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ARIZONA CORPORATION COMMISSION

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TO: Docket Control Center Arizona Corporation Commission 2012 FEB 24 PM 3 32

FROM: Steven M. Olea  
Director  
Utilities Division

~~DOCKETED~~

FEB 24 2012

DATE: February 24, 2012

DOCKETED BY

RE: WORKSHOP ON METER GUIDELINES -- REQUEST FOR SERVICE LIST AND MEETING NOTICE (DOCKET NO. E-00000C-11-0328)

The Arizona Corporation Commission ("Commission" or "ACC") initiated a Generic Docket No. E-00000C-11-0328 on August 29, 2011, for the investigation of Smart Meters. The Commission held a Special Open Meeting on September 8, 2011, at which time comments were received from the public, several electric utility companies, the Residential Utility Consumer Office and Commission Staff regarding the installation of advanced ("Smart") metering devices. Attendees at this Special Open Meeting were encouraged to submit written comments on the matter to the Generic Docket.

Based on the written comments submitted to the Generic Docket, Staff has determined that customers seem to have several concerns related to the installation of metering devices. In an effort to address these concerns, Staff has developed a list of proposed guidelines for the use of all meters by electric utilities and for any data obtained from their use. These guidelines are intended to address data security and privacy concerns and were developed based on a review of utility websites (Arizona Public Service, Salt River Project, Tucson Electric Power Company, Pacific Gas & Electric, San Diego Gas and Electric, and Southern California Electric), information from the California Public Utilities Commission website, correspondence to the ACC from customers and other interested parties, information filed in the Generic Docket, and concerns expressed in the Special Open Meeting held on September 8, 2011.

Comments received also mentioned the need for an opt-out program to allow customers to not have smart meters installed. Based on the comments and discussion received at the upcoming workshop meeting, Staff may develop an opt-out proposal for consideration by the Commission.

At this time, Commission Staff wishes to solicit comments and opinions on the proposed guidelines and list of Staff questions. A draft of the proposed guidelines and the list of Staff questions are attached to this Memorandum. **Staff encourages all interested parties to provide written comments on the proposed guidelines and Staff's list of questions by Friday, March 16, 2012.** Please file an original and 13 copies of your comments with the Commission's

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Docket Control Center, 1200 West Washington Street, Phoenix, Arizona 85007. Please reference Docket No. E-00000C-11-0328 on all comments.

Upon receipt of the requested comments, Staff will prepare a summary of comments for discussion at the **Workshop on Meter Guidelines to be held at 9:30 a.m. on Friday, March 23, 2012, in the Hearing Room of the Commission.** Staff invites and encourages all interested parties to attend this workshop. Please see the attached meeting agenda.

Parties who wish to be added to the service list in this docket should send notice of their interest, including a mailing address and an e-mail address to Docket Control. Staff welcomes and appreciates the input of all interested parties. Please address any questions you may have regarding this matter to Elijah Abinah (602) 542-6935.

SMO:RBL:lhv

Originator: Rick Lloyd

SERVICE LIST FOR: Smart Metering Workshop  
DOCKET NO. E-00000C-11-0328

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Ajo, Arizona 85321

Arizona Public Service Company  
Post Office Box 53999  
Station 9905  
Phoenix, Arizona 85072

Columbus Electric Cooperative, Inc.  
Post Office Box 631  
Deming, New Mexico 88031

Dixie-Escalante Rural Electric Assn, Inc.  
71 East Highway 56  
Beryl, Utah 84714-5197

Garkane Energy Cooperative, Inc.  
Post Office Box 465  
Loa, Utah 84747

Graham County Electric Cooperative, Inc.  
Post Office Drawer B  
Pima, Arizona 85543

Mohave Electric Cooperative, Inc.  
Post Office Box 1045  
Bullhead City, Arizona 86430

Morenci Water and Electric Company  
Post Office Box 68  
Morenci, Arizona 85540

Navopache Electric Cooperative, Inc.  
1878 West White Mountain Boulevard  
Lakeside, Arizona 85929

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Willcox, Arizona 85644

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## Draft Proposed Meter Guidelines

Following is a list of proposed guidelines for the use of all meters by electric utilities and for any data obtained from their use.

1. Measurement will not be specific to any particular appliance or electrical device, unless approved by the Commission for a specific tariff.
2. The utility will not share energy usage data except with its authorized agent. Individual or aggregate usage data will never be sold.
3. All information transmitted between meters and the utility must be encrypted and password protected using US government approved and recommended standards.
4. Data from each meter must use specific unique identifiers associated with the customer's meter number and service address to ensure that each customer is billed only for his / her own usage.
5. The utility will not control or shut off individual appliances without customer consent based on an approved ACC tariff.
6. The utility may shut off electric service per ACC rules. The utility will abide by current regulations with respect to shut-off of service and curtailment in power emergencies.
7. The utility will limit the length of data transmission over a 24 hour period, (utility input will help define the appropriate length of time in seconds or minutes per time period).
8. Individual usage data gathered will be available only to the customer, the utility, and its duly authorized agent. Such data may be used only to help the customer make choices that will help keep electric bills to a minimum.
9. The utility will use only aggregate, anonymous data for system planning purposes.

## **Staff Questions Regarding Proposed Guidelines for Electric Meters**

1. Are the draft proposed guidelines currently in effect by most utility companies, or do they represent a significant process change?
2. Does the draft proposed guidelines adequately address privacy issues?
3. What customer education procedures presently exist, or should be developed, for communicating a utility company's privacy policies?
4. What other metering issues need to be addressed?

## **WORKSHOP ON METER GUIDELINES**

**Docket No. E-00000C-11-0328**

March 23, 2011

9:30 a.m. - 12:30 p.m.

Arizona Corporation Commission

Hearing Room

1200 West Washington Street

Phoenix, Arizona 85007

1. Introduction and Welcome - Commission Staff
2. Review of draft proposed Meter Guidelines - Commission Staff
3. Discussion of draft proposed Meter Guidelines and stakeholder/public comments
4. Discussion of other concerns
5. Wrap-up and discussion of next steps