

BEFORE THE PUBLIC UTILITIES COMMISSION

## OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND ELECTRIC COMPANY for Approval of Modifications to its SmartMeter<sup>™</sup> Program and Increased Revenue Requirements to Recover the Costs of the Modifications

A.11-03-014

(U 39 M)

## PROTEST OF THE TOWN OF FAIRFAX, CALIFORNIA, AND THE ALLIANCE FOR HUMAN AND ENVIRONMENTAL HEALTH

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Attorneys for Protestants

April 25, 2011

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## OF THE STATE OF CALIFORNIA

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## PROTEST OF THE TOWN OF FAIRFAX, CALIFORNIA, AND THE ALLIANCE FOR HUMAN AND ENVIRONMENTAL HEALTH

Pursuant to Rule 2.6 of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission"), the Town of Fairfax, California, and the Alliance For Human and Environmental Health, a west Marin coalition (collectively the "Protestants)<sup>1</sup> hereby protest Application A.11-03-014, filed by Pacific Gas and Electric Company ("PG&E") on March 24, 2011 (the "Application" or "PG&E Application"). For the reasons set forth below, the Protestants urge the Commission to deny the PG&E Application and instead, after investigation and hearing, require PG&E to implement an

<sup>&</sup>lt;sup>1</sup> Attached hereto as Attachment A is a letter from Susan Adams, President of the Marin County Board of Supervisors, to President Peevey expressing support for this Protest on behalf of the Marin County Board of Supervisors. Since this letter was prepared, Lake and Mendocino Counties have decided to file Protests separately reflecting their specific concerns. Supervisor Steve Kinsey has authorized counsel to state that he intends to seek formal approval of the Marin County Board of Supervisors to become a participating party in this Protest at its next meeting scheduled for April 26, 2011.

opt-out program that is both structurally and financially in the best interests of PG&E's consumer customers as described more fully herein.

#### I. INTRODUCTION

The PG&E Application is in response to President Peevey's direction given during the Commission's March 3, 2011, meeting that PG&E prepare a proposal for the Commission's consideration that will allow some form of opt-out for customers who object to SmartMeter devices at reasonable cost, to be paid by the customers who choose to opt-out.<sup>2</sup> The opt-out proposal set forth in the PG&E Application is unreasonable, unjust, and does not meet the requirements set forth in President Peevey's directives.

PG&E's proposal limits the exercise of an opt-out right to individual residential subscribers, and denies this right to duly constituted local government entities that have lawfully acted on behalf of their residents to express a community-wide desire to opt-out of SmartMeter installations. As included in Attachment A hereto, numerous local governments in PG&E's service territory have enacted Ordinances or Resolutions requiring a moratorium on further SmartMeter installations in their jurisdictions pending analysis of issues of serious concern ("Moratorium Enactments"). These enactments

<sup>&</sup>lt;sup>2</sup> See, CPUC President Michael R. Peevey's Statement on Smart Meters, March 10, 2011, http://www.cpuc.ca.gov/PUC/aboutus/Commissioners/01Peevey/speeches/11031 0\_meters.htm. The PG&E Application appeared on the Daily Calendar on March 25, 2011. Commission Rule 2.6(a) states that "a protest or response to an application must be filed within 30 days of the date the notice of the filing of the application first appears in the Daily Calendar" and Rule 1.15 provides this deadline falls on a day the Commission offices are closed, it is extended to the first day thereafter. This Protest and Response is therefore in compliance with Rule 2.6(a).

have largely been ignored by PG&E, as they are in the instant Application. The Application also ignores the policy and technological bases making such a broader optout scope both reasonable and consistent with the concerns cited by President Peevey.

In addition, the rate levels and rate structure proposed for exercise of an opt-out are based on fundamentally flawed costing assumptions and analysis set forth in the Testimony of PG&E attached to the Application. A memorandum from Dr. Lee Selwyn identifying some of the material errors and omissions of the PG&E cost testimony evident from only a preliminary review, as Attachment C, including its total failure to address the avoided costs of compliance with Moratorium Enactments.

In light of these fundamental deficiencies and omissions of the PG&E Application, set forth in further detail below, and the beneficial potential of President Peevey's directive if implemented with a proper scope and based on reasonable costing analysis, Protestants also request that the Commission promptly order PG&E to comply with all local governmental ordinances and resolutions described herein pending the decision of the Commission in this proceeding, if PG&E will not voluntarily agree to do so.

#### II. BACKGROUND

The Application summarizes some of the relevant Commission regulatory background leading to the Application.<sup>3</sup>

<sup>&</sup>lt;sup>3</sup> PG&E Application at 3-4.

However, PG&E fails to mention that D.09-03-026, which PG&E relies upon to support the current technology of its SmartMeters and the "mesh network" formed by the radio transmissions from these meters used to deliver SmartMeter data to the PG&E Data Collection Units ("Data Collection Units"), did not find that these radio transmissions comply with any FCC or other health and safety standards; did not include any provisions demonstrating that the Commission had evaluated the adequacy of any such standards with respect to potential health impacts on exposed individuals or other public interest concerns; was not based on any CEQA analysis, and did not preempt any existing jurisdiction of municipalities, counties, or other local government bodies to approve the construction and operation of facilities that have such impacts.

President Peevey's March 3, 2011, Statement indicated that no objections to smart meter implementation had occurred anywhere except in Northern California. However, on March 24, 2011, Utility Consumers' Action Network ("UCAN") filed A.11-03-015, requesting that the Commission compel SDG&E to also establish an opt-out program.<sup>4</sup> That Application states that numerous SDG&E customers have expressed opposition to its smart meter program on various grounds including accuracy, intrusiveness, privacy concerns, and health impacts.<sup>5</sup> These concerns mirror those expressed by parties questioning the PG&E SmartMeter program.

<sup>&</sup>lt;sup>4</sup> A.11-03-015, *Application of Utility Consumers' Action Network For Modification of Decision 07-04-043 So As To Not Force Residential Customers to Use Smart Meters*, filed March 24, 2011. <sup>5</sup> Id. at 2-3.

Beyond the Commission's proceedings, the Application also fails to include any mention of the substantial opposition to PG&E's chosen SmartMeter technology voiced by numerous governmental bodies whose citizens would be affected. Attached hereto as Attachment B are copies of formal Resolutions and Ordinances of the following governmental bodies within the PG&E service territory that have opposed installation of the SmartMeter network in their jurisdictions:<sup>6</sup>

Mendocino County Lake County Marin County Santa Cruz County City of Capitola City of Monterey City of Seaside Town of Fairfax Town of Ross City of Morro Bay City of Richmond

In addition, AB 37 remains under active consideration by the State Legislature, and would mandate a smart meter opt-out plan for all California electric utilities regulated by the Commission, including removal of the meter, and would also mandate suspension of deployment of these meters until the Commission adopts the required opt-out plan.<sup>7</sup> This legislation, if adopted, would apply statewide.

<sup>&</sup>lt;sup>6</sup> These are collectively referred to herein as "Moratorium Enactments."

<sup>&</sup>lt;sup>7</sup> A.B. 37, 2010-2011 Reg. Sess. (Ca. 2010).

In short, President Peevey's directive presents the Commission with an opportunity to address the numerous concerns expressed by many individuals, interest groups, and governmental bodies concerning PG&E's SmartMeter program. This Response and Protest urges the Commission to act cooperatively with concerned local governments by requiring that PG&E's opt-out plan include them as eligible to exercise an opt-out from the SmartMeter program if they determine it serves the public interest of their jurisdiction, while doing so in a manner consistent with the Commission's policy objectives with respect to smart grid implementation and responsibility for the actual costs involved, and particularly with respect to areas where the SmartMeter facilities and network have not been installed.

### III. ISSUES RAISED BY THE PG&E APPLICATION

Discovery has not yet commenced in this proceeding. The PG&E Application and its attached testimony raise material factual, legal, and policy issues which must be investigated by the Commission. While Protestants list those issues that they have identified to date, additional specific issues will surely be identified as this proceeding progresses, and Protestants respectfully request the right to identify additional issues as appropriate.

At a minimum, the Commission should set for hearing and fully investigate the following issues, which are discussed in further detail below:

- Should the scope of the opt-out program be restricted to only individual residential subscribers of PG&E, or should it also allow opt-out to be exercised by local government bodies on behalf of the residents of their jurisdictions?
- 2. What are the accurate costs of the opt-out program and its various

components? Do these costs differ between individual and community opt-outs, and between opt-outs in areas where the SmartMeter network has already been installed and where it has not yet been installed? What is the just and reasonable rate structure to apply to these various scenarios of exercise of the opt-out right?

- 3. What procedures should be established to read the meters of PG&E customers that have collectively or individually exercised their opt-out right?
- 4. Is PG&E's "turn off the radio" proposal for implementing a SmartMeter opt-out unreasonable in light of the technology included in the SmartMeters and the mesh network PG&E has chosen to construct?
- 5. Should the opt-out right include an option to use analog meters?
- 6. Should PG&E be required to maintain an inventory of analog meters sufficient to provision projected demand for such meters under the optout program, or take other steps to minimize the cost of this option?

Proper resolution of each of these issues is essential if the opt-out plan adopted

by the Commission is to address the legitimate concerns that have been raised with

respect to PG&E's SmartMeter technology and associated mesh radio network

communications architecture, as well as to include requisite recognition of the role of

local governmental bodies with respect to the health, welfare, and environment of the

citizens of their jurisdictions.

