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June 23, 2014

**FILED**

**JUN 23 2014**

**EXECUTIVE SECRETARY  
G.P.S.C.**

Mr. Reece McAlister  
Executive Secretary  
Georgia Public Service Commission  
244 Washington Street, NE  
Atlanta, GA 30334

**Re: Georgia Power Company's 2013 Rate Case, Hourly Usage Information  
Compliance Filing; Docket 36989**

Dear Mr. McAlister:

In compliance with the Georgia Public Service Commission's Final Order in the above styled docket, Georgia Power Company hereby files this information related to the need for and cost of providing hourly usage to all metered customers.

Please feel free to contact me or Richard White 404-506-2393 with any questions.  
Sincerely,

A handwritten signature in blue ink that reads "Kevin Queen".

Kevin Queen *KQ*  
Manager, Regulatory Affairs

In the 2013 Rate Case Settlement Agreement in Docket No. 36989, Georgia Power (“Georgia Power” or the “Company”) agreed to further investigate the need for, and costs associated with, providing hourly usage information to all metered customers. This document provides the results of the Company’s investigation.

### **Results of Investigation into the Need for Provision of Hourly Usage Information to All Customers**

Georgia Power is focused on creating customer value by identifying and implementing innovative solutions to best meet customers’ energy needs. Currently, all commercial and industrial Georgia Power customers have access to hourly usage information as an optional product through our Energy Direct service. Georgia Power’s residential customers also have access to a wide variety of usage information to help them manage their energy usage. Customers can:

- Examine their monthly bills which shows the usage for the previous 13 months
- Call the care center to request further information on their usage
- Read their own meters
- Access the company’s recently launched “My Power Usage” site for customers on the R tariff. On this site they can:
  - View daily usage in kWh or dollars
  - Set up daily or monthly usage alerts
  - Project their monthly bill at current usage rates
- Purchase one of several commercially available devices that provide hourly energy usage data

The Company’s experience in the My Power Usage program provides some insight into customers’ desires for hourly energy usage information. The My Power Usage program was originally launched as a pilot. The pilot site offered hourly usage data to customers who were interested. Of the 70,000 customers solicited for the pilot, less than two percent or approximately 1,200 enrolled in the pilot. Of those 1,200 customers, approximately 24% “clicked through” to see their hourly usage. So of the 70,000 customers who were solicited, less than one half of one percent demonstrated interest in seeing hourly usage.

In April, 2013, My Power Usage moved from pilot to full implementation to customers on the R tariff, providing daily usage information. During the first five months of 2014, an average of 35,287 customers used the My Power Usage service per month. That equates to just 1.9% of the 1,897,100 customers eligible for the service during that same period.

This verifies what we have seen with our largest business customers using our Energy Direct energy information site. At present, approximately 41,000 commercial and industrial accounts take advantage of this service. These 41,000 accounts represent over \$3 billion in revenue and more than 39 billion kWh of usage. Only 51 accounts (or a little more than 0.1 %) are willing to pay the \$150 per month subscription fee to view near real time hourly usage.

The customer participation rates in currently available usage data presentation programs and the experience with customers accessing My Power Usage indicates that the vast majority of our customers are not interested in receiving or viewing their hourly energy usage information today.

#### **Cost Estimates for Provision of Hourly Usage Information to All Customers**

The Company's prior evaluation, which was provided to the Georgia Public Service Commission in May 2013, indicated that it would cost an additional \$4 million to \$6 million to provide hourly data for all residential customers through My Power Usage. Since that time, the Company has refined its estimate based on technology enhancements. The following figures reflect the Company's current best estimate of the initial costs and on-going support costs of providing hourly data for all residential customers through My Power Usage:

- \$4.2 million initial investment for additional IT infrastructure—storage capacity for hourly readings—and an enhanced rate projection tool
- \$1.2 million per year on-going to support the application

This estimate was created with the following assumptions:

- Hourly data will be made available with a one to two day delay
- Includes all applicable residential rates/riders/contracts, meter multipliers, multiple service points, and multiple premises
- No other new functionality is added in this scope of work
- Customers without a smart meter will be excluded

In light of both the demonstrated low demand for hourly usage information and the high cost of providing that information to all residential customers, the Company suggests an alternative: providing hourly usage information to just those customers on the TOU-REO, TOU-PEV, and TOU-RD time-of-use tariffs. Customers on these tariffs are the most likely to desire and benefit from hourly usage information, and the cost to provide hourly information to this subset of customers would be substantially lower than providing that information to all residential customers. Further the experience gained with respect to how many of these customers actually take advantage of the service could later be used to better determine the need to expand hourly usage information to additional residential customers.