providing Customer Choice While Ensuring Reliability*](#), July 2014
- [*The Evolving Distribution System: Helping Consumers Navigate Access to Products, Services and Technologies*](#), July 2015

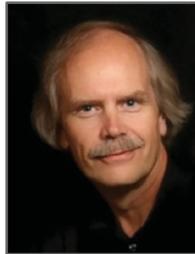
All CCIF reports are available for download at www.CCIForum.com

CCIF LEADERSHIP

Executive Committee



Travis Kavulla
*Montana PSC Vice Chairman
& NARUC President*



Robert A. Nelson
*Montana Consumer Counsel
& NASUCA President*



David K. Owens
*EEl Executive VP of Business
Operations & Regulatory Affairs*

Advisory Committee



David W. Danner
Chairman
*Washington Utilities and
Transportation Commission*



Libby Jacobs
Commissioner
Iowa Utilities Board



Ellen Nowak
Chair
Public Service Commission of Wisconsin



Simon fitch
Sr. Asst. AG & Public Counsel
Division Chief
*Washington State Attorney
General's Office*



Elin Swanson Katz
Consumer Counsel
*Connecticut Office of Consumer
Counsel*



J.R. Kelly
Public Counsel
Florida Office of Public Counsel



Gregory Bollom
Asst. VP—Energy Planning
Madison Gas & Electric Company



Wayne Harbaugh
VP of Pricing & Regulatory Services
Baltimore Gas & Electric Company



Phillip R. May
President & CEO
Entergy Louisiana

CCIF EXECUTIVE DIRECTOR



Katrina McMurrian

Executive Director

Critical Consumer Issues Forum

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Fax: 888.526.6883

Email: Katrina@CCIForum.com

Web: www.CCIForum.com

Twitter: @CCIForum

A former Florida Public Service Commissioner (2006–2009), Katrina McMurrian draws upon extensive regulatory experience to organize and facilitate relevant policy forums and to advise an array of entities on key regulatory and policy issues in the energy arena. McMurrian currently serves as the Executive Director of the Critical Consumer Issues Forum (CCIF), a unique national forum in which state utility regulators, consumer advocates, and electric utilities – via a series of facilitated, interactive dialogues – engage in productive debate and develop consensus on key issues of importance to consumers and policymakers. McMurrian also serves as the Executive Director of the Nuclear Waste Strategy Coalition (NWSC), an ad hoc organization representing the collective interests of member state utility regulators, state consumer advocates, state radiation control officials, state energy officials, tribal governments, local governments, electric utilities with operating and shutdown nuclear reactors, and other public and private sector experts on nuclear waste policy matters. In these roles, McMurrian frequently interacts with Congress; Administration officials; state and federal utility regulators; state and national consumer organizations; industry representatives; and numerous other public and private stakeholders.

As a commissioner, McMurrian decided numerous cases involving Florida’s electricity, gas, communications, water, and wastewater providers; appeared before Congress; worked with other state and federal agencies; and participated on a number of influential national policy boards. She served on several National Association of Regulatory Utility Commissioners (NARUC) committees, including Electricity, Nuclear Issues (Vice Chair), Consumer Affairs, and Education & Research, as well as on collaboratives with the Federal Energy Regulatory Commission (FERC), including Demand Response (Co-Chair), Smart Grid, and Competitive Procurement. She also served on the Executive Committee of the NWSC, Advisory Council to the Electric Power Research Institute (EPRI) Board, EPRI Energy Efficiency/Smart Grid Group, Keystone Energy Board, Eastern Interconnect States Planning Council, and the Southeastern Association of Regulatory Utility Commissioners (SEARUC).

Prior to her appointment by Governor Bush, McMurrian served in a number of roles at the Florida Commission, addressing issues including but not limited to environmental cost recovery, territorial agreements and disputes, electric industry restructuring, nuclear waste, and electric reliability.

A Northwest Florida native, McMurrian received a Bachelor’s degree in finance and an MBA from Florida State University. She and her husband currently reside near Nashville, Tennessee.

