PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

RESOLUTION E-4931
July 12, 2018

R E S O L U T I O N

Resolution E-4931. Approves Southern California Edison’s Proposed Agreement to reimburse customers for energy used by SmartConnect Communication Devices installed on the customer’s side of the meter.

PROPOSED OUTCOME:

- Approve Southern California Edison’s (SCE) Proposed Agreement to install SmartConnect Communication Devices when needed to communicate with SCE’s network and reimburse customers for the energy used to power the Devices.

SAFETY CONSIDERATIONS:
- There is no impact on safety.

ESTIMATED COST:
- The Agreement does not increase individual or general ratepayer costs and could lead to general ratepayer savings.

By Advice Letter 3760-E filed on March 8, 2018.

SUMMARY

On March 8, 2018, Southern California Edison Company (SCE) filed Advice Letter (“AL”) 3760-E. This Resolution approves SCE’s proposed “Communication Device Installation Customer Agreement” (“Agreement”) outlined in SCE’s AL 3760-E to energize a SmartConnect Communication Device (or “Device”) using the customer’s power near the Device rather than run wires

1 SmartConnect is SCE’s trademark name that SCE uses for its smart meter technologies.
from the meter panel through the walls ceilings and floors to where the Device is located. The installation of the Communication Device is required to allow meters enclosed in an electrical or metering room to communicate with SCE’s Advanced Metering Infrastructure (AMI) network and obtain daily meter reads to provide customers with their daily energy usage as required by the Commission in Decisions related to AMI\(^2\). SCE also seeks the Commission’s approval to provide the customer a bill credit based on the estimated usage of the Communication Device.

**BACKGROUND**

When customers install meters indoors or in metering rooms, the radio frequency signal is often unable to reach the network and a Communication Device must be installed in order for the meters to communicate. Currently, Communication Devices use SCE power via a connection ahead of the customer’s meter. This has often required conduit and wiring to be installed through customer’s walls, floors, and/or ceilings in order to reach the Communication Device location where the device is able to connect the meters to the AMI network.

SCE believes that, where the customer consents to this arrangement and executes the Agreement, using the customer’s internal wiring on the customer’s side of the meter to feed the Communication Device would be more efficient and cost-effective because it would eliminate the need to install the wiring through walls, floors and/or ceilings. SCE also notes that SCE has confirmed that this arrangement is consistent with San Diego Gas & Electric Company’s current practice.

**SUMMARY OF THE PROPOSED AGREEMENT**

SCE proposes to add the voluntary Agreement to its List of Contracts and Deviations. The proposed Agreement sets forth the terms and conditions upon which SCE would

\(^2\) (D.) 05-12-001 and (D.) 08-09-039
connect to the customer’s side of the meter and provide the customer a bill credit based on the estimated usage of the Communication Device.

Under the arrangement described above, SCE and the customer will execute the Agreement permitting SCE to install the Communication Device and connect to the customer’s power. Among other provisions, the Agreement also authorizes SCE access to the Communication Device for maintenance, repair and replacement. Pursuant to the Agreement, the customer will be given a flat rate credit on its bill based on an estimated energy used by the Communication Device. The calculation is as follows:

\[
\text{Wattage of Device} \times \# \text{ of Devices} \times 24\text{hrs} \times \# \text{ of days in billing period} \div 1000 = \text{kWh per month (3Watts} \times 24\text{ hours} \times 30\text{ days}/1000 = 2.16 \text{kWh per month} \times \# \text{ of Devices}).
\]

According to SCE, this advice filing will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule.

NOTICE

Notice of AL 3760-E was made by publication in the Commission’s Daily Calendar. SCE states that a copy of AL 3760-E was distributed in accordance with Section 4.3 of G.O. 96-B.

PROTESTS

AL 3760-E was not protested.

DISCUSSION

AL 3760-E is approved based on the following considerations:

Utilizing the customer’s power near the Device and subsequently reimbursing the customer is the most efficient arrangement and will save ratepayer costs

Powering Communication Devices by utilizing the customer’s existing wiring near the Device and subsequently reimbursing the customer for the estimate
energy used to power the communication device is much easier and less expensive than installing extra wiring through the customer’s premises. The Agreement does not increase individual or general ratepayer costs and could lead to general ratepayer savings. When the agreement is adopted by customers overall ratepayer costs are saved compared to the more expensive alternative of the current practice.

