

SALES DATA DISCUSSION

- **The Challenge:**

- AEPS credit obligations for compliance are determined by multiplying electric energy sales of an EDC or EGS by the Tier requirements in the AEPS Act.
- The Commission has interpreted energy sales to be usage registered at the customer's meter.
- Sales excludes distribution and transmission line losses as they occur before the meter.
- The challenge is for the Commission, EDCs, EGSs and other interested parties to come to an agreement as to the data that will be used to derive EDC and EGS sales data.

SALES DATA DISCUSSION (Cont'd)

- **Considerations for Solutions:**
 1. The PUC, EDCs, EGSs and others must be able to agree that the outcome accurately and consistently represent electric sales to end-use customers.
 2. There should be no double counting of sales.
 3. Sales should exclude line losses (through original data or extraction).
 4. There should be only one, uniform calculation method for EGS retail sales across all EDC service territories.
 5. There should be only one, uniform calculation method for POLR/Default Service EDC sales across all EDC service territories.

SALES DATA DISCUSSION (Cont'd)

6. The uniform EGS Retail Sales Solution (4.) could be different than the uniform POLR/Default Service Solution (5.) (my view).
7. With the Act 129 requirements for quarterly adjustments to Tier I Non-Solar requirements, sales data is used for calculations four times a year instead of once a year. So the solution must work four times per year.
8. The sooner after an energy sales period (quarter, year) that the data is available, the better for all parties because then the credit obligation is known in advance of the date to demonstrate compliance. This allows EDCs and EGSs to have time to transact credit purchases and transfer credits into their reserve subaccounts to demonstrate compliance.

SALES DATA DISCUSSION (Cont'd)

- **Potential Options:**

Our history to date reveals two General Options, each with advantages and disadvantages.

- Option A – Billing Revenue Data from EDCs

- +Excludes line losses.

- +Available a few weeks after close of month.

- + (?) Available to EGSs from EDCs in 867 EDI transactions.

- Does not match sales data for any given calendar period (month, quarter, year) as billings likely span > month.

Therefore, may require an adjustment/true-up at the initial start of a compliance period and the end. Rolling lags may be workable.

SALES DATA DISCUSSION (Cont'd)

➤ Option B – PJM eSchedule Usage/Market Settlement Data

- +There may be advantages of convenience.
- Includes line losses, they need to be extracted.
- Not sure of the delay in availability.

➤ Discussion

- ❖ Audience viewpoints.
- ❖ Ultimately the Commission will seek resolution through a NOPR with opportunity to comment.
- ❖ Consensus would be ideal.
- ❖ Would a technical conference be helpful to develop a strawman proposal to put in NOPR?