

PROJECT NO. 31418

**RULEMAKING RELATED TO § PUBLIC UTILITY COMMISSION
ADVANCED METERING §
§ OF TEXAS**

**PROPOSAL FOR PUBLICATION OF AMENDMENTS TO
§§25.121, 25.123, 25.311, AND 25.346 AND NEW §25.130
AS APPROVED AT THE OCTOBER 26, 2006 OPEN MEETING**

The Public Utility Commission of Texas (commission) proposes new §25.130, relating to Advanced Metering, and amendments to §25.121, relating to Meter Requirements, §25.123, relating to Meter Readings, §25.311, relating to Competitive Metering Services, and §25.346, relating to Separation of Electric Utility Metering and Billing Service Costs and Activities. The proposed new section and amendments relate to the deployment and use of advanced meters, pursuant to Public Utility Regulatory Act (PURA) §39.107 as amended by House Bill 2129, 79th Legislature, Regular Session (2005). The proposed new section and amendments are competition rules subject to judicial review as specified in PURA §39.001(e). Project Number 31418 is assigned to this proceeding.

Christine Wright, Electric Industry Oversight Division, has determined that for each year of the first five-year period the proposed new section and amendments are in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the sections.

Ms. Wright has determined that for each year of the first five years the proposed new section and amendments are in effect the public benefit anticipated as a result of enforcing the proposed new section and amendments will be, to the extent that advanced meters are deployed and used

pursuant to the proposed new section and amendments, improvements in electric delivery service and new, beneficial electric services that will be provided through advanced meters. There will be no adverse economic effect on small businesses or micro-businesses as a result of enforcing the proposed new section and amendments. There will be no economic costs to persons who are required to comply with the proposed new section and amendments, because deployment of advanced meters under the proposed new section is voluntary unless otherwise ordered by the commission. The principal purpose of the proposed new section and amendments are to implement the requirements of PURA §39.107, as amended by House Bill 2129, 79th Legislature, Regular Session (2005) in a way that maximizes benefits and minimizes costs.

Ms. Wright has also determined that for each year of the first five years the proposed sections are in effect there should be no effect on a local economy, and therefore no local employment impact statement is required under Administrative Procedure Act (APA), Texas Government Code §2001.022.

Comments on the proposed new section and amendments may be submitted to the Filing Clerk, Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326, no later than Monday, December 18, 2006. Sixteen copies of comments to the proposed new section and amendments are required to be filed pursuant to §22.71(c) of this title. Reply comments may be submitted no later than Tuesday, January 16, 2007. Comments should be organized in a manner consistent with the organization of the proposed new section and amendments. The commission invites specific comments regarding the costs associated with, and benefits that will be gained by, implementation of the proposed new section and

amendments. The commission will consider the costs and benefits in deciding whether to adopt the new section and amendments. All comments should refer to Project Number 31418.

In addition to comments on the draft sections, the commission staff also seeks comments on the following:

1. Is there a minimum threshold of technical capability of advanced meters that should be met in order to get cost recovery through the surcharge mechanism?
2. Should the limitation in proposed §25.130(j)(8) that a customer's demand exceed at least 100 kW be eliminated in order to provide that all advanced meters within the scope of the rule would provide simultaneous, direct, password protected, read-only access to the customer's meter through a phone line, internet, or other technology? Is it acceptable to have information on a day-after basis, day-of basis, or instantaneous basis?
3. Regarding §25.130(k)(3), is the weighted-average cost of capital (WACC) the appropriate interest rate to use in setting the surcharge? If not, what rate should be used and how should it be established?
4. Should the commission approve an electric utility's initial deployment plan prior to an electric utility's deployment of AMS?

The proposed new section and amendments are proposed under the Public Utility Regulatory Act, Texas Utilities Code Annotated §14.001 (Vernon 1998, Supplement 2006) (PURA), which provides the commission with the general power to regulate and supervise the business of each public utility within its jurisdiction and to do anything specifically designated or implied by PURA that is necessary and convenient to the exercise of that power and jurisdiction; PURA §14.002, which provides the commission with the authority to make and enforce rules reasonably required in the exercise of its powers and jurisdiction; and PURA §39.107, which directs the commission to approve utility surcharges for the deployment of advanced meters, authorizes the

commission to adopt rules relating to the transfer of customer data, and authorizes the commission to approve non-discriminatory rates for metering service.