**SCE’s proposed method for utilizing the customer’s electricity is consistent with SDG&E’s practice**

SCE states that their proposal is similar to the model that SDG&E has been using since rolling out its smart meters. Energy Division Staff confirmed with SDG&E that SCE consulted with them prior to submitting AL 3760-E to confirm that SCE’s proposed Communication Device installation policy and Proposed Agreement was consistent with SDG&E’s License Agreement.³

Energy Division Staff also reached out to PG&E and found that PG&E also installs similar devices to mitigate customer Smart Meters that are unable to reach PG&E’s network, but PG&E powers these devices from PG&E’s side of the meter not the customer’s, thus obviating the need for a reimbursement contract for the customer.

**SCE’s Bill Reimbursement Policy is Reasonable**

SCE’s bill reimbursement policy outlined in the appendix of AL 3760-E is straightforward and shows that customers will be reimbursed for the estimated number of kilowatt-hours (kWh) used per month multiplied by the number of Communication Devices. The amount of energy consumed per Communication Device is minor and estimated to be 2.16 kWh per month each.

**SCE’s Agreement is optional and customers can use the current practice of installing additional wires to the device as a default**

³ See SDG&E “License Agreement.”
If a customer chooses not to sign on to SCE’s proposed Agreement as described in AL 3760-E, SCE will install additional conduit and wires through the customer’s premises to the Communication Device as is done under SCE’s current process without incurring any additional charges.

Furthermore, the Agreement does not carry over automatically to new customers, as SCE’s stated intent is to have the new customer execute a new agreement, rather than go through an assignment process. According to Section 8 of the Agreement, the customer may assign this Agreement only with SCE’s written consent, which SCE may grant or deny in its sole discretion.

**COMMENTS**

This is an uncontested matter in which the resolution grants the relief requested. Accordingly, pursuant to PU Code 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

**FINDINGS AND CONCLUSIONS**

1. SCE filed Advice Letter 3760-E on March 8, 2018.

2. When customers install meters indoors or in metering rooms, the radio frequency signal is often unable to reach the network.

3. SCE’s Communication Device is required to allow meters enclosed in a metering room to communicate with SCE’s network and obtain daily meter reads to provide customers with their daily energy usage as required by the Commission.

4. SCE’s current method for bringing power to the Communication Devices is inefficient as it requires additional wires and conduit to be installed so power could be brought ahead of the customer’s meter to the Communication Device.
5. Under SCE’s Proposed Agreement, SCE would use the existing internal wiring on the customer’s side of the meter to power the Communication Device.

6. SCE’s proposed agreement is consistent with San Diego Gas & Electric’s current practice for their Advance Metering Infrastructure.

7. SCE’s Agreement outlined in AL 3760-E provides customers with a reasonable bill credit based on the estimate energy used by the Communication Device.

8. Approving this advice filing will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule.

9. The amount of energy consumed per Communication Device is minor and estimated to be 2.16 kWh per month each.

10. When the Agreement is adopted by customers overall ratepayer costs are saved compared to the more expensive alternative of installing extra wiring through the customer’s premises.

11. SCE’s Agreement is voluntary and customers who choose not to sign on can have SCE install and power the Communication Devices under SCE’s current process.

**THEREFORE IT IS ORDERED THAT:**

1. AL 3760-E is approved.
2. SCE’s Communication Device Installation Agreement outlined in Attachment B of SCE’s AL 3760-E is approved.
This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on July 12, 2018; the following Commissioners voting favorably thereon:

/s/ ALICE STEBBINS  
ALICE STEBBINS  
Executive Director

MICHAEL PICKER  
President

CARLA J. PETERMAN  
LIANE M. RANDOLPH  
MARTHA GUZMAN ACEVES  
CLIFFORD RECHTSCHAFFEN  
Commissioners