

**STATE OF ILLINOIS**  
**ILLINOIS COMMERCE COMMISSION**

<b>Commonwealth Edison Company</b>	:	
	:	<b>13-0552</b>
<b>Submission of Rider NAM, Non AMI Metering.</b>	:	
<b>(tariffs filed September 20, 2013)</b>	:	

**ORDER**

By the Commission:

On September 20, 2013, Commonwealth Edison Company (“ComEd” or the “Company”) filed its Ill. C. C. No. 10, 3rd Revised Sheet No. 20, 6th Revised Sheet No. 22, 5th Revised Sheet No. 23, 1st Revised Sheet No. 31, 4th Revised Sheet No. 32, 5th Revised Sheet No. 40, 2nd Revised Sheet No. 51, 7th Revised Sheet No. 64, 8th Revised Sheet No. 66, 1st Revised Sheet Nos. 70 & 71, 1st Revised Sheet No. 126, 2nd Revised Sheet No. 127, 1st Revised Sheet Nos. 129 & 130, 4th Revised Sheet No. 152, 1st Revised Sheet No. 152.1, 3rd Revised Sheet Nos. 187 & 188, Original Sheet No. 188.1, 3rd Revised Sheet No. 189, Original Sheet No. 189.1, 1st Revised Sheet Nos. 190, 197 & 198, 4th Revised Sheet Nos. 202 & 205, 2nd Revised Sheet No. 206, 3rd Revised Sheet No. 251, 2nd Revised Sheet Nos. 287, 292 & 303, 1st Revised Sheet No. 332, and 1st Revised Sheet Nos. 444 – 447.

With this filing, ComEd submits a new tariff, Rider NAM - Non AMI Metering (“Rider NAM”) to be applicable to customers that refuse to voluntarily allow the Company to install advanced metering at their premises in accordance with ComEd’s approved Advanced Metering Infrastructure (“AMI”) Plan and to customers for which the Company is unable to gain access to customer premises in order to install AMI metering in accordance with that Plan. During the period that AMI meters are being deployed under the AMI Plan, ComEd believes that the appropriate response to attempts to refuse an AMI meter is to continue to provide utility services to such customers using non AMI meters, provided that ComEd is allowed to recover from such customers amounts that help defray the costs of furnishing, installing, owning, operating, replacing, and maintaining such non AMI metering facilities. The charges listed in the proposed Rider NAM are to be applicable to customers with non AMI metering beginning with the fourth monthly billing period after Rider NAM becomes applicable to such customers and only after ComEd provides notice to such customers regarding the applicability of the rider.

With this filing, revisions are also being proposed for the General Terms and Conditions (“GT&C”) that identify the circumstances under which non AMI metering would be provided to customers and the time at which Rider NAM would become applicable to such customers. There are also proposed revisions to the GT&C that

address credits and possible charges that may be applicable to customers for which the Company subsequently provides AMI metering and for which service under Rider NAM is terminated. As applicable, in order to effectuate the provisions of the proposed Rider NAM, corresponding revisions are being proposed for Rate BES - Basic Electric Service ("Rate BES"), Rate BESH - Basic Electric Service Hourly Pricing ("Rate BESH"), Rate RDS - Retail Delivery Service ("Rate RDS"), Rider FCA - Franchise Cost Additions ("Rider FCA"), Rider ZSS - Zero Standard Service ("Rider ZSS"), Rider POG – Parallel Operation of Retail Customer Generating Facilities ("Rider POG"), Rider POGNM – Parallel Operation of Retail Customer Generating Facilities with Net Metering ("Rider POGNM"), and Rider PPO - Power Purchase Option ("Rider PPO").

Notice of the tariff filing was posted in ComEd's business offices, in accordance with the provisions of 83 Ill. Admin. Code Part 255.

The Illinois Commerce Commission ("Commission" or "ICC") issued a Suspension Order on October 2, 2013, suspending the Tariffs for the period beginning November 4, 2013 through and including February 16, 2014, and initiating this proceeding to conduct an investigation into Rider NAM and its terms. Commonwealth Edison Co., Docket 13-0552, Suspension Order (Oct. 2, 2013) at 2. The Commission further directed that the investigation address the issue of the replacement of non AMI meters with non AMI meters. Bench Meeting Minutes (Oct. 2, 2013) at 7. The Commission also directed that the investigation be completed expeditiously – within the initial 105 day suspension period called for by the Suspension Order – because of the urgency of addressing the issue of AMI meter refusals. Bench Meeting Minutes (Oct. 2, 2013) at 8. See also Commonwealth Edison Co., Docket 13-0552, Suspension Order (Oct. 2, 2013).

Pursuant to notice given in accordance with the law and the rules and regulations of the Commission, this matter came on for a pre-hearing conference before a duly authorized Administrative Law Judge ("ALJ") at the Commission's offices in Chicago, Illinois, on October 21, 2013. The Petition to Intervene filed by the Citizens Utility Board ("CUB") was granted by the ALJ. The Illinois Attorney General's Office ("AG") and the City of Chicago ("City") filed appearances in this matter.

Both ComEd and the Commission Staff ("Staff") presented testimony. ComEd presented the testimony of Robert Garcia, Director, Regulatory Strategy and Services, and David Doherty, Director, AMI Business Process Transformation.

Staff presented the testimony of Eric P. Schlaf, Senior Economic Analyst, Energy Division, Alicia Allen, Rate Analyst, Rates Department, Financial Analyst Division, Gene Beyer, Bureau Chief of the Public Utilities Bureau of the Commission, and Jim Agnew, Consumer Policy Analyst in the Consumer Services Division.

An evidentiary hearing was convened in this docket at the Commission's Chicago offices on December 3, 2013. Counsel for ComEd, CUB, the AG, and Staff appeared at these hearings. On December 5, 2013, the record was marked "Heard and Taken" by the ALJ.

Initial briefs were filed on December 12, 2013 by ComEd, CUB, and Staff. Reply Briefs were filed on December 19, 2013 by ComEd and Staff. The ALJ's Proposed

Order was served on January 13, 2014. No exceptions were taken to the proposed order.