Cross Reference to Statutes: Public Utility Regulatory Act §§14.001, 14.002, and 39.107.

§25.121. Meter Requirements.

(a) – (b) (No change.)

(c) **Standard type.** All meters shall be of a standard type that meets industry standards.

Advanced meters shall meet the standards in this section and §25.130 of this title (relating to Advanced Metering). Special meters used for investigation or experimental purposes are not required to conform to these standards.

(d) **Location of meters.**

(1) – (2) (No change.)

(3) All meters installed after December 21, 1999, the effective date of these rules shall be located as set forth in this section, provided that, where installations are made to replace meters removed from service, this section shall not operate to require any change in meter locations which were established prior to ~~this~~the effective date, unless the electric utility finds that the old location is no longer suitable or proper, or the customer desires that the location be changed.

(4) (No change.)

(5) If provisions of this section are inconsistent with §25.214 of this title (relating to Tariff for Retail Delivery Service), the provisions of the Tariff shall control this section.

(e) **Accuracy requirements.**

(1) No meter that violates the test calibration limits as set by the American National Standards Institute, Incorporated, shall be placed in service or left in service. Whenever on installation, periodic, or other tests, a meter is found to violate these limits, it shall be adjusted or replaced.

(2) (No change.)

(f) Notwithstanding any other commission rule, as a condition of receiving electric service or electric delivery service, the customer is deemed to have consented to the provision of meter data to the customer's electric utility, its retail electric provider, and the independent organization or regional transmission organization.

§25.123. Meter Readings.

- (a) **Meter unit indication.** Each meter shall indicate clearly the kilowatt-hours or other units of service for which a charge is made to the customer.
- (b) **Reading of standard meters.** As a matter of general practice, service meters shall be read at monthly intervals, and as nearly as possible on the corresponding day of each meter reading period, but may be read at other than monthly intervals if the circumstances warrant. The electric utility shall notify the customer of any changes to the customer's meter reading cycle.
- (c) **Customer-read program.** For meters other than advanced meters, an electric utility in an area where retail competition has not been introduced, may use ~~If electric utility has~~ a customer-read program in which customers read their own meters and report their usage monthly. Such, ~~such~~ readings shall be considered an actual meter reading by the electric utility for billing purposes. However, an electric utility shall read the meters of customers on a customer-read program at least every six~~12~~ months to verify the accuracy of the electric utility's records.

§25.130 Advanced Metering.

- (a) **Purpose.** The purposes of this section are to authorize electric utilities to assess a nonbypassable surcharge to recover costs incurred for deploying advanced metering systems that are consistent with this section; increase the reliability of the regional electrical network; encourage dynamic pricing and demand response; enhance the efficiency of the deployment and operation of generation, transmission and distribution assets; and provide more choices for electric customers.
- (b) **Applicability.** This section is applicable to all electric utilities, including transmission and distribution utilities, other than an electric utility that, pursuant to Public Utility Regulatory Act (PURA) §39.452(d)(1), is not subject to PURA §39.107; and to the Electric Reliability Council of Texas (ERCOT).
- (c) **Definitions.**
- (1) Advanced meter -- any new or appropriately retrofitted meter that functions as part of an advanced metering system and that has the features specified in this section.
 - (2) Advanced Metering System (AMS) -- a system, including advanced meters and the associated hardware, software, and communications devices, that collects time-differentiated energy usage and performs the functions and has the features specified in this section.
 - (3) Dynamic Pricing -- retail pricing for electricity consumed that reflects the fact that power generation costs and the market price of energy vary during different times of the day or year.
- (d) **Deployment and use of advanced meters.**

