



DRA

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California Public Utilities Commission*

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March 29, 2011

Honorable Jared Huffman
California State Assembly
State Capitol, Room 2012
Sacramento, CA 95814

RE: AB 37 (Huffman) Support if amended

Dear Assemblymember Huffman:

The Division of Ratepayer Advocates (DRA) is the independent consumer advocacy division of the California Public Utilities Commission (CPUC). DRA's statutory mandate is to obtain the lowest possible rate for utility service consistent with reliable and safe service levels. DRA also advocates for customer and environmental protections in connection with utility service.

DRA supports the efforts of AB 37, which would require the CPUC to identify alternative options for investor-owned utility customers that decline the installation of wireless advanced metering infrastructure devices (smart meters).

Smart meters can provide consumers with many benefits because this technology empowers them to better manage their energy usage, especially during costly peak times. At the same time, there seems to be an increasing level of consumer concern regarding possible adverse health impacts from radio frequency (RF) emissions from smart meters. AB 37 would attempt to provide relief to those who have health concerns with this technology. DRA thinks this is a worthy goal, but is also concerned with the potential costs that could result from the aforementioned alternative options for both those ratepayers that choose to opt-out and ratepayers that do not opt-out. In addition, DRA does not support a moratorium on the installation of smart meters while issues are being resolved as it is not clear whether a moratorium would achieve the desired result of resolving implementation issues or reduce the overall cost of the smart meter program.

DRA suggests that this bill be amended to ensure that the alternative options identified by the CPUC be (i) as low cost as possible and (ii) that the incremental cost be borne by the individual declining the smart meter. DRA also suggests the following guiding principles:

- ◆ The CPUC should ensure that no customer is exposed to RF emissions above FCC limits due to smart meter deployment and operation. If any modifications are necessary to reduce exposure below FCC limits, those modifications shall be made at utility expense.
- ◆ Opt-out options that provide all the operational and demand response benefits intended from smart meters are preferred, but in order to keep costs low, full functionality from opt-out meters should not be required of the alternative options.

- ◆ The CPUC should ensure that all metering systems and all meters be safe, accurate, reliable and protect customer privacy interests. Perceived performance deficiencies in these operating characteristics should not be a justification for participating in an opt-out program.
- ◆ To ensure the integrity of the AMI communication system is maintained, and overall program goals are achieved, opt-out provisions should be limited to customers providing documented health impacts from their medical provider.
- ◆ With the exception of low-income CARE customers, all costs associated with opting-out should be borne by customers who choose to opt out of smart meter programs. The opt-out costs should be reduced or waived for qualifying CARE customers.
- ◆ Customer education should be provided regarding the benefits of smart meters, the health impacts of RF communications, and the existence of the opt-out program. Customers considering opting out should also be advised of the benefits and services that they will forego by opting out.

By making these changes, AB 37 can better balance the benefits of smart meters against consumer concerns with the health impacts of this technology. DRA also notes that a successful opt-out program can reduce RF exposure, but will not eliminate all exposure to RF emissions.

If you have any questions or would like to discuss this matter further, please call DRA's Legislative Director Matthew Marcus, at (916) 327-3455 or me at (415) 703-2381

Respectfully,

Joseph P. Como, Acting Director
Division of Ratepayer Advocates

By
Matthew Marcus
Legislative Director