## **I. AGREED ISSUES**

### **A. Agreements**

ComEd, Staff, and CUB have worked collaboratively to address and resolve certain topics related to Rider NAM. As a result, the parties are in agreement on a number of issues. According to ComEd, the parties agree that:

- The Commission has the authority to approve a tariff “that would permit electric utilities to implement meter reading charges applicable to refusal customers.” See Staff Ex. 1.0 at 5; ComEd Ex. 3.0 at 3; ComEd Init. Br. at 3, Staff Init. Br. at 6, CUB Init. Br. at 1, ComEd Reply Br. at 1, Staff Reply Br. at 5.
- The Commission should “set a refusal policy at the beginning of deployment rather than at a later stage of deployment,” because “utilities, regulators, and other policymakers have found that refusal issues must be addressed at some point.” See Staff Ex. 1.0 at 5; ComEd Ex. 3.0, at 3; ComEd Init. Br. at 3, Staff Init. Br. at 5, CUB Init. Br. at 1, ComEd Reply Br. at 2.
- The Commission’s “primary objective should be to set the charge at a level that would motivate a significant number of customers to accept the AMI meter and/or make their premises accessible for meter exchange.” See Staff Ex. 1.0 at 13; ComEd Ex. 3.0 at 3; ComEd Init. Br. at 3, Staff Init. Br. at 9, CUB Init. Br. at 1-2, ComEd Reply Br. at 2.
- ComEd will report the summary of the operation of Rider NAM on or before both April 1 and October 1 of each year, and will include the number of retail customers to which Rider NAM is applicable, a description of ComEd’s efforts to address such retail customers, and identifications of ComEd’s costs that are associated with providing service under Rider NAM. See ComEd Ex. 1.0 CORR. at 11; Staff Ex. 2.0 at 7; ComEd Init. Br. at 3, Staff Init. Br. at 13, CUB Init. Br. at 9, ComEd Reply Br. at 8, Staff Reply Br. at 2-3.
- The Commission, as Staff proposed, should authorize and direct ComEd to re-file Rider NAM after the fourth biannual report (i.e., after two years) in order for the Commission to investigate the information in these reports and to determine if a different monthly meter reading charge is more appropriate than the one approved by the Commission in this proceeding. See Staff Ex. 2.0 at 7; ComEd Ex. 3.0 at 12-13; ComEd Init. Br. at 3, Staff Init. Br. at 13, CUB Init. Br. at 9-10, ComEd Reply Br. at 8, Staff Reply Br. at 2-3.
- If the Commission adopts ComEd’s original meter exchange proposal to replace analog non-AMI meters with digital non-AMI meters for AMI meter refusers, the Commission should also adopt ComEd’s proposed \$77.47 meter and other exchange fees in Rider NAM for that scenario. If the Commission declines to adopt that proposal, meter exchange fees for that scenario should be eliminated from Rider NAM. See ComEd Ex. 3.0 at 13-14; Staff Ex. 3.0 at 11; ComEd Init. Br. at 3, Staff Init. Br. at 11-12, ComEd Reply Br. at 5.

- The Commission should, in accordance with Staff's proposal, delete the proposed policy statement regarding the adverse impact that retention of non-AMI metering has on ComEd's system. See Staff Ex. 1.0 at 6-7; ComEd Ex. 3.0 at 15; ComEd Init. Br. at 3, Staff Init. Br. at 10.
- The Commission should adopt ComEd's proposed \$63.43 non-AMI meter reconnection fee. See ComEd Ex. 1.0 CORR. at 32-33; Staff Ex. 2.0 at 7-8; ComEd Ex. 3.0 at 15; ComEd Init. Br. at 4, Staff Init. Br. at 16.
- The Commission should adopt the proposed changes to Rate BES – Basic Electric Service, Rate BESH – Basic Electric Service Hourly Pricing, Rate RDS – Retail Delivery Services, Rider FCA – Franchise Cost Additions, Rider POG – Parallel Operation of Retail Customer Generating Facilities with Net Metering, Rider PPO – Purchase Power Option or Rider ZZS – Zero Standard Service. See ComEd Ex. 3.0 at 16; ComEd Init. Br. at 4, Staff Init. Br. at 3-4.

## **B. Commission Analysis and Conclusion**

The record confirms that the parties have agreed to the resolution of certain issues as described above. The Commission agrees and concurs with the parties' proposed resolution of these issues, finds the proposed resolutions agreed to by the parties to be just and reasonable and supported by the evidence, and adopts and approves the agreed resolutions of these issues.

The Commission agrees that it has the authority to approve ComEd's tariff and that it is appropriate to set a meter refusal policy at the outset of ComEd's AMI deployment. The Commission directs ComEd to report the summary of the operation of Rider NAM on or before both April 1 and October 1 of each year. In this report, ComEd shall include the number of retail customers to which Rider NAM is applicable, a description of ComEd's efforts to address such retail customers, and identification of ComEd's costs that are associated with providing service under Rider NAM. The Commission further directs ComEd to re-file Rider NAM no later than 30 days after filing the fourth biannual report (i.e., after two years) in order for the Commission to investigate the information contained in ComEd's reports. At that time, the Commission will determine if a different monthly meter reading charge is more appropriate than the one approved by the Commission below.

In light of the Commission's finding below to approve ComEd's alternative proposal regarding replacement of analog non-AMI meters with digital non-AMI meters for customers refusing an AMI meter, the Commission directs ComEd to eliminate the meter and other exchange fees from the language of Rider NAM.

The Commission adopts the \$63.43 non-AMI meter reconnection fee as proposed by ComEd. The Commission further adopts the proposed deletion of the policy statement in the General Terms and Conditions, ILL. C.C. No. 10, 3rd Rev. Sheet No. 189 (Canceling 2nd Revised Sheet No. 189), as proposed by Staff and supported by ComEd. In addition, the Commission adopts the proposed changes to Rate BES – Basic Electric Service, Rate BESH – Basic Electric Service Hourly Pricing, Rate RDS – Retail Delivery Services, Rider FCA – Franchise Cost Additions, Rider POG – Parallel

Operation of Retail Customer Generating Facilities with Net Metering, Rider PPO – Purchase Power Option or Rider ZZS – Zero Standard Service, as described above.

## **II. CONTESTED ISSUES**

### **A. Exchange of Analog Non-AMI Meters for Digital Non-AMI Meters.**

#### **1. ComEd's Position**

In response to the likelihood that a small percentage of ComEd's customers would refuse installation of AMI meters throughout the AMI meter deployment, ComEd presented a plan to ensure that all retail meters in ComEd's service territory – including those belonging to customers who refuse installation of an AMI meter – were upgraded within the approximately 10-year period allowed for AMI meter investment under EIMA. ComEd Ex. 2.0 at 9-16. ComEd states that it developed this plan in an effort to specifically address those customers that refuse the installation of an AMI meter during deployment, but who had a traditional electro-mechanical watt-hour non-AMI meter (“analog meter”) installed at their premises. ComEd Init. Br. at 4. According to ComEd, a customer may refuse a meter in one of two ways: first, the customer may notify ComEd that it does not want an AMI meter for a variety of reasons, including as a result of customer concerns related to health, safety, or privacy. ComEd Ex. 2.0 at 13. Second, a customer may ignore ComEd's attempt to install an AMI meter, and ComEd may be prevented from exchanging the AMI meter by locked fences, the presence of a dog, or a lack of response to ComEd's requests. Id. at 13. ComEd collectively refers to these customers as “meter refusers.”