## IV. THE PG&E OPT-OUT PLAN SHOULD INCLUDE THE RIGHT OF LOCAL GOVERNMENTS TO EXERCISE AN OPT-OUT ON BEHALF OF THE RESIDENTS OF THEIR JURISDICTIONS

## A. Local Governments Possess Authority to Regulate Material Aspects of PG&E's SmartMeter Deployment

As detailed above, numerous counties, cities, and towns within PG&E's service territory have enacted Ordinances or Resolutions imposing moratoriums on further the

installation of PG&E's SmartMeters and the associated mesh radio network within their

jurisdictions. They have taken these actions pursuant to their authority under California

law. For example, as stated in the Ordinance the Town of Fairfax:<sup>8</sup>

A. The Town of Fairfax (the "Town"), through its police powers granted by Article XI of the California Constitution, retains broad discretion to legislate for public purposes and for the general welfare, including but not limited to matters of public health, safety and consumer protection.

B. In addition, the Town retains authority under Article XII, Section 8 of the Constitution to grant franchises for public utilities, and pursuant to California Public Utilities Code section 6203, "may in such a franchise impose such other and additional terms and conditions..., whether governmental or contractual in character, as in the judgment of the legislative body are to the public interest."

C. Further, Public Utilities Code section 2902 reserves the Town's right to supervise and regulate public utilities in matters affecting the health, convenience and safety of the general public, "such as the use and repair of public streets by any public utility, the location of the poles, wires, mains, or conduits of any public utility, on, under, or above any public streets, and the speed of common carriers operating within the limits of the municipal corporation."

While the Commission has broad authority over most activities conducted by

PG&E, there are clearly aspects of the SmartMeter deployment project that remain subject to authorization or regulation by local authorities. Failure of the Commission to adopt an opt-out plan that recognizes the continuing jurisdiction of local governments would constitute more than mere interference with their obligation to protect the health and safety of their residents. Such an opt-out plan, as well as the current status of SmartMeter deployment in jurisdictions that have adopted Moratorium Enactments,<sup>9</sup> violates the separation of powers mandated by the California Constitution.

<sup>&</sup>lt;sup>8</sup> See, Attachment B at p.29 *et seq.* 

<sup>&</sup>lt;sup>9</sup> The Commission's decisions concerning PG&E's SmartMeter deployment plans have completely ignored local ordinances passed by Constitutional bodies. For example,

For example, in 1954, the Town of Fairfax entered into a Franchise Agreement with PG&E which provides it with access to its public rights of ways to construct poles, wires, conduits, meters and related items used in distributing electricity. The franchise was granted under the Franchise Act of 1937, which is encoded in Public Utilities Code section 6201 *et seq.* Section 6203 states that:

"The legislative body may in such a franchise impose such other and additional terms and conditions not in conflict with this chapter, whether governmental or contractual in character, as in the judgment of the legislative body are to the public interest."

Section 6203, as well as the other statutory and Constitutional provisions cited above, provided authority for the Town of Fairfax to enact its Ordinance attached hereto.

As cited above in the Town of Fairfax Ordinance, towns and cities have a duty and authority under the California Constitution to protect the health and safety of their residents. The Fairfax Town Council held numerous public meetings in which there was a substantial amount of testimony by residents who suffer from electro-magnetic sensitivity, cancer and other conditions which make them susceptible to injury from the deployment of the SmartMeter system.

<sup>(</sup>footnote continued) Fairfax has had a wireless telecommunications ordinance in effect since 1999. (Fairfax Ordinance 19.04, 19.08) which requires that a Use Permit be obtained before a wireless telecommunications device is installed anywhere in the Town. In this case, PG&E installed a series of high powered DCUs within public rights of way without notifying the Town of Fairfax or applying for Use Permit to do so. In circumventing longstanding local ordinances, PG&E has effectively denied local residents notice or opportunity to be heard.

Under the Americans with Disabilities Act, public entities cannot legally impose barriers or conditions which deleteriously impact residents who suffer from these disabilities and illnesses.<sup>10</sup> The Town of Fairfax, as well as other local governments that have adopted Moratorium Enactments, have found that the deployment of the SmartMeter project ignores the rights of their residence absent evaluation of these impacts. Furthermore, the unregulated deployment of SmartMeters may effectively devalue their property by making it unfit for them to live in, giving rise to potential inverse condemnation claims against these entities. As further described elsewhere in this Protest, the PG&E opt-out proposal would effectively punish them for asserting their right to protect their health and safety. These legal and human problems led the Town Council to adopt its Ordinance.

Similarly, the Moratorium Enactment of the Marin County Board of Supervisors relies on its Constitutional authority and Sections 6203 and 2902 of the Public Utilities

<sup>&</sup>lt;sup>10</sup> See, 56352 Federal Register, Vol. 67, No. 170, Tuesday, September 3, 2002, where the Architectural and Transportation Barriers Compliance Board, an independent Federal agency established by section 502 of the Rehabilitation Act whose primary mission is to promote accessibility for individuals with disabilities, found with respect to electro-magnetic and chemical sensitivities:

<sup>&</sup>quot;The Board recognizes that multiple chemical sensitivities and electromagnetic sensitivities may be considered disabilities under the ADA if they so severely impair the neurological, respiratory or other functions of an individual that it substantially limits one or more of the individual's major life activities."

An opt-out program will only be effective if it protects these individuals. Moreover, the opt-out plan certainly cannot force them to pay more to protect their health without running afoul of Public Utilities Code Section 453 (b) which states in pertinent part that: "No public utility shall prejudice, disadvantage, or require different rates or deposit amounts from a person because of ancestry, medical condition, marital status or change in marital status, occupation, or any characteristic listed or defined in Section 11135 of the Government Code."

Code, as well as its franchise agreement with PG&E. In so acting, the Marin County Board of Supervisors listed several specific concerns about the SmartMeter program, including accuracy of the meters, lack of protection of confidential information transmitted over the mesh network,<sup>11</sup> potential adverse impact on the amateur radio communications network and emergency communications systems, significant health and safety questions, and unproven conservation results, and as a result found that:

> [T]here is a current and immediate threat to public health, safety and welfare because, without this urgency ordinance, SmartMeters or supporting equipment will be installed or constructed or modified in the County without PG&E's complying with the CPUC process for consultation with the local jurisdiction, the County's Code requirements, and subjecting residents of Marin County to the privacy, security, health, accuracy and consumer fraud risks of the unproven SmartMeter technology.

As these and the other Moratorium Enactments in Attachment B expressly

demonstrate, numerous local governments within PG&E's service territory have

attempted to halt PG&E's deployment of its selected technology for obtaining usage

data of customers. These enactments have met with resistance and non-compliance.

The establishment of an opt-out plan for PG&E in this proceeding presents the

opportunity for the Commission to recognize the lawfulness of these local government

<sup>&</sup>lt;sup>11</sup> Energy usage data, measured moment by moment, allows the reconstruction of a household's activities: when people wake up, when they come home, when they go on vacation, and even when they take a hot bath. SmartMeters represent a new form of technology that relays detailed hitherto confidential information reflecting the times and amounts of the use of electrical power without adequately protecting that data from being accessed by unauthorized persons or entities, and as such pose an unreasonable intrusion of utility customers' privacy rights and ultimately the safety and security of the power transmission system itself. Indeed, the fact that the Commission has not established safeguards for privacy in its regulatory approvals may violate the principles set forth by the U.S. Supreme Court in *Kyllo v. United States* (2001), 533 U.S. 27.

decisions, and to integrate these public determinations into a plan which also meets the broad policy objectives of the Commission. By allowing local governments the right to exercise opt-out rights as part of this plan, the Commission can still structure the cost and rate implications of such actions in a manner that meets President Peevey's requirement that the costs caused are borne by those opting out. The Commission can also include in the opt-out plan alternative data gathering requirements, such as the procedures and timing of meter reading that will provide information necessary for operation of a broader smart grid.<sup>12</sup>

## B. The Mesh Network Configuration Adopted By PG&E Supports The Reasonableness Of A Community Opt-out Right

In addition to the authority and responsibility of local governments, the mesh network wireless radio technology adopted by PG&E further supports the reasonableness of an opt-out right being available on a basis broader than an individual residential subscriber.

In essence, under PG&E's configuration each SmartMeter transmits not only to a PG&E DCU, but transmits to all other meters in its area. These SmartMeters, in turn, re-transmit this information again to all surrounding meters, and on and on, until the cumulative data enters the PG&E network at a DCU. While PG&E points to potential weakening of this mesh by a single opt-out, and creates costs to address this assertion, the converse fact is that if a single concerned resident requests an opt-out for any of

<sup>&</sup>lt;sup>12</sup> Protestants do not concede that individual home meter information is necessary to reach this objective. The smart grid will have many measuring devices at various points of the distribution network where real time demand can be measured, without the use of the mesh network or SmartMeters. The extent of this capability is not fully available to Protestants at this time.

several legitimate reasons,<sup>13</sup> that resident will continue to receive transmissions of unmeasured strength from all surrounding meters. But if citizens of a local jurisdiction are collectively concerned enough to cause their local government to opt-out in a broader geographic area, such as a town, these external health and safety concerns are also addressed. If the SmartMeters were all connected to PG&E by a technology (such as an internet connection) which did not affect neighboring properties, this issue would not be as relevant as it is, given the mesh wireless network configuration PG&E has selected.