- (1) Deployment and use of AMS by an electric utility is voluntary unless otherwise ordered by the commission. However, deployment and use of an AMS shall be consistent with this section, except to the extent that an AMS that was deployed prior to the effective date of this section cannot meet the requirements of this section without modifications.
- (2) Each electric utility that intends to deploy an AMS shall file a notice of such deployment with the commission six months prior to deploying an AMS, or as soon as practicable after the effective date of this section, whichever is later. The notice shall include an affidavit signed by the electric utility that the AMS to be deployed by the electric utility meets the minimum requirements outlined in this section. In addition to the notice to being filed with the commission, each electric utility shall develop a detailed deployment plan six months prior to deploying an AMS, or as soon as practicable, after the effective date of this section, whichever is later. The deployment plan shall include a description of the technology to be deployed in the electric utility's service territory; a general timeline for deployment and for notifying Retail Electric Providers (REPs) and customers of advanced meter deployment and associated features; and the expected costs of deployment. Specific areas (county, zip code, or other geographical identification) scheduled for advanced meter deployment shall be identified by customer class, features to be provided, and projected quarterly installation date. The deployment plan shall not be filed with the commission, but will be maintained at the electric utility's offices. Any REP that wishes to review the electric utility's deployment plan may do so

during normal business hours upon reasonable advanced notice to the electric utility and after executing a non-disclosure agreement with the electric utility.

(3) An electric utility's deployment of advanced meters shall not be unreasonably discriminatory.

(4) Each electric utility shall file deployment progress reports every six months following the filing of its deployment notice with the commission until deployment is complete.

(A) Progress reports shall include the following information:

(i) the number of advanced meters installed, listed by specific areas (county, zip code, or other geographic identification);

(ii) significant delays or deviation from the deployment plan and the reasons for the delay or deviation;

(iii) a description of any problems the electric utility has experienced with an AMS, with an explanation of how the problems are being addressed;

(iv) the number of advanced meters that have been replaced as a result of problems with the AMS;

(v) the number of times customer data was accessed by customers or customers' designated agents or REPs; and

(vi) the status of deployment of features identified in the plan and any changes in deployment of these features.

(5) Each electric utility shall make monthly status reports available to REPs that list the current number of advanced meters installed, listed by specific areas (county, zip code, or other geographic identification). These status reports shall be filed with

the commission, and shall be made publicly available to REPs through the electric utility's website or other readily accessible means.

(6) An electric utility shall obtain commission approval before making any changes to its AMS that would impair REPs' ability to take advantage of the AMS features identified in the electric utility's deployment plan. This paragraph does not in any way preclude the electric utility from conducting its normal operations and maintenance with respect to the electric utility's transmission and distribution system and metering systems.

(e) **Technology requirements.** An electric utility shall not deploy an AMS that has not been successfully installed previously with at least 500 advanced meters in North America, Australia, Japan, or Western Europe, except for pilot programs.

(f) **Pilot programs.** An electric utility may deploy AMS with up to 5,000 meters that do not meet the requirements of subsection (g) of this section in a pilot program, to gather additional information on metering technologies, pricing, and management techniques, for studies, evaluations, and other reasons. A pilot program may be used to satisfy the requirement in subsection (e) of this section. An electric utility is not required to obtain commission approval for a pilot program.

(g) **AMS features.**

(1) An AMS shall provide or support the following minimum system features:

(A) automated or remote meter reading;

(B) two-way communications;

(C) dynamic pricing options;

- (D) remote disconnection and reconnection capability, which shall be performed by the electric utility for premises that have experienced an unusually high number of disconnections and reconnections or move-in/move-out transactions;
- (E) the capability to time-stamp meter data sent to the independent organization or regional transmission organization for purposes of wholesale settlement, consistent with time tolerance standards adopted by the independent organization or regional transmission organization;
- (F) the capability to provide timely customer usage data to the REP so that the REP can monitor compliance with load management and demand response programs and protocols;
- (G) the capability for the REP or customer's designated agent to provide signals relating to price, in order to effect demand response;
- (H) the capability to provide 15-minute interval data to REPs, customers, and the independent organization or regional transmission organization, on a daily basis, consistent with data transfer and security standards adopted by the independent organization or regional transmission organization;
- (I) storage of meter data that complies with nationally recognized non-proprietary standards such as in American National Standards Institute (ANSI) C12.19 tables;
- (J) open standards architecture that complies with nationally recognized non-proprietary standards such as ANSI C12.22, including future revisions thereto, in order to allow electric utilities to collect standard information

and identify the meters in the AMS in a standardized manner, irrespective of choice of communication technology, application level data security, or physical layer data security; and

(K) the ability to upgrade these minimum capabilities as technology advances and, in the electric utility's determination, become economically feasible.