ComEd notes that meter refusers can utilize one of two types of meters – an analog meter or a solid-state digital non-AMI meter (“digital meter”). See ComEd Ex. 2.0 at 3-5. During the AMI Pilot, ComEd identified a number of operational concerns associated with customer retention of analog meters. Id. at 7, 15; ComEd Ex. 4.0 at 3. As ComEd explains, analog meters rely upon gears and dials to record electrical usage. ComEd Ex. 2.0 at 3-4. According to ComEd, this makes an analog meter more susceptible to decreasing function due to the gears slowing down over time, in addition to being more susceptible to theft and tampering. Additionally, as ComEd explains in its direct testimony, analog meters are being discontinued nationally and will no longer be manufactured. Id. at 14. ComEd asserts that these concerns would be alleviated with the replacement of analog meters with digital meters.

ComEd asserts that its proposal to replace analog meters with digital meters is also supported by the fact that ComEd identified a need to visually inspect all metered locations for safety, function, and tampering and theft of electric service as part of the AMI meter deployment process. ComEd Ex. 4.0 at 3. ComEd argues that because of the relatively high costs associated with the labor to visit the site, remove the existing meter, and perform the exchange – often at customer premises that have historically been difficult to access – it would be cost-beneficial to replace the analog meters at the time of the inspection, a quarter of which are over 20 years old, instead of incurring duplicative costs when inevitably replacing those meters at the end of the AMI deployment period. Id. ComEd argues that it would be prudent, reasonable, and cost-beneficial to exchange these meters not only to remove slow, stopped, damaged, or

end-of-life meters, but also to proactively remove meters that could slow down over time or that would be more likely to require a future field trip with its far greater cost. Id.

In light of Staff's concerns regarding ComEd's original proposal, ComEd offered an adjusted meter replacement policy that it believes accommodates the concerns of both ComEd and Staff. ComEd Ex. 4.0 at 4. Under ComEd's alternative proposal, ComEd would continue to visually inspect meter locations for the above-mentioned concerns that are separate from meter replacement. Id. at 4. ComEd further states that it would continue to repair or replace such meters where determined to be needed based on the visual inspection and regardless of AMI deployment. Id. at 4-5. According to ComEd, if an analog non-AMI meter is functioning properly and would not otherwise be replaced by ComEd's existing practice and policy, ComEd would – under its alternative proposal – complete the inspection and leave the existing meter in place. Id. at 5. ComEd states that it would then replace or repair these meters as required in the future, incurring additional costs at that time. ComEd believes that this alternative proposal adequately addresses Staff's concerns, incorporates ComEd's technical and operational requirements, and protects the safety of ComEd's customers.

ComEd continues to request that the Commission adopt its original proposal to replace all analog non-AMI meters with digital non-AMI meters for AMI meter refusers. In the alternative, ComEd requests that the Commission adopt ComEd's alternative proposal.

ComEd notes that its AMI Plan provides for the recovery of the unrecovered cost of all non-AMI meters replaced as part of the AMI deployment. Docket 13-0285, Revised Smart Grid Advanced Metering Infrastructure Deployment Plan at 48; ComEd Ex. 1.0 CORR. at 26-27. Staff views ComEd's proposal to replace functional analog non-AMI meters with digital non-AMI meters as described above to be an extension of the special ratemaking treatment (i.e., accelerated depreciation) previously approved for non-AMI meters that are replaced by AMI meters. Staff Ex. 3.0 at 9-10. Staff opposes the extension of such ratemaking treatment to analog non-AMI meters replaced by digital non-AMI meters unless the Commission finds such proposed replacement to be prudent, reasonable, and cost-beneficial. Id. at 10-11. ComEd does not contest Staff's assertion that special ratemaking treatment should not be applied to functioning analog non-AMI meters replaced by digital non-AMI meters unless the Commission approves ComEd's original proposal to engage in that practice. As noted above, ComEd maintains that such a replacement policy for AMI meter refusers is prudent, reasonable, and cost beneficial. ComEd further notes that, consistent with the clarifications to Staff's position in ComEd Cross Ex. 1, adoption of ComEd's alternative proposal should have no impact on ComEd's installation of non-AMI meters to meet new business requirements or replacement of existing non-AMI meters with new non-AMI meters when replacement is otherwise called for by ComEd's existing meter replacement policy and such replacements occur in an area where AMI has not yet been deployed.

## **2. Staff's Position**

In its initial filing, ComEd proposed to prematurely replace existing non-AMI meters, including those in good working condition, with digital non-AMI meters in the event the customer refuses an AMI meter. ComEd Ex. 2.0, 13-14. Staff testified that

ComEd provided insufficient evidence to support the premature replacement of fully-functional meters, and further noted that none of the Company's reasons demonstrated the proposal to be prudent and reasonable or that the proposal contributes to development of the Smart Grid. Staff Ex. 3.0, 8. In its rebuttal testimony, ComEd offered a new reason regarding efficiency and economics: it would be less expensive to replace a working meter while on-site during AMI deployment, noting that the existing meter "could slow down over time or ... would be more likely to require a future field trip". ComEd Ex. 4.0, 3. Staff states that no support is offered for such speculation. See, generally, ComEd Ex. 4.0. Clearly, ComEd expects that many long-lived analog non-AMI meters will continue to operate as intended throughout the AMI deployment program. In fact, over 1.5 million analog non-AMI meters will not be visited as part of the AMI deployment until the final four years of the AMI project, or from 2018-2021. Staff Ex. 3.0, 5-6.

In rebuttal, ComEd offered an alternative proposal that is based upon the Company's current meter replacement policy and practice. ComEd proposes to visually inspect the refusing customer's meter location for safety, meter function, and tampering or theft of electric service. ComEd Ex. 4.0, 4. Based upon that visual inspection, ComEd would only replace those meters that are found to be stopped, slow, damaged, potentially unsafe, or out of compliance with standards or regulations. *Id.* at 5. A non-AMI meter that is functioning properly will remain in place. *Id.* Staff agrees with the Company's plan to follow its meter replacement policy and current practice with one exception: while a visual inspection will enable the Company to discover if a meter is stopped or damaged as a result of tampering or some other reason, the Company provided no evidence to explain how the on-site visual inspection will detect a slow meter.