## V. THE OPT-OUT PLAN MUST INCLUDE AN OPTION TO RETAIN AND USE ANALOG METERS, NOT JUST THE "RADIO OFF" PROPOSAL OF PG&E, AND A REQUIREMENT THAT PG&E MINIMIZE THE COST OF SUCH ANALOG METERS THROUGH INVENTORY OR OTHER MEANS

The PG&E Application proposes that it will implement an opt-out by "turning off the radio." This would leave the SmartMeter in place, with two deactivated transmitters, but otherwise functioning as if no opt-out occurred. This approach would presumably permit PG&E to continue to install SmartMeters and the mesh network in locations where they are not yet installed, including areas subject to Moratorium Enactments.

This proposal could be an option for residential subscribers or local governments

that chose it, but it is both economically unsound and technologically flawed.

If a local jurisdiction opts out of the SmartMeter program for areas where none of

the infrastructure is present, it would be wasteful and unreasonable for PG&E to install

<sup>&</sup>lt;sup>13</sup> These reasons include not only health issues, but also concerns about privacy of transmitted data, the possibility of use by individuals with equipment capable of reading the signals to identify residences with no or very low energy use as targets for theft, to name a few. Such concerns obviously vary between local jurisdictions.

the meters and mesh network anyway. The Commission's design of this opt-out plan should therefore include an "analog opt-out" under these circumstances.

Further, on the individual residential subscriber basis even in areas where the SmartMeters and mesh networks have been installed, such an "analog opt-out" should also be available due to the technology present in the SmartMeters beyond merely the radio transmitters. Current SmartMeters contain a power supply which operates whether or not the radios are deactivated, and that continually creates significant amounts of "dirty electricity" of health concern to many people. This is not true of analog meters. The opt-out program should include this option, and ensure that availability of a sufficient supply of analog meters through reasonable inventory or other means designed to minimize the cost and assure availability of analog meters.<sup>14</sup>

## VI. PG&E'S COST STUDY EGREGIOUSLY OVERSTATES THE REASONABLE COSTS OF AN OPT-OUT BASED ON FAULTY ASSUMPTIONS AND METHODOLOGY, AND RESULTS IN PROPOSED RATES THAT ARE UNREASONABLY HIGH, UNJUST, AND DISCRIMINATORY

PG&E's cost testimony presents numerous material issues of fact that require full exploration in the hearing process.

At the outset it must be emphasized that the PG&E cost analysis is entirely focused on "turning off" the radio of already installed and functioning SmartMeters. It nowhere addresses the costs (if any) of complying with the Moratorium Enactments by not installing SmartMeters and the mesh network facilities in locations where they do not currently exist, or of allowing community opt-outs in such locations. Any such cost

<sup>&</sup>lt;sup>14</sup> See, UCAN's A.11-03-015, which describes how SDG&E has used lack of inventory of analog meters as a limiting factor on opt-opt out capabilities.

data would obviously need to include the costs saved by retaining existing metering facilities. Nor would these cost savings necessarily be offset by additional costs of meter reading as asserted in the PG&E testimony. As discussed below, the potential for applying the same cost-effective meter reading processes that would apply to an individual or communal opt-out in an area where SmartMeters already exist could also be used in areas where they do not. For example, broad use of PG&E's existing or a similar level payment plan, use of post cards or Internet reporting subject to audit and true-up, and the like.

With respect to the cost testimony PG&E did present, it is premised on faulty assumptions that have the effect, intentional or not, of resulting in rates that are prohibitively expensive for residential customers and effectively sabotage the practical reality of the proposal. For example, the PG&E study assumes that part of the cost of an opt-out must be the increased per meter cost to manually read opt-out meters on a monthly basis using physical presence at the meter location. PG&E asserts without foundational support that this is the most economical alternative to collection of such data, without specific analysis of any seemingly reasonable alternatives, such as a Commission-imposed requirement that opt-out meters participate in a level payment plan, for example, or that post card or Internet input by customers subject to true-up, is implemented.<sup>15</sup> Such reporting could be designed in the format best designed to efficiently be input into PG&E's data collection systems. Protestants do not at this time

<sup>&</sup>lt;sup>15</sup> Connection of a meter to an existing broadband service of a residence would seem a straightforward and economical alternative.

make a specific alternative proposal in this regard; any such proposal will require additional information from PG&E not included in the Application.

This issue is again different in areas where SmartMeters and the mesh network have not yet been installed. Moreover, and as Dr. Selwyn has observed, whatever additional up-front and recurring costs might be engendered by a customer's or a community's decision to opt-out prior to the installation of the SmartMeter(s) must then be offset by the costs that PG&E avoids by not installing the SmartMeters in those situations. Because PG&E's cost study failed even to address such pre-installation optouts, it afforded no consideration whatsoever to these avoided costs. For example, existing billing systems could remain in place, and community opt-outs could involve alternative avenues of addressing the costs involved.

## VII. THE COMMISSION SHOULD PROMPTLY ORDER PG&E TO COMPLY WITH THE LOCAL GOVERNMENT MORATORIUM ENACTMENTS DESCRIBED HEREIN PENDING THE COMMISSION'S DECISION IN THIS PROCEEDING

Protestants that are local government entities have adopted Moratorium Enactments that are within their legal authority and do not conflict with any exercise by the Commission of its broad authority to regulate PG&E. This proceeding will be far less meaningful if PG&E is permitted to continue to flaunt the Moratorium Enactments during its pendency. Further costs will be incurred by PG&E, perhaps wastefully, if the scope of the opt-out program is ultimately determined to include the local government opt-out rights sought by Protestants, as it should.

It would in fact be surprising if PG&E would not voluntarily agree to abide by these enactments in the absence of an authoritative determination that they are

somehow entitled to ignore them. Protestants are unaware of any such Commission determination. However, this is exactly what is occurring.

In light of these circumstances, and also in light of the expeditious schedule proposed by PG&E, such an interim preservation of the status quo would not significantly affect PG&E's overall SmartMeter program. It would not affect it all outside of jurisdictions that have adopted Moratorium Enactments. But such an interim requirement would materially support the concerns of the local government bodies involved, and allow the consideration of their opt-out proposals in this proceeding without the degradation of the potential of their ability to serve their citizens as they best determine is in their public interest.

For these reasons the schedule proposed by Protestants below includes proposed early dates for motions requesting such an order and a prompt ruling on those motions. Protestants would of course prefer that PG&E made such expenditure of limited public resources unnecessary by voluntarily agreeing to comply with the Moratorium Enactments pending the Commission's final decision, and urge the Commission to support such a voluntary agreement by PG&E.

#### VIII. CATEGORIZATION, NEED FOR HEARING AND SCHEDULE

Protestants agree with PG&E that the Commission's schedule for this proceeding should be as expeditious as possible, while still providing for full investigation of the issues presented and meaningful participation by all interested parties. Because of the numerous issues Protestants have identified at even this early stage, Protestants assert

that evidentiary hearings are required, and therefore oppose PG&E's first alternative schedule that does not provide for hearings.

As set forth in Section VII above, Protestants urge the Commission to promptly adopt an interim order in this proceeding requiring PG&E to comply with the local government ordinances and resolutions described herein pending the final Commission decision. The schedule proposed below modifies PG&E's second alternative schedule (with hearings) by proposing dates subsequent to the PHC when motions for such an order can be filed, responded to, and ruled upon on an expedited basis. This results in later subsequent procedural dates than those proposed by PG&E because Protestants have limited resources which cannot be simultaneously applied to the motion for interim order and testimony preparation.

#### Protestants' Proposed Schedule

Application Filed	March 24, 2011
Prehearing Conference	May 13, 2011
Motions for Interim Order	May 27, 2011
Responses to Motions for Interim Order	June 6, 2011
Responsive Testimony	June 20, 2011
Ruling on Motions for Interim Order	June 27, 2011
Concurrent Rebuttal Testimony	July 3, 2011
Evidentiary Hearings	July 11 – July 14, 2011 (4 days)
Opening Briefs	August 4, 2011
Reply Briefs (case Submitted)	August 18, 2011

Rather than specified dates for the Proposed and Final Decisions, Protestants urge the Commission to act in as prompt a manner as is consistent with thorough and complete investigation of the issues raised and record presented. If the Commission has entered the interim order sought by Protestants, the danger of relatively minor delays in the final decision causing a material amount of continuing installation of mesh networks and SmartMeters in violation of the local government ordinances and resolutions described above would be materially reduced.

Protestants agree with PG&E that the instant proceeding be categorized as "ratesetting."

## IX. CONCLUSION

For the reasons set forth above, the Commission should investigate the issues raised in this Protest and those of other parties, promptly issue the interim order described herein, and upon consideration of the record mandate that PG&E implement a SmartMeter opt-out plan including the components and rate structures described herein.

Dated: April 25, 2011, at Tiburon, California.