CCIF EVENTS ON CONSUMER SOLUTIONS

Fall Kickoff Forum

November 7, 2015

JW Marriott Austin

Austin, TX

Collocated with the NARUC and NASUCA Annual Meetings

Approximately 200 participants

Spring Summit 1

March 21-22, 2016

Hilton Chicago O'Hare Airport

Chicago, IL

Spring Summit 2

April 6-7, 2016

Conrad Miami

Miami, FL

Spring Summit 3

April 28-29, 2016

JW Marriott Union Square

San Francisco, CA



NARUC MEMBER PUBLIC UTILITY COMMISSIONS

The following list of state public utility commissions is provided for reference purposes only and does not indicate NARUC or member state commission endorsement or approval of the report contents in any manner. Participating commercial customers indicated interest in how to find more information about state utility commissions; thus, links to each member state commission are provided below. For more information about NARUC members, events, and policy positions, see www.NARUC.org.



NARUC
National Association of Regulatory
Utility Commissioners

- [Alabama Public Service Commission](#)
- [Regulatory Commission of Alaska](#)
- [Arizona Corporation Commission](#)
- [Arkansas Public Service Commission](#)
- [California Public Utilities Commission](#)
- [Colorado Public Utilities Commission](#)
- [Connecticut Public Utilities Regulatory Authority](#)
- [Delaware Public Service Commission](#)
- [District of Columbia Public Service Commission](#)
- [Florida Public Service Commission](#)
- [Georgia Public Service Commission](#)
- [Guam Public Utilities Commission](#)
- [Hawaii Public Utilities Commission](#)
- [Idaho Public Utilities Commission](#)
- [Illinois Commerce Commission](#)
- [Indiana Utility Regulatory Commission](#)
- [Iowa Utilities Board](#)
- [Kansas Corporation Commission](#)
- [Kentucky Public Service Commission](#)
- [Louisiana Public Service Commission](#)
- [Maine Public Utilities Commission](#)
- [Maryland Public Service Commission](#)
- [Massachusetts Department of Public Utilities](#)
- [Michigan Public Service Commission](#)
- [Minnesota Public Utilities Commission](#)
- [Mississippi Public Service Commission](#)
- [Missouri Public Service Commission](#)
- [Montana Public Service Commission](#)
- [Nebraska Public Service Commission](#)
- [Nevada Public Utilities Commission](#)
- [New Hampshire Public Utilities Commission](#)
- [New Jersey Board of Public Utilities](#)
- [New Mexico Public Regulation Commission](#)
- [New Orleans City Council](#)
- [New York State Public Service Commission](#)
- [North Carolina Utilities Commission](#)
- [North Dakota Public Service Commission](#)
- [Public Utilities Commission of Ohio](#)
- [Oklahoma Corporation Commission](#)
- [Oregon Public Utility Commission](#)
- [Pennsylvania Public Utility Commission](#)
- [Puerto Rico Public Service Commission](#)
- [Rhode Island Public Utilities Commission](#)
- [South Carolina Public Service Commission](#)
- [South Dakota Public Utilities Commission](#)
- [Tennessee Regulatory Authority](#)
- [Public Utility Commission of Texas](#)
- [Public Service Commission of Utah](#)
- [Vermont Public Service Board](#)
- [Virgin Islands Public Services Commission](#)
- [Virginia State Corporation Commission](#)
- [Washington Utilities and Transportation Commission](#)
- [Public Service Commission of West Virginia](#)
- [Public Service Commission of Wisconsin](#)
- [Wyoming Public Service Commission](#)

NASUCA MEMBER CONSUMER ADVOCATES

The following list of NASUCA members is provided for reference purposes only and does not indicate NASUCA or member approval of the report contents in any manner. Participating commercial customers indicated interest in how to find more information about consumer advocates; thus, links to each member website are provided below. For more information about NASUCA members, events, and policy positions, see www.NASUCA.org.