(2) An electric utility shall offer, as discretionary services in its tariff, non-standard meters and meter features. The nonstandard meter features offered by the electric utility shall include pre-pay capability at the meter and meter reads by the electric utility more frequently than daily. In addition, an REP may require the electric utility to provide non-standard meters or features not specifically offered in the electric utility's tariff, so long as they are technically feasible and generally available in the market, and provided that the REP pays the differential cost. Upon request by an REP, an electric utility shall expeditiously provide a report to the REP that includes an evaluation of the cost and a schedule for providing the nonstandard meters or features of interest to the REP. The REP shall pay a fee for this report. This fee shall be included in the electric utility's tariff. If an electric utility deploys non-standard meters or meter features not addressed in its tariff at the request of the REP, the electric utility shall expeditiously apply to amend its tariff to specifically include the non-standard meters or meter features that it deployed.

(3) An electric utility may petition the commission for a waiver of the requirements of paragraph (1) of this subsection for portions of its service area where it would be uneconomic or technically infeasible to implement particular system features.

A waiver may be granted for an advanced meter system that meets, exceeds, or is an adequate substitute for the requirements in paragraph (1) of this subsection. The electric utility shall provide all relevant studies and cost-benefit analysis supporting its waiver request. An electric utility that has received a waiver shall provide, in the report required by subsection (d)(4) of this section, information to the commission concerning changes in the cost of deployment or savings to the electric utility that would make it economic or technically feasible to offer the system features in the affected portions of its service area.

(4) In areas where there is not a commission-approved independent organization, standards referred to in this section for time tolerance and data transfer and security may be approved by a regional transmission organization approved by the Federal Energy Regulatory Commission or, if there is no approved regional transmission organization, by the commission.

(5) An electric utility may add or enhance features provided by AMS, as technology evolves. The electric utility shall notify the commission and REPs of any such additions and enhancements at least three months in advance, with a description of the features, the deployment and notification plan, and the cost.

(h) **Settlement.** ERCOT shall use 15-minute meter information from advanced metering systems for retail settlement, not later than January 31, 2010.

(i) **Tariff.** All AMS features shall be described in the electric utility's tariff.

(j) **Access to meter data.**

(1) A REP shall include a disclosure clause in its service agreement with its customer that recognizes the REP's right, pursuant to §25.121(f) of this title (relating to

Meter Requirements), to access to the customer's meter data. The REP shall include this clause in all service agreements and service agreement amendments entered into after the effective date of this section.

- (2) An electric utility shall provide a customer, the customer's REP, and other entities authorized by the customer read-only access to the customer's advanced meter data, including meter data used to calculate charges for service, historical load data, and any other proprietary customer information. The access shall be convenient and secure, and the data shall be provided no later than the day after it was created.
- (3) The requirement to provide access to the data begins when the electric utility has installed 2,000 advanced meters for residential and non-residential customers. If an electric utility has already installed 2,000 advanced meters upon the effective date of this section, the electric utility shall provide access to the data as soon as practicable.
- (4) An electric utility shall use industry standards and methods for providing secure customer and REP access to the meter data. The electric utility shall have an independent security audit of the mechanism for customer and REP access to meter data conducted within one year of initiating such access and promptly report the results to the commission.
- (5) The independent organization, regional transmission organization, or regional reliability entity shall have access to information that is required for wholesale settlement, load profiling, load research, and reliability purposes.
- (6) A customer may authorize its data to be available to an entity other than its REP.