Respectfully submitted,

#### By: /s/ James M. Tobin

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Attorneys for Protestants

# ATTACHMENT A



## THE BOARD OF SUPERVISORS OF MARIN

Administration Building 3501 Civic Center Dr. Suite 329 San Rafael, California 94903-4193 Telephone (415) 499-7331 FAX (415) 499-3645 TTY (415) 499-6172 w.co.marin.ca.us/bos

April 22, 2011

Michael R. Peevey, President California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94012

Re: Marin County support for Petition of Protest and Response to PG&E SmartMeter opt-out program

Dear Mr. Peevey:

To follow our letters of April 18 and March 22, 2011, the Marin County Board of Supervisors again would like to thank the Public Utilities Commission for its recent decision directing the Pacific Gas & Electric Company (PG&E) to develop an opt-out program for its SmartMeter technology. As previously discussed, Marin County does not support PG&E's recently released SmartMeter opt-out proposal. In particular, we find objectionable their request to charge customers substantial, recurring fees to have SmartMeters removed from their homes.

On behalf of the Marin County Board of Supervisors, I write to formally notify you of our support for the Petition of Protest and Response that is being submitted by the Town of Fairfax, CA; Lake County, CA; Mendocino County, CA; and the Alliance for Human and Environmental Health. As noted in their petition, the proposal set forth in PG&E's current application is unreasonable, unjust, and does not meet the requirements set forth in your Commission's previous directives. The rate levels and rate structure proposed for exercise of an opt-out provision are based on fundamentally flawed costing assumptions and analysis set forth in the testimony of PG&E attached to their application. In addition, PG&E's proposal limits the proposed opt-out right to individual residential subscribers, and denies this right to local governments such as our own that have lawfully acted on behalf of our constituents to express a community-wide desire to opt-out of SmartMeter installations.

Marin County respectfully urges your Commission to require that PG&E's opt-out plan enable local governments to exercise a community-wide opt-out from the SmartMeter program if we determine it serves the public interest of our jurisdiction. Further, we respectfully request that the proposed cost structure imposed upon individuals or communities choosing to exercise such an opt-out option be re-evaluated to ensure it is based upon actual costs across the entire customer base.

We appreciate your consideration of our request, and wish to thank your Commission for its efforts to address this important issue.

Respectfully submitted,

Susan L. Adams, President Marin County Board of Supervisors

cc: The Honorable Assembly Member Jared Huffman The Honorable Senator Mark Leno

PRESIDENT					VICE PRESIDENT				CLERK
SUSAN L. ADAMS SAN RAFAEL	HAROLD C. BROWN SAN ANSELMO	-	VACANT	-	STEVE KINSEY SAN GERONIMO	-	JUDY ARNOLD NOVATO	-	MATTHEW H. HYMEL
1ST DISTRICT	2ND DISTRICT		3RD DISTRICT		4TH DISTRICT		5TH DISTRICT		

## ATTACHMENT B

#### ORDINANCE NO. 4272

#### URGENCY ORDINANCE IMPOSING A TEMPORARY MORATORIUM ON THE INSTALLATION OF SMARTMETERS AND RELATED EQUIPMENT IN, ALONG, ACROSS, UPON, UNDER AND OVER THE PUBLIC STREETS AND OTHER PLACES WITHIN THE UNINCORPORATED AREA OF MENDOCINO COUNTY

The Board of Supervisors of the County of Mendocino ordains as follows:

Chapter 8.300 of Title 8 is added to the Mendocino County Code to read as follows:

#### **CHAPTER 8.300**

#### SMARTMETER MORATORIUM

#### Section 8.300.010 Purpose and Intent

It is the purpose and intent of this Chapter to adopt a moratorium on the installation of SmartMeters and related equipment to allow time to analyze additional information regarding the potential risks and effects of SmartMeters to the health, safety and welfare of County residents.

#### Section 8.300.020 Findings

1. The County of Mendocino (hereinafter the "County"), through its police powers granted by Article XI of the California Constitution, retains broad discretion to legislate for public purposes and for the general welfare, including but not limited to matters of public health, safety and consumer protection.

2. The County of Mendocino has a franchise agreement with PG&E that has been in effect since 1945.

3. The County retains authority under Article XII, Section 8 of the Constitution to grant franchises for public utilities, and pursuant to California Public Utilities Code section 6203, "may in such a franchise impose such other and additional terms and conditions..., whether governmental or contractual in character, as in the judgment of the legislative body are to the public interest."

4. Public Utilities Code section 2902 reserves the County's right to supervise and regulate public utilities in matters affecting the health, convenience and safety of the general public, "such as the use and repair of public streets by any public utility, the location of the poles, wires, mains, or conduits of any public utility, on, under, or above any public streets, and the speed of common carriers operating within the limits of the municipal corporation."

5. Pacific Gas & Electric Company ("PG&E") is now installing SmartMeters in Central and Northern California and is preparing to install these meters within the County of Mendocino.

6. Concerns about the impact and accuracy of SmartMeters have been raised nationwide, leading the Maryland Public Service Commission to deny permission on June 21, 2010 for the deployment of SmartMeters in that state. The State of Hawaii Public Utility Commission also recently declined to adopt a smart grid system in that State. The City and County of San Francisco has challenged the installation and other municipalities and the cost of moratoriums, and Santa Cruz have issued moratoriums seeking to delay the implementation of SmartMeters until the questions about their accuracy can be evaluated.

7. Major problems and deficiencies with SmartMeters in California have been brought to the attention of the Board of Supervisors of the County of Mendocino, including PG&E's confirmation that SmartMeters have provided incorrect readings costing ratepayers untold thousands of dollars in overcharges and PG&E's records outlined "risks" and "issues" including an ongoing inability to recover real-time data because of faulty hardware originating with PG&E vendors.

8. The ebb and flow of gas and electricity into homes discloses detailed information about private details of daily life. Energy usage data, measured moment by moment, allows the reconstruction of a household's activities: when people wake up, when they come home, when they go on vacation, and even when they take a hot bath. SmartMeters represent a new form of technology that relays detailed hitherto confidential information reflecting the times and amounts of the use of electrical power without adequately protecting that data from being accessed by unauthorized persons or entities and as such pose an unreasonable intrusion of utility customers' privacy rights and security interests. Indeed, the fact that the CPUC has not established safeguards for privacy in its regulatory approvals may violate the principles set forth by the U.S. Supreme Court in *Kyllo v. United States* (2001), 533 U.S. 27.

9. There is now evidence showing that problems with SmartMeters could adversely impact the amateur radio communication network that operates throughout California and neighboring states, as well as other radio emergency communication systems that serve first responders, government agencies, and the public.

10. Significant health questions have been raised concerning the increased electromagnetic frequency radiation (EMF) emitted by the wireless technology in SmartMeters, which will be in every house, apartment and business, thereby adding additional human-made EMF to our environment around the clock to the already existing EMF from utility poles, individual meters and telephone poles.

11. FCC safety standards do not exist for chronic long-term exposure to EMF or from multiple sources, and reported adverse health effects from electromagnetic pollution include sleep disorders, irritability, short term memory loss, headaches, anxiety, nausea, DNA breaks, abnormal cell growth, cancer, premature aging, etc. Because of untested technology, international scientists, environmental agencies, advocacy groups and doctors are calling for the use of caution in wireless technologies; and

12. The primary justification given for the SmartMeters program is the assertion that it will encourage customers to move some of their electricity usage from daytime to evening hours; however, PG&E has conducted no actual pilot projects to determine whether this

assumption is in fact correct. Non-transmitting time-of-day meters are already available for customers who desire them, and enhanced customer education is a viable non-technological alternative to encourage electricity use timeshifting. Further, some engineers and energy conservation experts believe that the SmartMeters program--in totality--could well actually increase total electricity consumption and therefore the carbon footprint.

14. Assembly Member Jared Huffman also recently introduced legislation (AB 37) which would add a section to the Public Utilities Code to require the CPUC to identify alternative options for customers who do not wish to have a wireless SmartMeter installed and allow customers to opt-out of wireless SmartMeter installation, including removing existing SmartMeters where requested by the customer. Most importantly, the legislation would suspend deployment of SmartMeters until the CPUC meets the above requirements.

#### 15. Because the potential risks to the health, safety and welfare of

County residents are so great, the Board of Supervisors wishes to adopt a moratorium on the installation of SmartMeters and related equipment within the unincorporated area of the County of Mendocino. The moratorium period will allow legislative process referenced above to be completed and for additional information to be collected and analyzed regarding potential problems with SmartMeters.

16. There is a current and immediate threat to public health, safety and welfare because, without this ordinance, SmartMeters or supporting equipment will be installed or constructed or modified in the County without PG&E's complying with the CPUC process for consultation with the local jurisdiction, the County's Code requirements, and subjecting residents of Mendocino County to the privacy, security, health, accuracy and consumer fraud risks of the unproven SmartMeter technology.

17. The Board of Supervisors hereby finds that it can be seen with certainty that there is no possibility that the adoption and implementation of this Ordinance may have a significant effect on the environment. This Ordinance does not authorize construction or installation of any facilities and, in fact, imposes greater restrictions on such construction and installation in order to protect the public health, safety and general welfare. This Ordinance is therefore exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

18. There is no feasible alternative to satisfactorily study the potential impact identified above as well or better with a less burdensome or restrictive effect than the adoption of this urgency moratorium ordinance; and

19. Based on the foregoing it is in the best interest of public health, safety and welfare to allow adequate study of the impacts resulting from the SmartMeter technology; therefore it is appropriate to adopt a moratorium that would remain in effect from the date of its adoption until it sunsets in accordance with the provisions set forth in Section 8.300.080 unless your Board acts to repeal it prior to that date.