Members

- [Alabama Office of the Attorney General](#)
- [Alaska Department of Law](#)
- [Arizona Residential Utility Consumer Office](#)
- [Arkansas Office of the Attorney General](#)
- [Barbados Office of Public Counsel](#)
- [California Office of Ratepayer Advocates](#)
- [Colorado Office of Consumer Counsel](#)
- [Connecticut Office of Consumer Counsel](#)
- [Delaware Division of the Public Advocate](#)
- [District of Columbia Office of the People's Counsel](#)
- [Florida Office of Public Counsel](#)
- [Hawaii Division of Consumer Advocacy](#)
- [Office of the Illinois Attorney General](#)
- [Illinois Citizens Utility Board](#)
- [Indiana Office of Utility Consumer Counselor](#)
- [Iowa Office of Consumer Advocate](#)
- [Kansas Citizens' Utility Ratepayer Board](#)
- [Kentucky Office of Rate Intervention](#)
- [Maine Public Advocate](#)
- [Maryland Office of People's Counsel](#)
- [Massachusetts Office of Ratepayer Advocacy](#)
- [Michigan Department of Attorney General/ Environment, Natural Resources, and Agriculture Division](#)
- [Office of the Minnesota Attorney General / Residential and Small Business Utilities Division](#)
- [Missouri Public Counsel](#)
- [Montana Consumer Counsel](#)
- [Nevada Office of the Attorney General / Bureau of Consumer Protection](#)
- [New Hampshire Office of Consumer Advocate](#)
- [New Jersey Division of Rate Counsel](#)
- [New Mexico Attorney General's Office Environment Protection Division](#)

- [North Carolina Utilities Commission Public Staff-Consumer Services Division](#)
- [North Carolina Office of Attorney General/Utilities Section](#)
- [Office of the Ohio Consumers' Counsel](#)
- [Citizens' Utility Board of Oregon](#)
- [Pennsylvania Office of Consumer Advocate](#)
- [Pennsylvania Office of Small Business Advocate](#)
- [Puerto Rico Independent Consumer Protection Office](#)
- [Tennessee Office of the Attorney General/ Consumer Advocate & Protection Division](#)
- [Office of Public Utility Counsel of Texas](#)
- [Utah Office of Consumer Services](#)
- [Vermont Department of Public Service](#)
- [Virginia Office of Attorney General/Insurance & Utilities Regulatory Section](#)
- [Washington Office of Attorney General/Public Counsel Section](#)
- [West Virginia Consumer Advocate Division](#)
- [Wyoming Office of Consumer Advocate](#)

Associate Members

- [The Utility Reform Network](#)
- [Consumers Council of Missouri](#)
- [New York State Department of State, Division of Consumer Protection](#)
- [Public Utility Law Project of New York, Inc.](#)
- [Wisconsin Citizens Utility Board](#)

Affiliate Members

- [AARP](#)
- [Georgia Watch](#)
- [Jamaica Consumer Advisory Committee on Utilities](#)
- [National Consumer Law Center \(NCLC\)](#)
- [Public Citizen](#)

CCIF

Critical Consumer Issues Forum

Save the Date for CCIF's 7th Annual Kickoff Forum



Saturday,
November 12, 2016
2:00–5:00 pm

La Quinta Resort
La Quinta, CA

Registration Registration will open at www.CCIForum.com in late August. There is no charge to participate, but a separate registration with CCIF is required. Please make your hotel reservations accordingly. Commissioners and consumer advocates will be eligible for 1-night hotel stipends but are responsible for making their own hotel reservations, including any additional nights to attend the forum.

For More Info Information about the forum will be posted at www.CCIForum.com. You may also contact Katrina McMurrian, CCIF Executive Director, by e-mail at: katrina@CCIForum.com or by phone at [615-905-1375](tel:615-905-1375).

This event is not sponsored by NARUC or NASUCA and is not a part of the agendas of the 128th NARUC Annual Meeting or 2016 NASUCA Annual Meeting.



For more information about CCIF or this report:

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