- (7) The owner or management company of a multi-family property shall have access to a customer's meter data for any unit on the property, whether the unit is vacant or occupied, for the purpose of obtaining data for energy management purposes.
- (8) If a customer's demand exceeds 100 kilowatts (kW), the customer and its REP shall have simultaneous, direct, password-protected, read-only access to the customer's meter, through a phone line, internet or other technology.
- (9) If a customer's demand is less than or equal to 100 kW, the customer or its REP may request simultaneous, direct, password-protected, read-only access to the customer's meter, through a phone line, internet or other technology, and the electric utility shall specify the cost of this feature in the tariff.

(k) Cost recovery for deployment of AMS.

- (1) The commission shall establish a nonbypassable surcharge for an electric utility to recover reasonable and necessary costs incurred in deploying AMS to residential customers and nonresidential customers other than those required by the independent system operator to have an interval data recorder meter. The surcharge shall not be established until after a detailed deployment plan is filed pursuant to subsection (d) of this section. In addition, the surcharge shall not recover more than the actual, fully allocated AMS costs. As indicated by the definition of AMS in subsection (c)(2) of this section, the costs for facilities that do not perform the functions and have the features specified in this section shall not be included in the surcharge provided for by this subsection unless a utility has received a waiver pursuant to subsection (g)(3) of this section. The costs of providing AMS services for a particular customer class shall be surcharged only

to customers in that customer class, except that the surcharge shall not apply to customers that have advanced meters that were installed prior to the effective date of this section or to customers with interval demand recorder meters. The commission may update the surcharge.

- (2) The AMS implementation costs that shall be included in the surcharge are limited to AMS capital costs that are actually incurred, reasonable and necessary, and fully allocated, and to carrying costs. The AMS implementation costs shall be reduced by the actual or expected net operating cost savings from AMS deployment, until the operating costs are reflected in base rates.
- (3) The annualized carrying-cost rate to be applied to the unamortized balance of the AMS capital costs shall be the electric utility's authorized weighted-average cost of capital (WACC). In each subsequent rate proceeding in which the commission resets the electric utility's WACC, the carrying-charge rate that is applied to the unamortized balance of the utility's AMS costs shall be correspondingly adjusted to reflect the new authorized WACC.
- (4) The surcharge shall recover in any 12-month period no more than one-third of the total expected deployment costs contained in the electric utility's deployment plan, or such lesser amount as the commission may determine. In addition, the surcharge shall recover only actually incurred AMS capital costs that have been found by the commission to be reasonable and necessary.

§25.311. Competitive Metering Services.

(a) – (b) (No change.)

(c) **Meter ownership.** ~~A Beginning January 1, 2004, a~~ commercial or industrial retail customer may choose a meter owner. The meter owner may be, at the option of the retail customer:

(1)-(4) (No change.)

(d) **Data ownership.** The current retail customer shall own all meter data related to the premise occupied by that customer, regardless of whether the meter owner is the customer, the owner of the premise, or a third party. A third-party owner of the meter shall have access to the meter data. To the extent that data integrity is not compromised, the current retail customer shall have the right to physical access to the meter to obtain such meter data when technically feasible. The current retail customer shall have the right and capability, including necessary security passwords, to assign access to meter data related to the premise occupied by that customer.

~~(e) **Transition period.**~~

~~(1) **Market readiness.**~~

~~(A) ERCOT shall file with the commission quarterly updates on the operational readiness of support systems necessary for the commission to authorize an entity other than the TDU to provide metering services as described in paragraph (4) of this subsection.~~

~~(B) ERCOT shall file an annual status report on the implementation of competitive metering services on September 1 of each year. No later than~~

~~30 days after ERCOT's annual filing, interested parties may file comments on the status report.~~

~~(2) **Pilot project.** The commission may establish one or more pilot projects under which an entity other than the TDU may provide metering services as described in paragraph (4) of this subsection.~~

~~(A) Any request to establish a pilot project shall be filed with the commission, and shall include a full description of the proposed project, including date of commencement, geographic scope, an explanation of how the proposed project will operate under the then current ERCOT protocols and procedures, and a cost-benefit analysis of the proposed project.~~

~~(B) No competitive metering pilot project shall begin before January 1, 2004.~~