#### Section 8.300.030. Moratorium

From and after the effective date of this Ordinance, no SmartMeter may be installed in or on any home, apartment, condominium or business of any type within the unincorporated area of the County of Mendocino, and no equipment related to SmartMeters may be installed in, on, under, or above any public street or public right of way within the unincorporated area of the County of Mendocino.

#### Section 8.300.040 Violation

Violations of the Moratorium may be charged as infractions or misdemeanors as set forth in Chapter 1.04.110 of the Mendocino County Code. In addition, violations shall be deemed public nuisances, with enforcement by injunction or any other remedy authorized by law.

#### Section 8.300.050 Severability

If any provision of this Chapter or the application thereof to any person or circumstance is held invalid, the remainder of this Chapter, including the application of such party or provision to other circumstances shall not be affected thereby and shall continue in full force and effect. To this end, provisions of this Chapter are severable. The Board of Supervisors hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase hereof irrespective of the fact that any one (1) or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be held unconstitutional, invalid or unenforceable.

#### Section 8.300.060 Compliance With CEQA

The County finds that this Chapter is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15061(b)(3) (there is no possibility the activity in question may have a significant effect on the environment). In addition to the foregoing general exemptions, the following categorical exemptions apply: Sections 15308 (actions taken as authorized by local ordinance to assure protection of the environment) and 15321 (action by agency for enforcement of a law, general rule, standard or objective administered or adopted by the agency, including by direct referral to the County Counsel as appropriate for judicial enforcement).

#### Section 8.300.070 Effective Date

The Clerk of the Board will publish the Ordinance codified in this Chapter as required by law. The Ordinance codified in this Chapter shall take effect immediately.

#### Section 8.300.080 Sunset Date

This ordinance shall sunset within thirty (30) days after both of the following conditions are met:

- 1. At the time PG&E offers to its customers an alternative to wireless advanced metering infrastructure devices; and
- Information about the technology and risks associated with the specific model of advanced metering infrastructure device being proposed for installation is provided to customers residing in the unincorporated areas of the County."

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PASSED AND ADOPTED by the Board of Supervisors of the County of Mendocino,

State of California, on this 25<sup>th</sup> day of January, 2011, by the following roll call vote:

AYES:Supervisors Brown, McCowen, Pinches, Smith, and HamburgNOES:NoneABSENT:None

WHEREUPON, the Chair declared the Ordinance passed and adopted and SO ORDERED.

ndall Smith

KENDALL SMITH, Chair Board of Supervisors

ATTEST: CARMEL J. ANGELO Clerk of Said Board

By:

APPROVED AS TO FORM:

JEANINE B. NADEL, County Counsel

By Deputy

I hereby certify that according to the provisions of Government Code sections 25103, delivery of this document has been made.

CARMEL J ANGELO Clerk of the Board

By Deputy

## Board of Supervisors: Temporary SmartMeter installation moratorium

Contributed by Lake County Board of Supervisors Monday, 14 March 2011

BOARD OF SUPERVISORS, COUNTY OF LAKE, STATE OF CALIFORNIA ORDINANCE NO. 2942

AN ORDINANCE ADOPTED AS AN URGENCY MEASURE IMPOSING A TEMPORARY MORATORIUM ON THE INSTALLATION OF SMART METERS AND RELATED EQUIPMENT IN, ALONG, ACROSS, UPON, UNDER AND OVER THE PUBLIC STREETS AND OTHER PLACES WITHIN THE UNINCORPORATED AREA OF LAKE COUNTY

WHEREAS, the County of Lake (the "County") through its police powers granted by Article XI of the California Constitution, retains broad discretion to legislate for public purposes and for the general welfare, including but not limited to matters of public health, safety, and consumer protection; and

WHEREAS, the County has a franchise agreement with Pacific Gas and Electric ("PG&E") that has been in effect since the 1950s; and

WHEREAS, in addition, the County retains authority under Article XII, Section 8 of the Constitution to grant franchises for public utilities and, pursuant to California Public Utilities Code Section 6023, " . . . may in such a franchise impose such other and additional terms and conditions not in conflict with this chapter, whether governmental or contractual in character, as in the judgment of the legislative body are to the public interest"; and

WHEREAS, California Public Utilities Code Section 2902 reserves the County's right to supervise and regulate public utilities in matters affecting the health, convenience and safety of the general public, "including matters such as the use and repair of public streets by any public utility, the location of the poles, wires, mains, or conduits of any public utility, on, under, or above any public streets, and the speed of common carriers operating within the limits of the municipal corporation"; and

WHEREAS, PG&E is now installing Smart Meters in central and northern California and is installing these meters in the County of Lake; and

WHEREAS, concerns about the impact and accuracy of Smart Meters have been raised nationwide, leading the Maryland Public Service Commission to deny permission of June 21, 2010 for the deployment of Smart Meters in that state. The State of Hawaii Public Utility Commission also recently declined to adopt a smart grid system in that state. The California Public Utilities Commission ("CPUC") recently had before it a petition from the City and County of San Francisco and other municipalities seeking to delay the implementation of Smart Meters until questions about their accuracy can be evaluated; and

WHEREAS, major problems and deficiencies with Smart Meters in California have been brought to the attention of the Board of Supervisors of the County of Lake, including the significant concerns of many County residents as to the potential negative impacts to health and privacy. Additionally, this Board is aware of PG&E's confirmation that Smart Meters have provided incorrect readings costing taxpayers untold thousands of dollars in overcharges and that PG&E's records outlined "risks" and "issues" including an ongoing ability to recover real-time data because of faulty hardware from PG&E vendors; and

WHEREAS, the ebb and flow of gas and electricity into homes discloses detailed information about the private details of daily life. Energy usage data, measured moment by moment, allows the reconstruction of a household's activities: when people awake, when they come home, when they are on vacation, and even when they take a hot bath. Smart Meters represent a new form of technology that relays detailed hitherto confidential information reflecting the times and amounts of the use of electric power without adequately protecting that data from being accessed by unauthorized persons or entities and, as such, these meters pose an unreasonable intrusion of utility customers' privacy rights and security interests. The fact the CPUC has not established safeguards for privacy in its regulatory approvals may violate the principles set forth by the United States Supreme Court in Kyllo v. United States (2001), 533 U.S. 27; and

WHEREAS, there is now evidence showing that problems with Smart Meters could adversely impact the amateur radio communication network that operates throughout California and neighboring states, as well as other radio emergency communication systems that serve first responders, government agencies, and the public; and

WHEREAS, significant health questions have been raised concerning the increased electromagnetic frequency radiation ("EMF") emitted by the wireless technology in Smart Meters, which will be in every house, apartment, and business, thereby adding more man-made EMF to our environment on a continuous basis; and

WHEREAS, Federal Communications Commission ("FCC") safety standards do not exist for chronic longterm exposure to EMF or from multiple sources and reported adverse health effects from electromagnetic pollution include sleep disorders, irritability, short-term memory loss, headaches, anxiety, nausea, DNA breaks, abnormal cell growth, cancer, premature aging, etc. Because of untested technology, international scientists, environmental agencies, advocacy groups, and doctors are calling for the use of caution in wireless technologies; and

WHEREAS, the primary justification given for the Smart Meters program is the assertion that it will encourage customers to move some of their electricity usage from daytime to evening hours; however, PG&E has conducted no actual pilot projects to determine whether this assumption is in fact correct. Non-transmitting time-of-day meters are already available for customers who desire the, and enhanced customer education is a viable non-technological alternative to encourage electricity use timeshifting. Further, some engineers and energy conservation experts believe that the Smart Meter program could, in totality, actually increase total energy consumption and, therefore, the carbon footprint; and

WHEREAS, Assembly Member Jared Huffman has requested the California Council on Science and Technology to advise him on whether the FCC's standards for Smart Meters are sufficiently protective and to assess whether additional technology-specific standards are needed for Smart Meters; and

WHEREAS, a response to Assembly Member Huffman from the Council on Science and Technology is expected in the near future; and

WHEREAS, Assembly Member Huffman has also recently introduced legislation (Assembly Bill 37) which would add a section to the Public Utilities Code to require the CPUC to identify alternative options for customers who do not wish to have a wireless Smart Meter installed and to allow customers to opt out of wireless Smart Meter installation, including removal of existing Smart Meters when requested by the customer. Most importantly, the legislation would suspend deployment of Smart Meters until the CPUC meets the above requirements; and

WHEREAS, because the potential risks to the health, safety, and welfare of County residents are so great, the Board of Supervisors wishes to adopt a moratorium on the installation of Smart Meters and related equipment within the unincorporated area of the County of Lake. The moratorium period will allow the Council on Science and Technology and the legislative process referenced above to be completed and for additional information to be collected and analyzed regarding potential problems with Smart Meters; and

WHEREAS, there is a current and immediate threat to public health, safety, and welfare because, without this urgency ordinance, Smart Meters or supporting equipment will be installed or constructed or modified in the County without PG&E's compliance with the CPUC process for consultation with the local jurisdiction, the County's Code requirements, and will subject residents of Lake County to the privacy, security, health, accuracy, and consumer fraud risks of this unproven Smart Meter technology; and

WHEREAS, the Board of Supervisors hereby finds that it can seen with certainty that there is no possibility that the adoption and implementation of this Ordinance may have a significant effect on the environment. This Ordinance does not authorize the construction or installation of any facilities and, in fact, imposes greater restrictions on such construction and installation in order to protect the public health, safety, and general welfare. This Ordinance is, therefore, exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations; and

WHEREAS, there is no feasible alternative to satisfactorily study the potential impact identified above as well or better with a less burdensome or restrictive effect than the adoption of this interim urgency moratorium ordinance; and

WHEREAS, based on the foregoing, it is in the best interest of public health, safety and welfare to allow adequate study of the impacts resulting from the Smart Meter technology and it is, therefore, appropriate to adopt a temporary moratorium which would remain in effect from the date of adoption until December 31, 2011, unless your Board acts to repeal it prior to that date.