The Commission should acknowledge that it understands ComEd's alternative is based on the current meter replacement practice and policy, and the Commission should remind the Company to be prudent in its inspection and replacement of refusal customers' meters and only replace those that are not working or are damaged.

The Commission previously approved a special ratemaking treatment for non-AMI meters that are replaced by an AMI meter. That treatment allows ComEd to recover the cost of prematurely retired meters in an accelerated manner. In this case, ComEd proposed to extend that special ratemaking treatment to a non-AMI meter that is prematurely replaced by another non-AMI meter. ComEd Ex. 1.0, 26. Staff opposed that treatment, citing that neither ComEd's Revised Plan, ComEd's Progress Report or the Commission's smart grid orders addressed the situation wherein a non-AMI meter is replaced by a non-AMI meter.

In addition to acknowledging that the Company's meter inspection alternative intends to follow the current meter policy and practice, Staff recommends that the Commission be clear that no special ratemaking treatment is applicable to premature replacement of a non-AMI meter with another non-AMI meter.

### **3. Commission Analysis and Conclusion**

The Commission adopts ComEd's alternative proposal because this proposal is shown to be prudent, reasonable, cost-beneficial, and has the support of Staff. Under

this proposal, ComEd will conduct a visual inspection of all meters, but will only replace those analog meters that would otherwise be replaced pursuant to ComEd's existing practice and policy. The Commission further finds that no special ratemaking treatment is applicable to premature replacement of a non-AMI meter with another non-AMI meter.

## **B. Monthly Meter Reading Charge**

### **1. ComEd's Position**

ComEd anticipates that a number of customers will refuse AMI meters, whether through express refusal or by failing to provide access to the meter. As a result, ComEd claims that it will have to provide a monthly manual meter reading service in order to continue to assess customers' bills. See ComEd Ex. 1.0 CORR. at 17. ComEd states that monthly manual meter reading will no longer be a part of the standard service provided to all customers where AMI deployment has been completed, and, as a result, ComEd will provide this service to the select subset of customers with non-AMI meters. ComEd has developed a monthly meter reading charge to assess to those customers in order to cover some of the costs associated with this service. *Id.* at 17. ComEd further notes that both Staff and CUB support the need for a monthly meter reading charge. See Staff Init. Br. at 5; CUB Init. Br. at 2. As a result, ComEd has developed a monthly meter reading charge to assess to those customers in order to cover some of the costs associated with this service. ComEd Reply Br. at 5.

ComEd proposed a monthly meter reading charge of \$25 based on analyses conducted by ComEd witnesses Garcia and Doherty and a cost study developed by Mr. Doherty. See ComEd Ex. 1.0 CORR. at 17; ComEd Ex. 2.0 at 16-18; ComEd Ex. 2.01. According to ComEd, the cost study developed by Mr. Doherty examined a reasonable range of estimated meter refusal rates (from 0.25% to 1.0%), along with the average cost to read a meter and other directly associated quantifiable costs in order to develop a range of costs-per-read. ComEd Ex. 2.01. Further, ComEd states that the meter reading cost study developed by Mr. Doherty did not include costs for: (1) filling the potential gaps in the mesh network used for meter communications; (2) installing an AMI meter when a refusing customer moves from their current location or accepts an AMI meter at some time in the future; or (3) enrolling, tracking and reporting on customers who refuse an AMI meter. ComEd Ex. 2.0 at 19-20; Doherty, Tr. 59:10-19.

According to ComEd, the estimated per unit cost to read meters for meter refusers ranges from \$21.53 at a 1% refusal rate to \$47.85 at a 0.25% refusal rate. ComEd Ex. 2.01. ComEd based this per-unit cost range for meter reading largely on the number of meter readers required to read meters at such refusal rates, from 40 to 72. ComEd Ex. 2.0 at 20-21. ComEd explained that it reached its proposed \$25 charge by examining the range developed in Mr. Doherty's cost study, the experiences of meter refusal rates in Naperville (which utilized a \$24.75 monthly charge, resulting in a .45% refusal rate), and the possible deterrent effect of such a charge to meter refusers. ComEd Ex. 1.0 CORR. at 19-20; Garcia, Tr. 47:3 – 48:14; Doherty, Tr. 68:15 – 69:6. ComEd further noted that Staff did not challenge the cost study presented by Mr. Doherty; instead, ComEd submits that Staff appears to have adopted the results of the cost study by utilizing these figures to develop its alternative proposed monthly charges. ComEd Ex. 3.0 at 6; see, e.g., Staff Ex. 2.0 at 3-4.

ComEd argues that the proposals submitted by Staff, ranging from \$10 to \$43.04, insofar as they fall within the cost-based range described by Mr. Doherty's cost study, are reasonable. However, ComEd argues that these proposals are neither purely cost-based nor take into account all policy considerations associated with this charge. As an example, ComEd refers to the testimony of Staff witness Allen, which proffers the proposed \$43.04 charge as a "purely cost-based rate." Staff Ex. 2.0 at 6. In response, ComEd explained that the uncertainty associated with "future refusal levels and customer response to the charges to be imposed" necessarily prohibit the establishment of a purely cost-based fee at this time. ComEd Ex. 3.0 at 9. ComEd further notes that Staff witness Schlaf submitted a monthly fee in the range of \$10-20 based on a policy perspective, recommending that a fee in this range "may be sufficient to motivate a significant number of customers to accept the AMI meter." Staff Ex. 1.0 at 3. ComEd explains that this proposal, however, does not take into account the experience in Naperville, where a \$24.75 monthly charge has resulted in a 0.45% refusal rate. ComEd Ex. 3.0 at 12. According to ComEd, this range also disregards the effect a low monthly charge may have on other customers who have accepted AMI meters, who must then bear the costs of any shortfalls in recovery caused by AMI meters. *Id.* ComEd argues that because Mr. Doherty's cost study is based on actual quantifiable costs known at this time, a fee that falls below this range is likely to result in a larger under-recovery of meter reading costs in all but the most extreme circumstance – an over 1% refusal rate. ComEd Init. Br. at 9.

ComEd argues that its proposed \$25 charge is reasonable, is cost-based, is likely to deter meter refusals, and has not been disputed by Staff. ComEd further notes that its proposed \$25 charge is supported by CUB. CUB Init. Br. at 9. As a result, ComEd asks the Commission to adopt its proposed \$25 monthly fee.

## **2. Staff's Position**

ComEd's AMI deployment plan, approved by the Commission in Docket 12-0298, requires ComEd to deploy advanced meters ("AMI meters") throughout its approximately four-million customer service territory by 2021. Following a pilot program in 2009, in which about 128,000 AMI meters were deployed, ComEd began full-scale AMI meter deployment in early September 2013. Staff Ex. 1.0, 4.

