

**STATEMENT OF REPRESENTATIVE EDWARD J. MARKEY (D-MA)  
ON INTRODUCTION OF  
THE ELECTRICITY CONSUMERS' RIGHT TO KNOW ACT  
MARCH 16, 2010**

Madam Speaker, information is the ultimate tool for empowering consumers. The more people know about the things they buy, the better able they are to match their needs and budget to the appropriate product and quantity of that product. This principle has been applied to help consumers make more fully-informed decisions on everything from corn flakes to cars, but never to electricity. Today I am introducing the Electricity Consumers' Right to Know Act (e-KNOW) to establish the consumers' right to access their electricity information. Encouraging energy efficiency and conservation in our homes and businesses is one of the easiest and most cost-effective ways to strengthen our energy security and reduce global warming pollution. e-KNOW is a simple way to ensure that electric utility consumers have access to free, timely, and secure data regarding their electricity prices and usage patterns so they can take charge of their energy use and save money on utility bills.

The Pacific Northwest National Lab has found convincing evidence that consumers will change their energy consumption behavior in response to feedback they get regarding prices and patterns of use. When people see just how expensive electricity is when demand peaks on a hot summer day, they find ways to conserve energy or defer usage to a later time. This saves consumers money directly and also reduces the need for utilities to build more power plants, thereby indirectly saving consumers money through avoided rate increases in the future.

Rapid developments in Smart Grid technologies are providing a golden opportunity to bridge the consumer information gap, but without regulatory reforms to ensure customers and their third party designees can access their electricity information, the potential of these technology advances will not be fully realized. The Recovery Act provided \$4.5 billion to accelerate standardization and deployment of the Smart Grid, including assistance in deploying millions of "smart meters" that can provide customers real-time usage and pricing information through two-way communications with the utility. The Electric Power Research Institute estimates that the U.S. will spend \$165 billion over the next 20 years building the Smart Grid, and FERC estimates that smart meters deployments will rise ten-fold over the next decade, from 8 million today to 80 million in 2019.

With full roll-out of smart grid technologies, the Pacific Northwest National Lab estimates that conservation efforts resulting from consumers' access to information will reduce residential and commercial electricity demand by 6 percent. This would save businesses and consumers more than \$15 billion annually and reduce carbon dioxide emissions significantly: 92 million metric tons annually in 2030, equal to the emissions of 16 large coal power plants. Providing customers with access to the data will not happen by itself. One recent study of a number of large utilities found that of the almost 17 million new meters being planned or deployed by respondents, only 35 percent had clear plans to provide customer access to the data. Less than 1 percent of these utilities' customers have real-time access to electricity data today.

States and utilities need not wait for full smart meter deployments to see benefits from adopting more transparent consumer data policies. Even without price incentives, simply providing consumers better information about their energy use has been shown to reduce total consumption by 5 to 15 percent, providing annual savings of \$60 to \$180 for the average American household. Even without smart meters, customers with access to historical electricity usage and price data can analyze their energy usage over time, evaluate prospective energy-efficiency investments, and compare electricity consumption against similarly sized houses. Improved access to this very basic data will also let new buyers of homes or buildings factor energy efficiency information into their purchase decisions.

Making energy data readily accessible to end-users will also open a whole new market and unleash massive innovation in the area of home and building energy management. Google and Microsoft are among the many innovators that have already released Internet-based visualization tools that are helping consumers better manage their energy use.

This legislation implements critical recommendations regarding increased consumer access to energy data that were included in the Federal Communications Commission's National Broadband Plan that was also released today. e-KNOW is critical to empowering energy consumers in the near-term, but it is also one part of an evolving national Smart Grid policy that will encourage entrepreneurs to use new technologies and business models to create a variety of energy management and information services over the longer-term. Making energy data available to electricity customers and their authorized third parties is fundamental to unleashing this vast potential for innovation.

The e-KNOW Act amends Title II of the Public Utility Regulatory Policies Act of 1978 by adding Section 215, Electric Consumer Right to Access Electric Energy Information.

Under this legislation, U.S. electricity consumers, and any third parties they designate, would have the right to access their electricity usage and pricing information from their retail electricity provider in a free, timely, and convenient manner that ensures privacy and data security. To help implement this consumer right of access, the Federal Energy Regulatory Commission (FERC), in consultation with State regulatory authorities, the Secretary of Energy, and other appropriate Federal agencies, would – within six months of the date of enactment – establish guidelines identifying minimum national standards that States and utilities could adopt to ensure customers this right. These standards would incorporate and build upon the pioneering work done in this area by innovative States, including California, Pennsylvania, and Texas, which have already adopted standards to ensure consumer access to electricity data.

If, one year after the promulgation of the FERC guidelines, a retail electric utility fails to uphold the minimum national standards for ensuring consumer access to electricity data, the State may bring a civil action against the utility on behalf of its electric consumers to ensure compliance with the Act. If no civil action is brought by a state authority, any electric consumer may bring a civil action against their retail electric provider to require compliance with the Act. Enforcement authorities would not apply against utilities that FERC has, within the most recent two years, determined have adopted and implemented a policy that complies with the minimum standards set forth by FERC.