Public Service Commission of the District of Columbia
Office of Consumer Services
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Business Hours: 9:00 a.m. – 5:30 p.m. Monday - Friday

People Serving the Community...

COMMISSION APPROVES A RESIDENTIAL SMART METER PILOT PROGRAM
(Formal Case No. 1002, Order No. 14166)

On January 12, 2007, the Public Service Commission of the District of Columbia (Commission) issued Order No. 14166 approving the implementation of a 2-year smart meter pilot program, called SmartPowerDC, and the associated tariff filed by PEPCO. Participation in the program is limited to about 2,250 D.C. homes. Randomly selected District of Columbia residents in all eight wards, who currently receive Standard Offer Service from PEPCO, will be invited to pay their electric bills based on time differentiated pricing signals they will receive through advanced metering and communication technology. The smart meters are able to measure electricity usage every 15 minutes, and PEPCO can receive detailed consumption information through a wireless communication link.

Customers participating in the project will have the ability to have greater control over their electricity consumption and an opportunity to reduce their monthly electricity costs. The pilot will be run by Smart Meter Pilot Program, Inc. (SMPPI). SMPPI is comprised of representatives from PEPCO, District of Columbia Office of the People's Counsel (OPC), District of Columbia Consumer Utility Board (CUB), International Brotherhood of Electrical Workers (IBEW) Local 1900 and the Commission.

Participants in SmartPowerDC will be billed under one of three pricing options: Hourly Pricing (HP), Critical Peak Pricing (CPP), or Critical Peak Rebate (CPR). Under all three options, the generation charge on a customer's bill is calculated using time-varying prices, and all other components of the bill, including the transmission and distribution charges, are calculated using existing rates for those components. Smart thermostats would be provided to half of the customers so that customers can control their usage. The smart thermostats can automatically reduce energy consumption during high-priced periods.

Under HP, electricity prices will vary hourly. HP prices are set a day ahead, based on the prices in the day-ahead PJM wholesale market. Hourly prices will be posted on the project website for access by HP participants and will also be available by calling a toll free number.

CPP customers will face two prices: critical peak prices and prices for all other hours. CPP customers are notified of these critical peak events the day before, by 5 p.m., via their choice of an automated phone call, e-mail, text page, or smart thermostat notification. There will be 12 critical peak days in the summer and 3 critical peak days in the winter. Prices during the critical peak hours will be substantially higher than conventional rates but will be offset by lower prices during the remaining hours of the year.

CPR customers can earn rebates by reducing their consumption, during critical peak hours, below what they would normally have used during those times. The rebates will be calculated by multiplying the reduced consumption, measured in kilowatt-hours, by the rebate amount per kilowatt-hour.

The pilot program is designed to provide a segment of District of Columbia residential customers with information on how electricity is priced and the types of energy reducing or energy shifting activities they can undertake in response to periods of high prices, in order to save money on their electricity bills. This program will also provide statistically valid results that can be used to assess the cost-effectiveness of these residential pricing and technology options for all District of Columbia residential customers as well.

To get more information, please click here for a copy of [Order No. 14166](), docketed in F.C. No. 1002. Invited participants should review the invitational materials, other information material available from SMPPI, and the Order to determine if they should choose to participate in the program.