NOW THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF LAKE, STATE OF CALIFORNIA, ORDAINS AS FOLLOWS:

Section 1: Moratorium. From and after the effective date of this Ordinance, no Smart Meter may be installed in or on any home, apartment, condominium or business of any type within the unincorporated area of the County of Lake and no equipment related to Smart Meters may be installed in, on, under, or above any public street or public right-of-way within the unincorporated area of the County of Lake.

Section 2: Violations of the Moratorium may be charged as infractions or misdemeanors as set forth in Section 1.04.160 of the Lake County Code. In addition, violations shall be deemed public nuisances, with enforcement by injunction or any other remedy authorized by law.

Section 3: This Board of Supervisors finds and determines that: (a) there is a current and immediate threat to the public peace, health, or safety; (b) the moratorium must be imposed in order to protect and preserve the public interest, health, safety, comfort, and convenience and to preserve the public welfare; and (c) It is necessary to preserve the public health and safety of all residents or landowners adjacent to such uses as are affected by this interim ordinance was well as to protect all citizens of Lake County by preserving and improving the aesthetic and economic conditions of the County.

Section 4: All ordinances or parts of ordinances or resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict and no further.

Section 5: This interim ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Section 15060(c)(2) in that the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment and Section 15060(c)(3) in that the activity is not a project as defined in Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 6: This ordinance shall take effect immediately based on the findings by the Board of Supervisors that this ordinance is necessary for the protection of the public health, safety, and general welfare. This ordinance shall be in full force and effect from the date of its adoption by the Board of Supervisors until December 31, 2011 and which time its terms and provisions shall expire and no longer remain in effect.

The foregoing ordinance was passed and adopted by the Lake County Board of Supervisors on March 8, 2011. AYES: Supervisors Smith, Farrington, Brown and Comstock

NOES: None

ABSENT OR NOT VOTING: Supervisor Rushing Absent

Chair, Board of Supervisors

Ву:	ATTEST: KELLY F. COX	Clerk of the Board of Supervisors
Ву:	APPROVED AS TO FORM:	ANITA L. GRANT County Counsel

#### **ORDINANCE NO. 3552**

#### AN UNCODIFIED ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF MARIN ADOPTED AS AN URGENCY MEASURE IMPOSING A TEMPORARY MORATORIUM ON THE INSTALLATION OF SMARTMETERS AND RELATED EQUIPMENT IN, ALONG, ACROSS, UPON, UNDER AND OVER THE PUBLIC STREETS AND OTHER PLACES WITHIN THE UNINCORPORATED AREA OF MARIN COUNTY

THE BOARD OF SUPERVISORS OF THE COUNTY OF MARIN FIND AS FOLLOWS:

WHEREAS, the County of Marin (the "County"), through its police powers granted by Article XI of the California Constitution, retains broad discretion to legislate for public purposes and for the general welfare, including but not limited to matters of public health, safety and consumer protection; and

**WHEREAS**, the County of Marin has a franchise agreement with PG&E that has been in effect since the early 1950's; and

WHEREAS, in addition, the County retains authority under Article XII, Section 8 of the Constitution to grant franchises for public utilities, and pursuant to California Public Utilities Code section 6203, "may in such a franchise impose such other and additional terms and conditions..., whether governmental or contractual in character, as in the judgment of the legislative body are to the public interest;" and

WHEREAS, Public Utilities Code section 2902 reserves the County's right to supervise and regulate public utilities in matters affecting the health, convenience and safety of the general public, such as the use and repair of public streets by any public utility, the location of the poles, wires, mains, or conduits of any public utility, on, under, or above any public streets, and the speed of common - carriers operating within the limits of the municipal corporation;" and

**WHEREAS**, Pacific Gas & Electric Company ("PG&E") is now installing SmartMeters in Central and Northern California and is installing these meters within the County of Marin; and

WHEREAS, concerns about the impact and accuracy of SmartMeters have been raised nationwide, leading the Maryland Public Service Commission to deny permission on June 21, 2010 for the deployment of SmartMeters in that state. The State of Hawaii Public Utility Commission also recently declined to adopt a smart grid system in that state. The CPUC recently had before it a petition from the City and County of San Francisco, and other municipalities, seeking to delay the implementation of SmartMeters until the questions about their accuracy can be evaluated; and

WHEREAS, major problems and deficiencies with SmartMeters in California have been brought to the attention of the Board of Supervisors of the County of Marin, including PG&E's confirmation that SmartMeters have provided incorrect readings costing ratepayers untold thousands of dollars in overcharges and PG&E's records outlined "risks" and "issues" including an ongoing inability to recover real-time data because of faulty hardware originating with PG&E vendors; and

WHEREAS, the ebb and flow of gas and electricity into homes discloses detailed information about private details of daily life. Energy usage data, measured moment by moment, allows the reconstruction of a household's activities: when people wake up, when they

come home, when they go on vacation, and even when they take a hot bath. SmartMeters represent a new form of technology that relays detailed hitherto confidential information reflecting the times and amounts of the use of electrical power without adequately protecting that data from being accessed by unauthorized persons or entities and as such pose an unreasonable intrusion of utility customers' privacy rights and security interests. Indeed., the fact that the CPUC has not established safeguards for privacy in its regulatory approvals may violate the principles set forth by the U.S. Supreme Court in Kyllo v. United States (2001), 533 U.S. 27; and

WHEREAS, there is now evidence showing that problems with SmartMeters could adversely impact the amateur radio communication network that operates throughout California and neighboring states, as well as other radio emergency communication systems that serve first responders, government agencies, and the public; and

WHEREAS, significant health questions have been raised concerning the increased electromagnetic frequency radiation (EMF) emitted by the wireless technology in SmartMeters, which will be in every house, apartment and business, thereby adding additional man-made EMF to our environment around the clock to the already existing EMF from utility poles, individual meters and telephone poles; and

WHEREAS, FCC safety standards do not exist for chronic long-term exposure to EMF or from multiple sources, and reported adverse health effects from electromagnetic pollution include sleep disorders, irritability, short term memory loss, headaches, anxiety, nausea, DNA breaks, abnormal cell growth, cancer, premature aging, etc. Because of untested technology, international scientists, environmental agencies, advocacy groups and doctors are calling for the use of caution in wireless technologies; and

WHEREAS, the primary justification given for the SmartMeters program is the assertion that it will encourage customers to move some of their electricity usage from daytime to evening hours; however, PG&E has conducted no actual pilot projects to determine whether this assumption is in fact correct. Non-transmitting time-of-day meters are already available for customers who desire them, and enhanced customer education is a viable non-technological alternative to encourage electricity use timeshifting. Further, some engineers and energy conservation experts believe that the SmartMeters program -- in totality -- could well actually increase total electricity consumption and therefore the carbon footprint; and

WHEREAS, Assembly member Jared Huffman has requested the California Council on Science and Technology to advise him on whether the Federal Communications Commission's standards for SmartMeters are sufficiently protective and assess whether additional technology-specific standards are needed for SmartMeters; and

**WHEREAS**, a response to Assembly member Huffman from the Council on Science and Technology is expected in the near future; and

WHEREAS, Assembly Member Huffman has also recently introduced legislation (AB 37) which would add a section to the Public Utilities Code to require the CPUC to identify alternative options for customers who do not wish to have a wireless SmartMeter installed and allow customers to opt-out of wireless SmartMeter installation, including removing existing SmartMeters where requested by the customer. Most importantly, the legislation would suspend deployment of SmartMeters until the CPUC meets the above requirements; and

WHEREAS, this Board of Supervisors has sent letters to the President of the CPUC on July 20, 2010 and again on October 26, 2010 asking that the CPUC suspend PG&E's authority to deploy SmartMeters or related equipment in Marin County until certain reports now in process have been completed and reviewed and considered, and certain other conditions have been met; and

WHEREAS, there has been no response to either of these letters; and

WHEREAS, because the potential risks to the health, safety and welfare of County residents are so great, the Board of Supervisors wishes to adopt a moratorium on the installation of SmartMeters and related equipment within the unincorporated area of the County of Marin. The moratorium period will allow the Council on Science and Technology and legislative process referenced above to be completed and for additional information to be collected and analyzed regarding potential problems with SmartMeters; and

WHEREAS, there is a current and immediate threat to public health, safety and welfare because, without this urgency ordinance, SmartMeters or supporting equipment will be installed or constructed or modified in the County without PG&E's complying with the CPUC process for consultation with the local jurisdiction, the County's Code requirements, and subjecting residents of Marin County to the privacy, security, health, accuracy and consumer fraud risks of the unproven SmartMeter technology; and

WHEREAS, the Board of Supervisors hereby finds that it can be seen with certainty that there is no possibility that the adoption and implementation of this Ordinance may have a significant effect on the environment. This Ordinance does not authorize construction or installation of any facilities and, in fact, imposes greater restrictions on such construction and installation in order to protect the public health, safety and general welfare. This Ordinance is therefore exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations; and

**WHEREAS**, there is no feasible alternative to satisfactorily study the potential impact identified above as well or better with a less burdensome or restrictive effect than the adoption of this interim urgency moratorium ordinance; and

WHEREAS, based on the foregoing it is in the best interest of public health, safety and welfare to allow adequate study of the impacts resulting from the SmartMeter technology; therefore it is appropriate to adopt a temporary moratorium that would remain in effect from the date of its adoption until December 31, 2011, unless your Board acts to repeal it prior to that date.