It is evident from the results of numerous other AMI deployments and ComEd's own AMI deployment experience that ComEd will be able to install an AMI meter on nearly, but not quite, all premises on which it attempts to install a meter. Some customers will explicitly refuse an AMI meter and, despite repeated attempts, ComEd will be unable to gain access to the premises of other customers. Staff Ex. 1.0, 4.

ComEd will continue to use traditional manual meter reading methods to read the meters of the "refusal" customers. Recovery of the manual meter reading costs will be imposed on all ComEd customers in the absence of tariffs that allow ComEd to impose charges solely or primarily on refusal customers. *Id.* Fortunately, the number of refusal customers is likely to constitute a very tiny minority of all customers and the costs involved in manually reading meters instead of receiving information through the AMI network are relatively small. During the first two months of deployment that began in September 2013, ComEd attempted to deploy about 35,000 meters and only about

0.01% of customers explicitly refused an AMI meter. ComEd was unable to gain access to the premises of an additional 0.65% of customers. Id. at 11-12. At full deployment and refusal rates of less than 1%, ComEd's annual costs of providing metering service to refusal customers will be about \$11 million. Id. at 15.

ComEd currently does not have a Commission-approved refusal policy applicable to its AMI deployment. Until tariffs are approved, ComEd accepts customer requests to delay installation of an AMI meter, but also warns customers of potential future charges. ComEd Ex. 1.0, 6.

Staff notes that a refusal policy is a common feature of AMI deployments by utilities in other states. Staff's review of deployments in other states indicates that policymakers have found that refusal issues must eventually be addressed. Staff Ex. 1.0, 5. Despite a robust education and outreach plan, there will be customers that continue to refuse an AMI meter as well as prevent access to the meter, for any number of reasons. Meter refusals will impede AMI deployment, resulting in costs that could otherwise be avoided. ComEd Ex. 1.0, 8.

Staff and ComEd agree that a refusal policy should be set at the beginning of deployment rather than at a later stage of deployment. Staff Ex. 1.0, 5; ComEd Ex. 1.0, 5. By establishing a refusal policy, ComEd will receive direction from the Commission regarding the actions it should take and the charges it may impose when a customer refuses an AMI meter or does not allow access to its premises. Additionally, a refusal policy will inform customers of the consequences, including potential charges, of refusing an AMI meter or failing or refusing to allow access to the meter.

Staff states that the main feature of a refusal policy is the imposition of a refusal charge. The purposes of the charge are to recover costs associated with manual meter reading and also to encourage customers to accept an AMI meter (i.e., an incentive). ComEd Ex. 1.0, 10. The refusal charge is included in Rider NAM as a "Meter Reading Charge." ComEd's proposed tariffs contain other provisions that Staff agrees are properly incorporated in a refusal policy, including customer notification, the type of meter that should be placed on the premises of a refusal customer, reporting requirements, and, a termination date (i.e., "sunset date") of the tariffs.

ComEd proposes a monthly Meter Reading Charge of \$25 that would be applicable to refusal customers. The charge would be applicable to customers that "outright" refuse an AMI meter and also to customers who block access to their premises. ComEd Ex. 1.0, 9. Staff argues that the Commission has the authority to permit electric utilities to impose a meter reading charge plus additional charges related to meter refusal. 220 ILCS 5/16-108. The Commission is authorized to approve cost-based charges for delivery services, including the costs of owning, operating and maintaining transmission distribution facilities. 220 ILCS 5/16-108(c). There is a cost to the utility associated with a customer's refusal of an AMI meter. ComEd Ex. 1.0, 8; ComEd Ex. 2.0, 16. Accordingly, it falls within the Commission's authority to approve charges related to meter refusal as cost-based delivery services charges. Additionally, charges, terms and conditions for delivery services are to be just and reasonable and take into account customer impacts. 220 ILCS 5/16-108(d).

In response to ComEd's proposed \$25 charge, Staff testified that the charge could be established by recognizing cost or policy considerations. Alternatively, the Commission could combine the merits of both cost-based and policy-based perspectives. Staff Ex. 1.0, 13. A monthly cost-based charge would be \$43.04; a charge based on policy considerations would be in the range of \$10-20; and, a charge that balances both cost and policy considerations Staff states would result in a charge of \$21.53, the lowest charge in ComEd's range of cost-based charges. Id. at 3.

If the Commission determines that it is in the public interest to select a Meter Reading Charge on the basis of cost, then Staff recommends that the charge be set at the Nonstandard Switching Fee of \$43.04, rather than the \$25 charge proposed by the Company. The \$43.04 charge serves as a proxy for the cost-based rate for the Meter Reading Charge. Staff Ex. 2.0, 5. The Company's Nonstandard Switching Fee is an off-cycle meter reading service provided under Rider RDS to customers wishing to switch energy suppliers between monthly meter readings. Staff finds that the Company's Nonstandard Switching Fee of \$43.04 is a reasonable proxy for the cost-based rate for the Meter Reading Charge, and likewise is a reasonable alternative to the Company's proposed \$25 charge. Id.

According to Staff, one purpose of the Meter Reading Charge is to encourage customers to accept the AMI meter. Thus, from a policy perspective the charge should be set at a level that would motivate a significant number of customers to accept the AMI meter and/or make their premises accessible for meter exchange. Staff Ex. 1.0, 3. Staff determined that the relatively low monthly charge of \$10-20 could meet the objective of inducing a significant number of customers to accept the meter. Id. This conclusion is based on the experience of three AMI deployments, where monthly charges are in the \$10-20 range and refusal rates are low. Specifically, the charges and refusal rates for San Diego Gas and Electric, Lakeland Electric and Salt River Project are the following: San Diego Gas and Electric (monthly charge \$10; refusal rate 0.08%); Lakeland Electric (monthly charge \$16; refusal rate 0.08%); and, Salt River Project (monthly charge \$20; refusal rate 0.029%). Id. at 10-11, 13-14.

Other non-cost factors could also be considered in setting the Meter Reading Charge. Monthly meter reading charges applicable to residential customers are about \$3. Staff Ex. 1.0, 14. Thus, whether the charge is set at \$25 or at a number in a similar range, the charge for meter reading service applicable to refusal customers would be several times the existing meter reading charge for residential customers. Id. Such a sizable increase in the meter reading charge may appear punitive to some customers, particularly customers who sincerely hold beliefs that the installation of AMI meters could adversely affect their health or impinge on their privacy. Id.

