

OPEN MEETING AGENDA ITEM



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AZ CORP COMMISSION DOCKET CONTROL

June 24, 2013

Arizona Corporation Commission 1200 W. Washington St. Phoenix, AZ 85007

Re: Response of the City of Sedona to Request for Public Comments Regarding "Smart Meters." Docket No.: E-00000C-11-0328

Dear Commission Members:

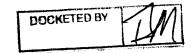
I am writing in behalf of the citizens of the City of Sedona, Arizona and the Sedona City Council. The proposed installation of "smart-meters" by Arizona Public Service Company (APS) has been a topic of serious concern with a number of our citizens. Over the past few months the City Council has heard from many citizens about this issue during the public forum portion of our Council meetings.

In response to these concerns and ongoing requests by numerous citizens to discuss and evaluate the issue, the City Council held a lengthy public hearing on June 19, 2013. Representatives of APS were invited to attend and give a presentation explaining their proposed deployment of smart-meters and also to provide information concerning health, safety and privacy concerns associated with smart meters. A group of citizens that have concerns about smart-meters also had the opportunity to make a presentation and respond to questions from the City Council. Finally, individual citizens were given to opportunity to speak. Prior to the meeting the City Council also had the opportunity to review hundreds of pages of information discussing the pros and cons of smart-meters from both perspectives.

After this process and further deliberations by the City Council, the Council by a 4-3 vote passed the following motion:

I move to direct staff to prepare a statement for the Arizona Corporation Commission that expresses concerns on behalf of our Sedona Citizens that smart-meters have not been proven safe and until such time as definitive proof exists, the Arizona Corporation Commission should allow the Arizona Corporation to opt-out without penalties.

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Hopefully you can agree that throughout the State and the nation, serious concerns have arisen by a significant number of citizens about the health, safety and privacy effects of smart-meters. Studies do indicate that long-term exposure to high levels of electro-magnetic radiation does have the potential to affect the health of human beings. While it is understood that the radiation from smart-meters is similar to that emitted by other devices such as cell-phones and micro-wave ovens, it cannot be disputed that installation of thousands of smart-meters city-wide will only serve to substantially increase the cumulative effects of electro-magnetic radiation. One of the major themes we heard from our citizens was that the most prudent course of action, given the health concerns about smart-meters, is to delay their implementation until more scientific information and study comes available.

We certainly understand the position of APS that the two main advantages supporting the installation of smart-meters are that they will create more consumer information concerning utility usage and will lower the information collection costs of the utility. We were told by APS that the current cost of reading meters is approximately \$1.86 per household. We are also informed that APS is seeking the Commission's approval to impose "opt-out" charges of \$75 initially and \$30 per month. We strongly support the right of individual citizens to opt-out, but we fail to see the justification for such exorbitant fees for doing so. While we understand that APS has a right to recoup the costs incurred in having to physically read the meters of people opting out, our proposed solution to these exorbitant fees is to give the City of Sedona the right to opt-out entirely. By allowing this, there will be substantial cost saving on the part of APS by not having to replace existing meters, and in addition, the present economies-of-scale for physically reading all meters within the City will be maintained. In other words, the existing cost of \$1.86 per household for meter reading could continue at no economic detriment to APS.

As you are well aware, the Corporation Commission is the governmental entity that was established by the Arizona Constitution "*to make and enforce reasonable rules, regulations, and orders for the convenience, comfort, and safety, and the preservation of the health*" of the patrons of the utilities it governs. The proposed solution of the City of Sedona creates the best balance between preservation of the safety and comfort of its citizens and the economic concerns of APS. We strongly urge you to consider this proposed option when you consider APS's Application (Docket No. E-01345A-0069) related to opt-out options for smart-meters.

Rob Adams Mayor of Sedona, Arizona

cc: Members of the City Council Corp. Commission Docket No. E-0000C-11-0328