**NOW, THEREFORE, BE IT ORDAINED** by the Board of Supervisors of the County of Marin as follows:

#### SECTION I

Moratorium. From and after the effective date of this Ordinance, no SmartMeter may be installed in or on any home, apartment, condominium or business of any type within the unincorporated area of the County of Marin, and no equipment related to SmartMeters may be installed in, on, under, or above any public street or public right of way within the unincorporated area of the County of Marin.

#### SECTION II

Violations of the Moratorium may be charged as infractions or misdemeanors as set forth in Section 1.04.270 of the Marin County Code. In addition, violations shall be deemed public nuisances, with enforcement by injunction or any other remedy authorized by law.

#### SECTION III

This Board of Supervisors finds and determines that: (a) there is a current and immediate threat to the public peace, health, or safety; (b) the moratorium must be imposed in order to protect and preserve the public interest, health, safety, comfort and convenience and to preserve the public welfare; and (c) it is necessary to preserve the public health and safety of all residents or landowners adjacent to such uses as are affected by this interim ordinance as well as to protect all of the citizens of Marin County by preserving and improving the aesthetic and economic conditions of the County.

#### SECTION IV

If any provision of this interim ordinance is held to be unconstitutional, it is the intent of the Board of Supervisors that such portions of such ordinance be severable from the remainder and the remainder be given full force and effect.

#### SECTION V

This interim ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Section 15060(c) (2) — the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment and Section 15060(c) (3) — the activity is not a project as defined in Section 15378 of the CEQA Guidelines, because it has no potential for resulting in physical change to the environment, directly or indirectly.

#### SECTION VI

Effective Dates. This ordinance shall take effect immediately based on the findings by the Board of Supervisors that this ordinance is necessary for the protection of the public health, safety, and general welfare. This ordinance shall be in full force and effect from the date of its adoption by the Board of Supervisors until December 31, 2011, at which time its terms and provisions shall expire and no longer remain in effect.

**PASSED AND ADOPTED** at a regular meeting of the Board of Supervisors of the County of Marin held on this 4th day of January 2011 by the following vote:

AYES: SUPERVISORS Judy Arnold, Charles McGlashan, Steve Kinsey, Susan Adams NOES: NONE

ABSENT: SUPERVISOR Harold C. Brown, Jr.

ATTEST:
#### ORDINANCE NO. 5084

## AN UNCODIFIED ORDINANCE OF THE COUNTY OF SANTA CRUZ ADOPTED AS AN URGENCY MEASURE IMPOSING A TEMPORARY MORATORIUM ON THE INSTALLATION OF SMARTMETERS AND RELATED EQUIPMENT IN, ALONG, ACROSS, UPON, UNDER AND OVER THE PUBLIC STREETS AND OTHER PLACES WITHIN THE UNINCORPORATED AREA OF SANTA CRUZ COUNTY

The Board of Supervisors of the County of Santa Cruz find as follows:

WHEREAS, the County of Santa Cruz (the "County"), through its police powers granted by Article XI of the California Constitution, retains broad discretion to legislate for public purposes and for the general welfare, including but not limited to matters of public health, safety and consumer protection; and

WHEREAS, the County of Santa Cruz has a franchise agreement with PG&E that has been in effect since 1955; and

WHEREAS, in addition, the County retains authority under Article XII, Section 8 of the Constitution to grant franchises for public utilities, and pursuant to California Public Utilities Code section 6203, "may in such a franchise impose such other and additional terms and conditions..., whether governmental or contractual in character, as in the judgment of the legislative body are to the public interest;" and

WHEREAS, Public Utilities Code section 2902 reserves the County's right to supervise and regulate public utilities in matters affecting the health, convenience and safety of the general public, "such as the use and repair of public streets by any public utility, the location of the poles, wires, mains, or conduits of any public utility, on, under, or above any public streets, and the speed of common carriers operating within the limits of the municipal corporation;" and

WHEREAS, Pacific Gas & Electric Company ("PG&E") is now installing SmartMeters in Central and Northern California and is installing these meters within the County of Santa Cruz; and

WHEREAS, concerns about the impact and accuracy of SmartMeters have been raised nationwide, leading the Maryland Public Service Commission to deny permission on June 21, 2010 for the deployment of SmartMeters in that state. The State of Hawaii Public Utility Commission also recently declined to adopt a smart grid system in that state. The CPUC currently has pending before it a petition from the City and County of San Francisco, and other municipalities, seeking to delay the implementation of SmartMeters until the questions about their accuracy can be evaluated; and

WHEREAS, major problems and deficiencies with SmartMeters in California have been brought to the attention of the Board of Supervisors of the County of Santa Cruz, including PG&E's confirmation that SmartMeters have provided incorrect readings costing ratepayers untold thousands of dollars in overcharges and PG&E's records outlined "risks" and "issues" including an ongoing inability to recover real-time data because of faulty hardware originating with PG&E vendors; and

WHEREAS, the ebb and flow of gas and electricity into homes discloses detailed information about private details of daily life. Energy usage data, measured moment by moment, allows the reconstruction of a household's activities: when people wake up, when they come home, when they go on vacation, and even when they take a hot bath. SmartMeters represent a new form of technology that relays detailed hitherto confidential information reflecting the times and amounts of the use of electrical power without adequately protecting that data from being accessed by unauthorized persons or entities and as such pose an unreasonable intrusion of utility customers' privacy rights and security interests. Indeed, the fact that the CPUC has not established safeguards for privacy in its regulatory approvals may violate the principles set forth by the U.S. Supreme Court in *Kyllo v. United States* (2001), 533 U.S. 27; and

WHEREAS, there is now evidence showing that problems with SmartMeters could adversely impact the amateur radio communication network that operates throughout California and neighboring states, as well as other radio emergency communication systems that serve first responders, government agencies, and the public; and

WHEREAS, significant health questions have been raised concerning the increased electromagnetic frequency radiation (EMF) emitted by the wireless technology in SmartMeters, which will be in every house, apartment and business, thereby adding additional human-made EMF to our environment around the clock to the already existing EMF from utility poles, individual meters and telephone poles; and

WHEREAS, FCC safety standards do not exist for chronic long-term exposure to EMF or from multiple sources, and reported adverse health effects from electromagnetic pollution include sleep disorders, irritability, short term memory loss, headaches, anxiety, nausea, DNA breaks, abnormal cell growth, cancer, premature aging, etc. Because of untested technology, international scientists, environmental agencies, advocacy groups and doctors are calling for the use of caution in wireless technologies; and

WHEREAS, the primary justification given for the SmartMeters program is the assertion that it will encourage customers to move some of their electricity usage from daytime to evening hours; however, PG&E has conducted no actual pilot projects to determine whether this assumption is in fact correct. Nontransmitting time-of-day meters are already available for customers who desire them, and enhanced customer education is a viable non-technological alternative to encourage electricity use timeshifting. Further, some engineers and energy conservation experts believe that the SmartMeters program--in totality--could well actually increase total electricity consumption and therefore the carbon footprint; and

WHEREAS, Assembly member Jared Huffman has requested the California Council on Science and Technology to advise him on whether the Federal Communications Commission's standards for SmartMeters are sufficiently protective and assess whether additional technology-specific standards are needed for SmartMeters; and

WHEREAS, a response to Assembly member Huffman from the Council on Science and Technology is expected in the near future; and

WHEREAS, Assembly Member Huffman has also recently introduced legislation (AB 37) which would add a section to the Public Utilities Code to require the CPUC to identify alternative options for customers who do not wish to have a wireless SmartMeter installed and allow customers to opt-out of wireless SmartMeter installation, including removing existing SmartMeters where requested by the customer. Most importantly, the legislation would suspend deployment of SmartMeters until the CPUC meets the above requirements; and

WHEREAS, this Board of Supervisors sent a letter to the CPUC on September 15, 2010 expressing concern about reports that SmartMeter technology was interfering with the proper functioning of common household devices and requesting a response from the CPUC; and

WHEREAS, there has been no response by the CPUC to the letter sent by the Board of Supervisors; and

WHEREAS, because the potential risks to the health, safety and welfare of County residents are so great, the Board of Supervisors wishes to adopt a moratorium on the installation of SmartMeters and related equipment within the unincorporated area of the County of Santa Cruz. The moratorium period will allow the Council on Science and Technology and legislative process referenced above to be completed and for additional information to be collected and analyzed regarding potential problems with SmartMeters; and

WHEREAS, there is a current and immediate threat to public health, safety and welfare because, without this urgency ordinance, SmartMeters or supporting equipment will be installed or constructed or modified in the County without PG&E's complying with the CPUC process for consultation with the local jurisdiction, the County's Code requirements, and subjecting residents of Santa Cruz County to the privacy, security, health, accuracy and consumer fraud risks of the unproven SmartMeter technology; and

WHEREAS, the Board of Supervisors hereby finds that it can be seen with certainty that there is no possibility that the adoption and implementation of this Ordinance may have a significant effect on the environment. This Ordinance does not authorize construction or installation of any facilities and, in fact, imposes greater restrictions on such construction and installation in order to protect the public health, safety and general welfare. This Ordinance is therefore exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

WHEREAS, there is no feasible alternative to satisfactorily study the potential impact identified above as well or better with a less burdensome or restrictive effect than the adoption of this interim urgency moratorium ordinance; and

WHEREAS, based on the foregoing it is in the best interest of public health, safety and welfare to allow adequate study of the impacts resulting from the SmartMeter technology; therefore it is appropriate to adopt a temporary moratorium that would remain in effect from the date of its adoption until December 31, 2011, unless your Board acts to repeal it prior to that date.