Staff notes that ComEd relies on the experience of a relatively small municipal utility, Naperville. Staff has, in recommending a rate in the \$10 to \$20 range, however, considered the experience of a number of utilities. ComEd makes no case for Naperville being more representative of ComEd's customer base than that of San Diego Gas and Electric, where a \$10 charge resulted in a 0.08% refusal rate. Id.

Additionally, Staff states that the costs to be apportioned among customers, both refusal and "non-refusal," is only on the order of \$5-11 million at full deployment. Id.

Thus, should the Meter Reading Charge not fully recover ComEd's costs, non-refusal customers would only be responsible for a very small amount of costs. Id. Finally, Staff and ComEd have agreed that ComEd should file biannual reports detailing cost information and also that ComEd should re-file Rider NAM after the fourth biannual report. Staff Ex. 1.0, 15; ComEd Ex. 3.0, 12-13. The Commission will thus have an opportunity to modify the charge should future circumstances warrant a shift in policy related to the charge. This will allow the Commission to investigate the information in these reports and determine whether different monthly meter reading charge is more appropriate.

If the Commission desires to set the rate based upon a recommendation that is cost-based and addresses policy considerations, Staff recommends that it should set the Meter Reading Charge at \$21.53. A \$21.53 monthly charge is the lowest charge within ComEd's cost-based range. Additionally, a monthly charge of \$21.53 would be similar to the level of the \$10-20 charge that Staff witness Schlaf testified may be sufficient to motivate a significant numbers of customers to accept an AMI meter. Staff Ex. 1.0, 3.

### **3. CUB's Position**

CUB states that regardless of the cause, the inability to install AMI meters per the Commission-approved AMI Plan will result in ComEd incurring new and continued costs that could have been avoided. CUB notes Staff's position that the primary objective here is to set a charge recovering these costs at a level that would motivate a significant number of customers to accept the AMI meter and/or make their premises accessible for meter exchange.

CUB states that while it is difficult to estimate the cost, the impact on the overall AMI Plan will vary depending on when, where, and how many refusals are realized. CUB notes ComEd's proposed \$25 monthly Meter Reading Charge and agrees that Naperville's experience provides some guidance on how low the charge may be set within the range of potential costs ComEd has calculated and still avoid a refusal level above 0.5%. As such, CUB believes the Commission can find a \$25 fee reasonable and appropriate based on the costs which are to be recovered and the need to motivate customers to make their premises accessible for AMI meter installation. As an alternative, CUB agrees with ComEd that Staff's suggestion of a Meter Reading Charge of \$21.53 can be found to be reasonable and be adopted as well. CUB states that this charge falls within a range of potential costs but is driven toward the lower end of the range with considerations of the low refusal rates achieved by some out-of-state utilities with charges between \$10 and \$20, as well as consideration of customer impacts of the charge. Staff's proposed charge would also take into account the evidence that meter reading charges under \$25 have been consistent with low refusal rates.

It is true, CUB states, that any of the proposals put forth in this docket represent a several-fold increase in the current charge for metering service for residential customer. As a result, CUB agrees that such a sizable increase in metering service might be perceived as unfair, particularly to customers who sincerely hold beliefs that the installation of AMI meters could adversely affect their health or impinge on their privacy.

CUB states that if it appears that the charge is insufficient to encourage a sufficient number of customers to accept the AMI meter, ComEd's costs are higher than expected, or any shortfall attributed to non-refusal customers is higher than desired, CUB agrees with ComEd and Staff that the Commission could revisit the charge and adjust it based on the public interest. ComEd has already agreed to Staff's suggestion that the Company provide biannual reports on the number of refusal customers and ComEd's costs in providing metering service to refusal customers. Thus, CUB maintains, the Commission could consider modifying the charge if, for example, it appears that the charge is unsuccessful in encouraging a sufficient number of customers to accept the AMI meter or ComEd's costs are higher than expected.

#### **4. Commission Analysis and Conclusion**

The Commission finds that Staff's proposed \$21.53 is reasonable, cost-based, and likely to deter meter refusals. The Commission notes that a \$21.53 monthly charge is the lowest charge within ComEd's cost-based range. Additionally, a monthly charge of \$21.53 would be similar to the level of the \$10-20 charge that Staff witness Schlaf testified may be sufficient to motivate a significant numbers of customers to accept an AMI meter. The Commission finds Staff's proposed charge to be superior to ComEd's due to the Commission's concern with how such a drastic meter reading charge increase - from \$3 to \$21.53 - will impact customers.

The purpose of this charge is primarily to motivate customers to switch, while also avoiding the socialization of costs incurred by customer refusals. In the interest of transparency and to ensure that this tariff has the desired effect, the Commission directs ComEd to make this charge a separate line item in each customer's bill, and use language for that line item that makes it absolutely clear that the charge is a penalty assessed as a consequence of the customer's refusal. The Commission recommends "Smart Meter Refusal Charge".

#### **C. Rider NAM Sunset Provision**

##### **1. ComEd's Position**

ComEd proposes, and Staff supports, a sunset provision in Rider NAM which eliminates the ability of customers to defer installation of AMI meters after the earlier of June 30, 2022, or one year after the date of the last AMI meter installation undertaken in accordance with the AMI Plan; this provision, following revisions proposed by Staff and accepted by ComEd, states:

As soon as practical after the earlier of June 30, 2022, or one year after the date of the last AMI meter installation undertaken in accordance with the AMI Plan, the Company must undertake all reasonable efforts to ensure that AMI metering is installed at each point of metered electricity delivery at each retail customer's premises.

In its Initial Brief, CUB asks the Commission to reject this sunset provision contained in ComEd's tariffs. CUB Init. Br. at 6. CUB argues that the Commission should reject ComEd's sunset provision because "customers can legally refuse an AMI meter" and because "customer concerns regarding smart meters should be addressed

through education and discussion ... not through forced meter installation.” CUB Init. Br. at 7.

ComEd notes that the customer-based concerns expressed by CUB in its brief are the same concerns that led ComEd to propose the meter refusal policy reflected in Rider NAM. ComEd Reply Br., at 8; ComEd Ex. 1.0 CORR. at 5-6, 7. ComEd states that it believes this issue should be left open to future consideration, and further notes that it is not readily apparent that customers have a right to legally refuse AMI meters or any other equipment used in the provision of service. ComEd argues that the Commission should not decide this abstract legal issue in a vacuum when the number of customers refusing AMI meters and the potential impact of such a legal determination are not known. ComEd Reply Br. at 8.

According to ComEd, the Commission should not and need not determine this issue at this time. Instead, ComEd proposes that the Commission approve the sunset provision at this time, and revisit this issue in two years when ComEd has committed to refiling Rider NAM. ComEd Reply Br. at 8. ComEd argues that at that time, there will be additional data and experience regarding customer responses to Rider NAM, which will allow the Commission to further analyze the need for a sunset provision under EIMA and evaluate the legality of any proposal to eliminate the sunset provision. Moreover, ComEd notes that Staff supports the sunset provision, subject to the revisions agreed to by both ComEd and Staff.

