

Antonio Gill

ORIGINAL

Generic Smart Meter
Investigation
E-00000C-11-0328



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From: g.oliphant@yahoo.com
Sent: Friday, October 14, 2011 9:17 AM
To: Newman-Web
Cc: Pierce-Web; Burns-Web
Subject: Smart Meters Staff Meeting Docket No. E-00000C-11-0328

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Dear Commissioner Newman,

I listened to the live-stream audio of the 10/12 staff meeting because I am interested in learning the truth about Smart Meters and the direction they will take in Arizona. Moreover, I am interested in how the ACC operates to regulate the utilities under its jurisdiction and the role it is taking to protect the interests of the ratepayer while ensuring the future of an affordable and secure electricity supply for Arizona.

With my deepest respects, I am writing to express my objection to the Commissioner's characterization of those concerned with privacy issues as they relate to the implementation of Smart Meters, as the "black helicopter crowd". While I can appreciate the passion the Commissioner brings to the table, I find the comment to be nearly as offensive as the public commenter characterizing APS and the rest of the industry as "liars" during the special hearing on September 8. I can assure the Commissioners that the lack of trust goes both ways.

Ratepayers and citizens are becoming more cynical and dissatisfied each day with the way business and government is perceived as devising ways to separate us from our hard earned dollars...and some seem to think, intrusion into our lives. It is also important to understand that my skepticism or even apparent cynicism is merely a conditioned response that has been reinforced over 6 decades of observing what goes on around me. I would think that it is at least in part why regulatory agencies like the ACC exist. Trust without verification or functioning controls simply opens the doors to abuse. As a former auditor, I can say that a seemingly dodgy answer, or an answer where verification is elusive, is really no answer at all.

I fully support Chairman Pierce's effort to establish guidelines and rules that hold APS's feet to the fire to assure the public that Smart Meters do not or ever will do no more than APS testified to without revisiting the issue(s) with the Commission and the PUBLIC. Trust but verify; put controls in place where necessary and make sure they work.

I appeal to the Commissioner to revisit and withhold his characterizations of those who seek greater understanding and more assurance that a trust will not be betrayed somewhere down the road and to stick to helping the ratepayers get this all sorted out. It is what is best for the ratepayer.

I also disagree with the Commissioner's "fear" that the utilities will be unfairly constrained given the prospect for the evolution of Smart Meter capabilities. That fear carries no greater validity than the privacy concerns of some of the ratepayers. The utilities have recourse through the ACC. That keeps the discussion PUBLIC as it should be. If the Commissioner sees a future beyond that to which APS testified, then I would respectfully propose the specifics be shared with the rest of the staff and the public. Sharing the vision will likely be more valuable than holding those cards so closely to one's chest.

Further points to consider

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As ratepayers, we are paying for a good chunk of Smart Meters and I believe we are entitled to know where this is headed and provide constructive input. I see the Commissioner's role as one of facilitating that.

Holding the cards too closely is exactly how I see the entire industry, including APS got itself into this Smart Meter implementation mess. In my view, it could have all been avoided or minimized if the utilities had included the rest of "team" from an education standpoint. APS has had at least 4 years if not more, to help us understand the need for Smart Meters and what they needed to accomplish with them. A 2007 media event in Deer Valley didn't cut it and neither did their website.

In the 6 years I have been with APS, I have not seen a single word on the coming of the Smart Meter in my billing statement. APS's steamroller tactics and abusive treatment of the ratepayers during rollout didn't help the cause, either. The missed opportunities to educate are at the center of the current dilemma. It is education and trust plus verification that will allay the fears and prove the myths are just that...myths.

Educating was not the role of the Commission. While publicized hearings and meetings serve to educate, the responsibility and accountability to initiate that educational process lies with the utility, especially if ratepayer rates are at stake. The utilities should have made their intentions and the tangible benefits very loud and clear to pave the way.

Frankly, it's much easier for me to see these meters costing the ratepayers more for electricity while maintaining or increasing profits for APS and keeping the shareholder dividend at ~4.9%. As a former business person, I don't have a problem with businesses making money. I have a problem being a captive customer of a monopoly with no recourse. I don't see the "dividend" yet for the ratepayer. **I don't see how the ACC's projected \$9B cost savings goal intends to manifest itself with the ratepayer.** I also don't see where the costs for solar and renewable energy should be "socialized" to the tune of perhaps millions while penalizing a truly small minority of ratepayers for opting out of a Smart Meter **for the time being**, be it for health or privacy concerns. **Ratepayers didn't cause the problem**, but they are paying for it in more ways than one. Instead, ALL of those costs should come out of the company's profit and dividend to the shareholders for the shortcomings and shortsightedness of management on this issue. I estimate that cost to probably be no more than pennies per share "socialized" over ~109 million outstanding shares for the parent company.

Our personal electric bill recently ranged from only ~19% to ~30% **of the average** for a **similarly sized and equipped full time home** in our area. I am perfectly happy to total my bill and pay it in one lump sum **in advance for a full year** with once a year reconciliation. I see no benefit to our home being on a Smart Meter and I don't believe I or the APS will benefit from the vision the Commissioner might hold for either the current or future capabilities of Smart Meters for our residence. I believe our lifestyle is worth something in terms not limited to simply a lower utility bill.

I challenge the Commission to explore the inclusion of provisions where the ratepayer can see a tangible reward for demonstrated energy savings, perhaps with a line item on the electric bill. But also permit me to say that continuing to socialize renewable energy costs while also socializing opt out costs just about gives everybody what they want with renewable energy being the clear winner. What is the real harm in doing that? The door to opt out can be closed or limited within a specified time period to prevent the situation escalating out of control.

I might also add that if Smart Meters do in fact transmit **ONLY ONE TIME PER DAY** for 30-40 seconds at power levels APS testified to, that represents a duty cycle over a 24 hour period of no **MORE THAN ~.05%** with virtually negligible RF exposure !! This would seem to virtually eliminate the

need for even a medical opt out. In fact, while medical concerns are at the forefront of the Smart Meter discussion, I would assess the risk of harm to be the lowest compared to privacy of data or even security of the network for APS Smart Meters. I suggest that the duty cycle calculation be confirmed with a professional.

Meanwhile APS's feet should be held to the fire to ensure there are no other RF radiation "events" being emitted from the meters in addition to privacy and network security claims. APS can revisit the necessity for implementing future capabilities (with FULL DISCLOSURE) of Smart Meters with the Commission and the PUBLIC at some point in the future.

With deepest respect and regards,

Gary Oliphant
Paulden, AZ