~~(3) **Utility ownership of meters.** A TDU shall continue to provide metering services and own all settlement and TDU billing meters that are used for the measurement of electric energy to any customer that does not choose an alternative meter owner.~~

~~(4) **Other metering services.** Until otherwise authorized by the commission, a TDU shall continue to provide metering services relating to installation and removal, maintenance, testing and calibration, data collection, and data management, including the transfer of meter data to the settlement agent.~~

~~(e)(f)~~ **Metering equipment.**

(1) No later than 60 days after the effective date of this section, ERCOT shall develop a process to establish, and periodically revise, a list of meters that shall be considered qualifying competitive meters for the purposes of this section. Each

~~qualifying competitive meter shall meet commission-approved standards and shall be capable of providing the data necessary for billing in accordance with the TDU's delivery tariff and for settlement in accordance with the settlement agent's protocols.~~

~~(A) The first list of qualifying meters shall be adopted by ERCOT no later than 90 days after the effective date of this section.~~

~~(B) Each qualifying competitive meter shall meet commission approved standards and shall be capable of providing the data necessary for billing in accordance with the TDU's delivery tariff and for settlement in accordance with the settlement agent's protocols.~~

~~(C) Each TDU data collection system shall be compatible with each meter on the list within 90 days of the release of the list.~~

- (2) Requests for installation or removal shall be made to the TDU pursuant to the TDU's tariff.

~~(f)(g)~~ **Conformance with metering standards.**

- (1) A meter that fails to meet commission-approved standards for accuracy shall not be placed in service or left in service. A meter found to violate these standards shall be adjusted or replaced in accordance with this subsection at the time the violation is discovered.
- (2) Meters shall be adjusted as closely as practicable to the condition of zero error.
- (3) If a meter owned by the TDU is found not to meet commission-approved standards for accuracy, the TDU shall install a replacement meter in accordance with its tariffs.

- (4) If a meter that is not owned by the TDU is found not to meet commission-approved standards for accuracy, the TDU shall install a temporary replacement meter. The temporary replacement meter shall be capable of providing the data necessary for billing in accordance with the TDU's tariff, and shall also provide settlement data in accordance with the settlement agent's protocols. The TDU shall notify the customer and the meter owner that the meter does not meet commission-approved standards for accuracy and shall take reasonable measures to safeguard the meter until the meter owner takes possession of it. The meter owner shall be responsible for the associated charges, in accordance with the TDU's tariff.

~~(g)(h)~~ **Testing of meters.** Costs for meter tests requested by the customer, REP, competitive meter owner, or TDU shall be the responsibility of the requesting party customer's REP in accordance with the TDU's tariff, except that when a request is made to test a meter that is subsequently found not to meet commission-approved standards for accuracy, the cost of the meter test shall be the responsibility of the meter ownerrequester.

(1) – (5) (No change.)

(i) **Use of meter data for settlement and TDU billing.**

- (1) Both the TDU and the REP ~~The TDU~~ shall have the right and capability, including necessary security passwords, to access meter data for the purpose of rendering a bill, complying with settlement rules of an independent organization, and as well as for load research and load profiling purposes. The TDU is responsible for the security of the data used for settlement and TDU billing and

shall maintain the meter programming password capable of altering such billing parameters.

(2) – (3) (No change.)

- (j) **Competitive metering service credit.** ~~Within 90 days of the effective date of this rule, a~~ TDU shall file with the commission a tariff that provides a competitive metering service credit to the REP of a customer that selects a meter owner other than the TDU. Such tariff shall be accompanied by workpapers demonstrating the derivation of the credit.

§25.346. Separation of Electric Utility Metering and Billing Service Costs and Activities.