## **2. Staff’s Position**

Rider NAM contains a sunset provision whereby Rider NAM would no longer be applicable after the earlier of June 30, 2022, or one year after the date of the last AMI meter installation. ComEd Ex. 1.01, Sheet No. 444. However, it was not clear that this sunset provision would accomplish its intended goal as it was initially drafted. Staff’s tariff recommendations clarify the sunset provision, consistent with Mr. Garcia’s testimony. Id. at 10-11. Staff notes that ComEd does not object to these recommendations. ComEd Ex. 3.0, 4-5.

Staff notes that CUB suggests that the Rider NAM tariff should not sunset in 2022, but rather remain in effect past 2022 without any sunset date. This would have the effect of allowing some customers to refuse AMI meters indefinitely. The Commission should reject this recommendation as inconsistent with the statute.

Contrary to CUB’s protestations, the statute is clear: a utility’s AMI plan must be “implement[ed] ... across its entire service territory[.]” 220 ILCS 5/16-108.6(c). Even more specifically, ComEd’s AMI plan must include “a deployment schedule and plan that includes deployment of AMI to all [its] customers[.]” 220 ILCS 5/16-108.6(c)(3). It is apparent from this that the General Assembly intended that all customers receive AMI meters by 2022.

CUB argues that existing Commission rules permit certification of alternative service meter providers, which, CUB suggests, argues against any construction of Section 16-108.6(c) that requires universal deployment of AMI meters. Staff does not agree. First, the rule upon which CUB relies was promulgated in 2000, see 24 Ill. Reg. 19052 (rule effective December 15, 2000) and last amended in 2004. See 28 Ill. Reg.

10623 (rule amended effective August 1, 2004). The notion that such an administrative rule is an aid to construction of a statute enacted in 2011 is simply untenable. Second, even were the rule an aid to construction, it is at best an extrinsic aid. If, as is the case here, the legislature's intent can be determined from the plain language of the statute, that intent must be given effect, without further resort to extrinsic aids to statutory construction. *Bruso v. Alexian Brothers Hospital*, 178 Ill. 2d 445, 452; 687 N.E. 2d 1014 (1997).

CUB further argues that AMI is broadly defined in the statute, but neglects to discuss what the statutory definition actually is. AMI is defined in the statute as:

[T]he communications hardware and software and associated system software that enables Smart Grid functions by creating a network between advanced meters and utility business systems and allowing collection and distribution of information to customers and other parties in addition to providing information to the utility itself.

220 ILCS 5/16-108.6(a). "Advanced meters" are therefore an absolute requirement of the provision that CUB would have the Commission define so broadly as to not require them in all cases.

CUB next argues that allowing customers to refuse AMI meters constitutes sound public policy. This may or may not be the case. However, it is not the policy that the Illinois General Assembly has determined will be implemented in Illinois. A statute must be construed as it is, and a court or agency may not supply omissions, remedy defects, or add exceptions and limitations to the statute's application, regardless of its opinion regarding the desirability of the results of the statute's operation. *Toys "R" Us v. Adelman*, 215 Ill. App. 3d 561, 568; 574 N.E. 2d 1328 (3rd Dist. 1991).

Staff argues that because the statute requires ubiquitous deployment of AMI meters, the Commission should likewise reject CUB's request that Rider NAM not sunset in 2022.

### **3. CUB's Position**

CUB agrees with the Company that despite ComEd's best efforts, some customers will either explicitly reject the installation of a Smart Meter on their premises or the Company will be unable to access the customer's premises to exchange the existing meter for a Smart Meter – so called "refusal customers." CUB notes that these customers' meters will be read manually, rather than through the AMI network, with the result that ComEd will continue to incur costs in providing meter services. Rider NAM provides a means of recovering those costs primarily, if not exclusively, from those customers.

It is CUB's position that allowing customers to refuse AMI is consistent with EIMA, which references the "deployment of AMI to all customers for a participating utility," which would include ComEd. 220 ILCS 5/16-108.6(c). CUB further notes that AMI is defined in the EIMA as the "the communications hardware and software and associated system software that enables Smart Grid functions by creating a network between advanced meters and utility business systems and allowing collection and

distribution of information to customers and other parties in addition to providing information to the utility itself.” 220 ILCS 5/16-108.6(a). In short, CUB maintains that AMI includes more than just meters. CUB argues that deployment of AMI to all customers would mean that all customers have access to the communications hardware and software that creates an AMI network. It does not mean that all customers must receive an AMI meter. Although “AMI meter” and “Smart meter” are often used interchangeably, technically, according to CUB an AMI meter is a Smart meter that is integrated into an overall metering infrastructure. CUB states that Rider NAM is consistent with this language.

In construing a statute, CUB notes the basics of statutory construction. All statutory language should be given effect. The provisions of the statute should be construed so as to produce a consistent, unified whole rather than inconsistent, contradictory parts. The interpretation of a statute must be grounded on the nature and object of the statute as well as the consequences which would result from construing it one way or another. CUB notes that the Commission has found that to the extent possible, various sections of the Act must be read together and interpreted to achieve a coherent intent. *In re Ameren Illinois Company Verified Petition for Approval of Smart Grid Advanced Metering Infrastructure Deployment Plan*, Docket 12-0244, Final Order at 51 (May 29, 2012).

CUB points out that ComEd’s AMI Plan, which governs the deployment at issue here, never provided for the deployment of AMI meters to all ComEd customers because not all customer usage is metered (e.g. dusk-to-dawn and fixture lighting). Also, CUB notes that existing law already recognizes the potential for some provider other than ComEd to provide metering service, including presumably AMI metering service. 83 Ill. Admin. Code 460.

CUB argues that reading the phrase “deployment of AMI to all customers” to mean that all customers must be forced to accept an AMI meter would be an unnecessary and inconsistent reading of the language. Unnecessary because it fails to recognize the reality that, despite the best efforts of the utility, customers may not wish to accept an AMI meter or the utility may not be able to gain access to a customer’s premise to install one. And, CUB argues it is inconsistent because the law defines AMI broadly enough to permit customers to refuse a meter.

Also, CUB argues that allowing customers to refuse a Smart Meter is good public policy because forcing customers to accept a Smart Meter will not be conducive to gaining widespread customer acceptance and use of the meters. CUB states that forcing customers who, whatever their reasons, do not desire an AMI meter unfairly punishes those customers.

