



State of Utah
Department of Commerce
Division of Public Utilities

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ACTION REQUEST RESPONSE

To: Utah Public Service Commission

From: Utah Division of Public Utilities
Chris Parker, Director
Energy Section
Artie Powell, Manager
Abdinasir M. Abdulle, Technical Consultant
Carolyn Roll, Utility Analyst

Date: March 13, 2013

Re: **Recommendation – Conditional Approval of Proposed Metering Charges.**
Docket No. 13-035-T03. Advice Filing 13-03. Electric Service Regulation No. 7, Metering and Electric Service Schedule No. 300, Regulation Charges.

RECOMMENDATION (CONDITIONAL APPROVAL)

For those rate payers requesting non-standard metering for their residence, the Division recommends that the Commission approve the Company's proposed accommodations and charges conditioned on the adoption of the Office's proposed change to the Metering Replacement costs.

ISSUE

On February 18, 2013, the Company filed with the Commission its proposed changes to Electric Service Regulation 7, Metering and Electric Service Regulation 300, Regulation Charges. The proposed changes consisted of:

1. for electric Service Regulation 7, providing accommodation to those customers who not wish the Company's current metering device installed at their residence or attached to their home; and
2. for Electric Service Schedule 300, elimination of the charges referred to as "Monthly Meter Rental Fee".

The Company requested an effective date of April 1, 2013. On February 19, 2013, the Commission issued an Action Request to the Division requesting the Division to investigate. The Commission asked the Division to report back by March 13, 2013. This memorandum represents the Division's response the Commission's Action Request.

DISCUSSION

On February 19, 2013, the Company filed with the Commission its proposed changes to Electric Service Regulation No. 7, Metering, and Electric Service Schedule 300. The purpose of the filing was to accommodate customers who do not wish the Company to install at their residence or attach on their house its current standard metering device and to eliminate the charge referred to as "Monthly Meter Rental Fee" listed under Special Services section of Electric Service Schedule 300.

In 2007, the Company began replacing its then standard meters (Analog meter) with its current standard meters, mobile automated meter reading (AMR). This project was completed in 2011. According to the Company, the mobile automated meter reading provides a two-way communication transmission of meter reading to a mobile device located in a vehicle which drives along the meter reading route each month to read the meters for billing purposes. The Company indicated that the adoption of the new metering system brought a number of benefits to the Company. These benefits include, but are not limited to, improved meter reading accuracy, reduced meter reading costs, and reduced safety hazard exposures for employees.

The Commission previously found the change to the AMR technology to be in the public interest.

A limited number of customers argue that the radio frequency of the metering device may be harmful to health and have requested that the standard meters be removed and replaced with Analog meters. To accommodate these requests, the Company proposes the following changes to its Electric Service Regulation No. 7.

1. Relocation of the Company's standard (or non-standard) meter from its current location to a different Company approved location;
2. Exchange of a standard meter for an approved non-standard meter; or
3. Relocation of the metering and the exchange of a standard meter for an approved non-standard meter.

For the customer to receive the accommodation, the customer must provide an acceptable accessible meter location and all the required customer equipment. The customer is also responsible to pay all costs including the estimated installed cost of the facilities, plus removal expense of the existing Company facilities, less the estimated salvage value of the removed facilities. In addition to the relocation expense, the customer choosing the meter exchange accommodation shall also pay the monthly manual meter reading fee in Schedule 300.

The charges are designed to cover all the incremental costs associated with the option chosen by the rate payer. The Division has reviewed the Company's proposed charges and agrees with the Office's recommendation that the charges under option 2 should include a restocking for the non-standard meter. Including the restocking cost of the non-

standard meter increases the Company's proposed charge from \$252.29 to \$283.64¹ (\$252.29 + \$31.35).

The Company also proposes eliminating the charge referred to as "Monthly meter rental fee" listed under Special Services section of Schedule 300. The Division believes that the proposed elimination is reasonable since, as indicated by the Company, this charge is no longer used.

CONCLUSION

The Division has reviewed the Company's proposed accommodations or options for those rate payers who prefer not to have a standard AMR metering device installed at their residence or attached to their home. The Division has also reviewed the Company's proposed charges for each option and agrees with the modification proposed by the Office to the Meter Replacement costs. The Division Recommends that Commission approve these changes. Furthermore, the Division recommends that the Commission approve the Company's proposed elimination of the charges referred to as "Monthly meter rental fee."

CC: Dave Taylor, RMP
Michele Beck, OCS

¹ This number is \$3 less than the \$286.64 proposed by the Office. The Division discussed this number with the Office and the Office agreed that \$283.64 is the correct value.