- (a) (No change.)
- (b) **Application.** This section shall apply to electric utilities as defined in Public Utility Regulatory Act (PURA) §31.002 in areas where customer choice is in effect. ~~This section shall not apply to an electric utility under PURA §39.102(c) until the termination of its rate freeze period. This section shall not apply to an electric utility subject to PURA §39.402 until customer choice begins in the utility's service area.~~
- (c) – (f) (No change.)
- (g) **Separation of transmission and distribution utility metering system service activities.**
- (1) Prior to the introduction of customer choice, metering service shall be provided in accordance with Subchapter F of this Chapter (relating to Metering).~~Metering services before the introduction of customer choice.~~
- (A) (No change.)
- ~~(B) An electric utility may continue to use metering equipment installed, operated, and maintained by the utility prior to the introduction of customer choice, but may not use the information gained from its provision of the meter or metering services as defined in §25.341(3)(G) of this title except as permitted in §25.341(7) of this title.~~
- ~~(C) When requested by the end-use customer, an electric utility shall charge the end-use customer the incremental cost for the replacement of an end-use customer's meter with an advanced meter owned, operated, and maintained by the electric utility.~~

- (2) ~~Metering services on and after the introduction of customer choice until metering services become competitive.~~ On the introduction of customer choice in a service area, metering services as described by §25.341(17) of this title for the area shall continue to be provided by the transmission and distribution utility affiliate (or successor in interest) of the electric utility that was serving the area before the introduction of customer choice, but the transmission and distribution utility shall not engage in the provision of competitive energy services as defined by §25.341 of this title and prescribed by §25.343 of this title.
- (A) Standard meter service shall be provided in accordance with this subparagraph. Advanced meter service shall be provided in accordance with §25.130 of this title (relating to Advanced Metering).
- (i) - (iv) (No change.)
- (B) ~~Meter reading.~~ Nothing in this section precludes the retail electric provider from accessing the transmission and distribution utility's standard meter for the purposes of determining an end-use customer's energy usage.
- (C) ~~End-use customer meters.~~ Nothing in this section precludes the end-use customer or the retail electric provider from owning, installing, and maintaining metering equipment in addition to on the customer premise side of the standard meter.
- ~~(D) Advanced metering services.~~
- ~~(i) The transmission and distribution utility shall not provide any advanced metering equipment or service that is deemed a competitive energy service under §25.343 of this title.~~

- ~~(ii) — A transmission and distribution utility may continue to use metering equipment installed, operated, and maintained by the transmission and distribution utility consistent with the effective date established under paragraph (1)(B) of this subsection, but may not use the data obtained from its provision of the meter or metering services, except as permitted in subchapter O of this chapter (relating to Unbundling and Market Power).~~
- ~~(iii) — The installation of advanced metering equipment on the transmission and distribution utility's standard meter must be performed by transmission and distribution utility personnel or by contractors under the supervision of the utility.~~
- ~~(iv) — For services relating to clause (iii) of this subparagraph, the transmission and distribution utility's charges to the retail electric provider for the installation and removal of any advanced metering equipment shall be reasonable and non-discriminatory and made pursuant to a commission approved embedded cost based tariff. Except as otherwise provided in this section or by a commission order, the advanced metering equipment shall not be provided by the transmission and distribution utility.~~
- ~~(v) — Advanced metering equipment provided to the transmission and distribution utility for installation onto the standard meter shall meet all current industry safety standards and performance codes~~

~~consistent with §25.121 of this title (relating to Meter Requirements).~~

~~(vi) All advanced metering services and related costs shall be borne by the retail electric provider, except for charges for pulse metering equipment, installation and removal, which shall be borne by the entity executing the pulse metering equipment installation agreement.~~

(h) (No change.)

(i) **Electronic data interchange.**

- (1) **Standards.**—All transmission and distribution utilities, retail electric providers, power generation companies, power marketers, and electric utilities shall transmit data in accordance with standards and procedures adopted by the commission or the independent organization.
- (2) **Settlement.**—All transmission and distribution utilities, retail electric providers, power generation companies, power marketers, and electric utilities shall abide by the settlement procedures adopted by the commission or the independent organization.
- (3) **Costs.**—Transmission and distribution utilities shall be allowed to recover such costs as prudently incurred in abiding by this subsection, to the extent not collected elsewhere, such as through the ~~Electric Reliability Council of Texas~~ administrative fee of an independent organization.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

**ISSUED IN AUSTIN, TEXAS ON THE 30th DAY OF OCTOBER 2006 BY THE
PUBLIC UTILITY COMMISSION OF TEXAS
ADRIANA A. GONZALES**