CUB notes that the purpose of the EIMA is to promote investment in the state’s electric utility infrastructure so that the State’s electric utilities will be able to continue to provide quality electric service to their customers, including innovative technological offerings that will enhance customer experience and choice. According to CUB, it is difficult to imagine how a policy forcing the installation of AMI meters, unless the customer bars access to the premises (Tr. at 44), is consistent with the EIMA’s requirement that ComEd’s AMI focus on the creation of customer value and customer

education. 220 ILCS 5/16-108(c). CUB asserts that a policy that forces customers to accept installation will not diffuse any customer concerns and, if anything, will only inflame them. ComEd hits on precisely the reason why - without a meter refusal policy, customers will assume their concerns do not matter and they are helpless and without recourse.

CUB maintains that the proposed sunset provision - that Rider NAM will expire in 2022 - should be rejected. As currently proposed then, the best that Rider NAM does is create a “deferral list of sorts” that allows some customers to be among the last to receive an AMI meter. Tr. at 42. After Rider NAM sunsets, the charges contained therein would apply only to those customers not providing access for ComEd to read the meter. Tr. at 43. CUB notes that Staff proposed, and ComEd agreed, that in fact after Rider NAM sunsets and the last AMI meter installation provided for by the AMI Plan, ComEd must undertake “all reasonable efforts to ensure that AMI metering is installed at each point of metered electricity delivery at each retail customer’s premise.” Staff Ex. 2.0 at 9; ComEd Ex. 3.0 at 4. CUB argues that because customers can legally refuse an AMI meter, and because the definition of “AMI” expressly provided for in the EIMA is broader than the meter, Staff’s proposed changes and ComEd’s sunset provision should be rejected. In other words, CUB recommends that the Commission find that Rider NAM should continue as a customer option and modify Rider NAM accordingly.

#### **4. Commission Analysis and Conclusion**

The Commission agrees with Staff that with regard to the sunset of a meter refusal policy such as Rider NAM the statute is clear: a utility’s AMI plan must be “implement[ed] ... across its entire service territory[.]” 220 ILCS 5/16-108.6(c). Even more specifically, ComEd’s AMI plan must include “a deployment schedule and plan that includes deployment of AMI to all [its] customers[.]” 220 ILCS 5/16-108.6(c)(3). It is apparent from this language that the General Assembly intended that all customers receive AMI meters by 2022. The Commission is not persuaded by CUB’s argument that ComEd’s AMI Plan, which governs the deployment at issue here, never provided for the deployment of AMI meters to all ComEd customers and that the Act itself does not demand as much. EIMA explicitly defines AMI as:

[T]he communications hardware and software and associated system software that enables Smart Grid functions by creating a network between advanced meters and utility business systems and allowing collection and distribution of information to customers and other parties in addition to providing information to the utility itself.

220 ILCS 5/16-108.6(a) (emphasis added)

“Advanced meters” are therefore an absolute requirement of the provision that CUB would have the Commission define so broadly as to not require them in all cases. The Commission understands CUB’s argument that forcing customers to accept a Smart Meter may not be conducive to gaining widespread customer acceptance and use of the meters, but this is the policy that the General Assembly has determined will be implemented in Illinois. As a creature of the legislature, this Commission is obligated to carry out the General Assembly’s intent, and thus, we reject CUB’s request that Rider NAM not sunset in 2022. While the Commission finds, and no party disagrees, that it

has the authority to allow deferral of AMI meter installation throughout the period of time that AMI meters are to be installed under ComEd's approved AMI Plan, we cannot allow this deferral to continue indefinitely.

ComEd suggests, notwithstanding the clear language of the Act, that it is not necessary to make a formal decision on the legal issues surrounding the proposed sunset provision of Rider NAM at this time. The Commission disagrees. Without some action by the General Assembly, the law will not change, and it will be necessary to deploy AMI meters to all ComEd customers by 2022. If customers make the decision to refuse an AMI meter now and incur monthly charges associated with this choice it should be with full knowledge that this refusal is simply deferring the inevitable. As such, the Commission approves the inclusion of the proposed sunset provision and notes that the utility shall be responsible for disclosing its applicability to customers refusing AMI meters.

### **III. FINDINGS AND ORDERING PARAGRAPHS**

The Commission, having considered the entire record herein and being fully advised in the premises, is of the opinion and finds that:

- (1) Commonwealth Edison Company is an Illinois corporation engaged in the transmission, distribution, and sale of electricity to the public in Illinois and is a public utility as defined in Section 3-105 of the Public Utilities Act;
- (2) the Commission has jurisdiction over the parties and the subject matter herein;
- (3) the recitals of fact and conclusions of law reached in the prefatory portion of this Order are supported by the evidence of record and are hereby adopted as findings of fact and conclusions of law;
- (4) the determinations regarding other subjects contained in the prefatory portion of this Order are reasonable for purposes of this proceeding; the compliance filing to be filed by Commonwealth Edison Company shall incorporate such determinations to the extent applicable;
- (5) proposed Rider NAM, as modified herein, the revisions to the General Terms and Conditions, as modified herein, and the revisions Rate BES, Rate BESH, Rate RDS, Rider FCA, Rider ZSS, Rider POG, Rider POGNM, and Rider PPO, as described herein, are just and reasonable and should be approved; and
- (6) Commonwealth Edison Company should be directed to file a revised Rider NAM and General Terms and Conditions, consistent with the conclusions in this Order, such revised Rider NAM and General Terms and Conditions should be filed within four (4) business days after the entry of this Order with an effective date no earlier than two (2) business days after such filing is made.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that Commonwealth Edison Company's Rider NAM, as modified herein, the revisions to the General Terms and Conditions, as modified herein, and the revisions to Rate BES, Rate

BESH, Rate RDS, Rider FCA, Rider ZSS, Rider POG, Rider POGNM, and Rider PPO, as described herein, are approved.

IT IS FURTHER ORDERED that Commonwealth Edison Company is authorized to file new tariff sheets in accordance with Finding (6) and the prefatory part of this Order, applicable to service furnished on and after the effective date of said tariff sheets.

IT IS FURTHER ORDERED that the tariff sheets for Rider NAM and the General Terms and Conditions to be revised by this Order are hereby permanently canceled and annulled, effective at such time as the new tariff sheets approved herein become effective by virtue of this Order.

IT IS FURTHER ORDERED that any motions, petitions, objections, and other matters in this proceeding which remain outstanding are hereby disposed of consistent with the conclusions herein.

IT IS FURTHER ORDERED that, subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of the Commission this 5<sup>th</sup> day of February, 2014.

(SIGNED) DOUGLAS P. SCOTT

Chairman