

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17105-3265

**Joint Petition of Metropolitan
Edison Company, Pennsylvania
Electric Company and
Pennsylvania Power Company
for Approval of Smart Meter
Technology Procurement and
Installation Plan**

**Public Meeting of April 15, 2010
2123950-OSA
Docket M-2009-2123950**

Statement of Chairman James H. Cawley

As to polling issues #1 & #2 – Deployment Timeframe – Deployment of Network Infrastructure & Deployment Timeframe – Deployment of Smart Meters – Metropolitan Edison Company, Pennsylvania Electric Company, and Pennsylvania Power Company (jointly, “Companies”) have proposed a relatively long development and implementation schedule. The first 24 months of the grace period will be used as an “Assessment Period” to create a deployment plan that will be filed with the Commission. The long-term plan will be provided approximately 24 months after the initial Smart Meter Plan is approved. Approval of the Deployment Plan is expected at approximately the same time that the grace period ends. After the Companies obtain approval of their Deployment Plans, they will commence construction of their smart meter network infrastructures around April 1, 2013 with a completion date of March 31, 2016. Beginning approximately April 1, 2016, they will deploy 60,000 smart meters to “de-bug” the system prior to beginning full deployment. Full scale deployment is expected to commence in April 2017, with such deployment completed no later than March, 2022.

Relative to other smart metering plans, the Companies are taking a relatively long time to fully deploy smart meters.* The Companies are encouraged to expedite full completion of the smart meter plan, so that their customers can benefit from the lower operational, management, and avoided capital costs of effective smart metering systems. Smart metering systems can also accelerate system restoration following major outage events. Given the proposed implementation schedule of the Companies, their customers may be at a competitive disadvantage in understanding and responding to energy price signals, and may suffer for longer periods following customer outages.

April 15, 2010

James H. Cawley
Chairman

* Duquesne projects full deployment by January 1, 2019, while PPL deployed hourly meters in 2004 and developed its meter data management system in 2005. PPL has proposed a five-year program in which to develop and implement additional meter and infrastructure functionality to comply with Act 129.