

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**  
**Harrisburg, Pennsylvania 17105-3265**

**Smart Meter Procurement  
And Installation**

**Public Meeting of June 18, 2009**  
**2092655-LAW\***  
**Docket No. M-2009-2092655**

**MOTION OF VICE CHAIRMAN TYRONE J. CHRISTY**

Act 129 of 2008 requires that electric distribution companies (EDCs) with more than 100,000 customers file smart meter procurement and installation plans with the Commission for approval on or before August 14, 2009. 66 Pa.C.S. § 2807(f). Act 129 requires that smart meters be capable of performing several defined functions, including bidirectional communication, recording usage on at least an hourly basis, providing customers with direct access to and use of price and consumption information, providing customers with information on their hourly consumption, enabling time-of-use rates and real-time price programs, and supporting the automatic control of the customer's electricity consumption.

The draft Implementation Order before us establishes minimum smart meter requirements that go beyond the requirements of Act 129, in recognition of the fact that smart meters have the ability to support maintenance and repair functions, theft detection, system security, customer assistance programs, net metering, and other programs that can increase an EDC's efficiencies and reduce operating costs. I agree that the Act 129 smart meter requirements are minimum requirements, and that the Commission may require the EDCs to include additional features in their smart meters as a matter of policy. However, the Commission should not establish inflexible smart meter requirements without further consideration of costs.

In order to ensure that the additional mandatory smart meter features established by today's Implementation Order are cost-effective, the Implementation Order should require EDCs to file cost data with their smart meter plans. Specifically, an EDC should quantify the cost of a smart meter plan that would meet the minimum requirements of Act 129, the cost of its proposed plan that meets all of the requirements of today's Implementation Order, and the incremental cost of the various features that go beyond the Act 129 requirements. To the extent that the EDC or another party demonstrates that a particular requirement is not cost-effective, the Commission would have the option of excusing the EDC from complying with that requirement.

This modification to the draft Implementation Order is intended to ensure that the investment by Pennsylvania electric customers in smart meter technology is cost-effective. In recognition of the fact that EDCs may need additional time to gather the necessary cost data, we will consider requests by EDCs for permission to submit the required cost data in a supplemental filing after the August 14, 2009 statutory deadline. In addition, the Commission recognizes that consideration of cost issues may benefit from further discussion prior to the August 14, 2009, filing deadline. In order to facilitate this discussion, the Commission will convene a stakeholder meeting no later than July 17, 2009.

**THEREFORE, I MOVE THAT:**

The Law Bureau prepare an Implementation Order consistent with this motion.

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**DATE**

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**TYRONE J. CHRISTY, VICE CHAIRMAN**