

Wellinghoff shares consumer-oriented vision of smart grid, green power

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Smart meters and a smart grid will only be useful if the consumer at the end has availability to the information and knows what to do with that information, said FERC Chairman Jon Wellinghoff yesterday at the National Energy Marketers' conference in Washington, DC.

“My concern is, and we're seeing this somewhat around the country, we're rolling out smart meters but we're not rolling out smart consumers,” said Wellinghoff. “We need to make sure that consumer not only have a smart meter, or that technology, but the data has to be available for anyone the consumer wants to make it available to.”

It should be the consumer's choice as to where that data should go, he added, and it should without question go to the benefit of the consumer.

To that end, he predicted a measure heading soon to a docket.

“The ancillary services market is one in which we did not yet issue any specific notices of inquiry or proposed rulemakings on but I anticipate in the future we will be,” said Wellinghoff. FERC's policy office is looking into it, he added.

Ancillary services markets are important from a number of perspectives including that they are essential for reliability and ancillary markets are essential to ensure the full integration of variable and flexible supply such as wind and solar.

“The more of those resources that you bring into the market with their variance as to supplying energy to the market, you need to provide stable regulations to ensure those resources can be fully integrated into the system,” said Wellinghoff. “So I anticipate there is going to be a huge increased need for these and my anticipation has been verified by a number of studies.”

He illustrated his point by mentioning fossil fuel plants that are being run up and down due to wind and clearly wants to see that stopped.

Wellinghoff added that Wal-Mart, for example, with its in-store systems – and Beacon Power with its flywheel technology that can match the regulation signal – can respond in milliseconds compared to the couple of minutes it could take to get a fossil fuel plant up and running.

“We need to investigate what we are paying for those kinds of services in the market.”