**NOW, THEREFORE BE IT ORDAINED** by the Board of Supervisors of the County of Santa Cruz as follows:

#### **SECTION I**

Moratorium. From and after the effective date of this Ordinance, no SmartMeter may be installed in or on any home, apartment, condominium or business of any type within the unincorporated area of the County of Santa Cruz, and no equipment related to SmartMeters may be installed in, on, under, or above any public street or public right of way within the unincorporated area of the County of Santa Cruz.

#### **SECTION II**

Violations of the Moratorium may be charged as infractions or misdemeanors as set forth in Chapter 1.12 of the Santa Cruz County Code. In addition, violations shall be deemed public nuisances, with enforcement by injunction or any other remedy authorized by law.

#### **SECTION III**

This Board of Supervisors finds and determines that: (a) there is a current and immediate threat to the public peace, health, or safety; (b) the moratorium must be imposed in order to protect and preserve the public interest, health, safety, comfort and convenience and to preserve the public welfare; and (c) it is necessary to preserve the public health and safety of all residents or landowners adjacent to such uses as are affected by this interim ordinance as well as to protect all of the citizens of Santa Cruz County by preserving and improving the aesthetic and economic conditions of the County.

#### **SECTION IV**

If any provision of this interim ordinance is held to be unconstitutional, it is the intent of the Board of Supervisors that such portions of such ordinance be severable from the remainder and the remainder be given full force and effect.

#### **SECTION V**

This interim ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Section 15060(c) (2) – the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment and Section 15060(c) (3) – the activity is not a project as defined in Section 15378 of the CEQA Guidelines, because it has no potential for resulting in physical change to the environment, directly or indirectly.

#### **SECTION IV**

Effective Dates. This ordinance shall take effect immediately based on the findings by the Board of Supervisors that this ordinance is necessary for the protection of the public health, safety, and general welfare. This ordinance shall be in full force and effect from the date of its adoption by the Board of Supervisors until December 31, 2011, at which time it's terms and provision shall expire and no longer remain in effect.

PASSED AND ADOPTED THIS <u>11th</u> day of <u>January</u>, 2011, by the Board of Supervisors of the County of Santa Cruz by the following vote:

5

AYES:	SUPERVISORS	Leopold,	Caput,	Pirie,	Coonerty	and	Stone
NOES:	SUPERVISORS	None					
ABSENT:	SUPERVISORS	None					
ABSTAIN:	SUPERVISORS	None					

## MARK W. STONE

Chairperson of the Board of Supervisors

Attest:

Clerk of the Board

APPROVED AS TO FORM: 0

County Counsel

I HEREBY CER GOING INSTRUMENT OFFICE OP VAL ON OF SUS AURIELLO, COUNTY ADMINISTRATIVE OFFICER AND OF ORNU B



## **URGENCY ORDINANCE NO. 952**

#### AN UNCODIFIED ORDINANCE OF THE CITY OF CAPITOLA ADOPTED AS AN URGENCY MEASURE IMPOSING A TEMPORARY MORATORIUM ON THE INSTALLATION OF PG&E SMARTMETERS AND RELATED EQUIPMENT IN, ALONG, ACROSS, UPON, UNDER AND OVER THE PUBLIC STREETS AND OTHER PLACES WITHIN THE CITY OF CAPITOLA

The City Council of the City of Capitola finds as follows:

A. WHEREAS, the City of Capitola ("City") through its police powers granted by Article XI of the California Constitution, retains broad discretion to legislate for public purposes and for the general welfare, including but not limited to matters of public health, safety and consumer protection; and

B. WHEREAS, the City has a franchise agreement with PG&E that has been in effect since April 18, 1949; and

C. WHEREAS, in addition, the City retains authority under Article XII, Section 8 of the Constitution to grant franchises for public utilities, and pursuant to California Public Utilities Code Section 6203, "may in such a franchise impose such other and additional terms and conditions..." whether governmental or contractual, as in the judgment of the legislative body are to the public interest;" and

D. WHEREAS, Public Utilities Code section 2902 reserves the City's right to supervise and regulate public utilities in matters affecting the health, convenience and safety of the general public, "such as the use and repair of public streets by any public utility, the location of the poles, wires, mains, or conduits of any public utility, on, under, or above any public streets, and the speed of common carriers operating within the limits of the municipal corporation;" and

E. WHEREAS, Pacific Gas & Electric Company ("PG&E") is now installing SmartMeters in Central and Northern California and is installing these meters within the City of Capitola; and

F. WHEREAS, concerns about the impact and accuracy of SmartMeters have been raised nationwide, leading the Maryland Public Service Commission to deny permission on June 21, 2010 for the deployment of SmartMeters in that state. The State of Hawaii Public Utility Commission also recently declined to adopt a smart grid system in that state; and

G. WHEREAS, major problems and deficiencies with PG&E SmartMeters in California have been brought to the attention of the City Council of the City of Capitola, including PG&E's confirmation that its SmartMeters have provided incorrect readings costing ratepayers untold thousands of dollars in overcharges. In addition, PG&E records outline "risks" and "issues" including an ongoing inability to recover real-time data because of faulty hardware originating with PG&E vendors; and

H. WHEREAS, the ebb and flow of gas and electricity into homes discloses detailed information about private aspects of daily life. Energy usage data, measured moment by moment, allows the reconstruction of a household's activities: when people wake up, when they come home, when they go on vacation, and even when they take a hot bath. SmartMeters represent a new form of technology that relays detailed hitherto confidential information reflecting the times and amounts of the use of electrical power without adequately protecting that data from being accessed by

unauthorized persons or entities and as such pose an unreasonable intrusion of utility customers' privacy rights and security interests. Indeed, the fact that the CPUC has not established safeguards for privacy in its regulatory approvals may violate the principles set forth by the U.S. Supreme Court in *Kyllo v. United States* (2001),533 U.S. 27; and

I. WHEREAS, there is now evidence showing that problems with SmartMeters could adversely impact the amateur radio communication network that operates throughout California and neighboring states, as well as other radio emergency communication systems that serve first responders, government agencies, and the public; and

J. WHEREAS, significant health questions have been raised concerning the increased electromagnetic frequency radiation (EMF) emitted by the wireless technology in SmartMeters, which will be in every house, apartment and business, thereby adding additional human-made EMF to our environment around the clock to the already existing EMF from utility poles, individual meters and telephone poles; and

K. WHEREAS, FCC safety standards do not exist for chronic long-term exposure to EMF or from multiple sources, and reported adverse health effects from electromagnetic pollution include sleep disorders, irritability, short term memory loss, headaches, anxiety, nausea, DNA breaks, abnormal cell growth, cancer, premature aging, etc, Because of untested technology, international scientists, environmental agencies, advocacy groups and doctors are calling for the use of caution in wireless technologies; and

L. WHEREAS, the primary justification given for the SmartMeters program is the assertion that it will encourage customers to move some of their electricity usage from daytime to evening hours; however, PG&E has conducted no actual pilot projects to determine whether this assumption is in fact correct. Non-transmitting time-of-day meters are already available for customers who desire them, and enhanced customer education is a viable non-technological alternative to encourage electricity use timeshifting. Further, some engineers and energy conservation experts believe that the SmartMeters program could well actually increase total electricity consumption and therefore the carbon footprint; and

M. WHEREAS, Assembly member Jared Huffman has recently introduced legislation (AB 37) which would add a section to the Public Utilities Code to require the CPUC to identify alternative options for customers who do not wish to have a wireless SmartMeter installed and allow customers to opt-out of wireless SmartMeter installation, including removing existing SmartMeters where requested by the customer. Most importantly, the legislation would suspend deployment of SmartMeters until the CPUC meets the above requirements; and

N. WHEREAS, the City Council of the City of Capitola on September 23, 2010 adopted a resolution demanding PG&E halt the installation of SmartMeters and related equipment within the City of Capitola until concerns regarding the accuracy and safety of the SmartMeters is addressed and demanding that PG&E implement mechanisms to allow residents to opt-out and remove SmartMeters from resident's houses who do not want them; and

O. WHEREAS, PG&E has declined to honor the City's request in this regard; and

P. WHEREAS, because the potential risks to the health, safety and welfare of City residents are so great the City Council wishes to adopt a moratorium on the installation of PG&E SmartMeters and related equipment within the City of Capitola. The moratorium period will allow the legislative process referenced above to be completed and for additional information to be collected and analyzed regarding potential problems with these SmartMeters; and

URGENCY ORDINANCE NO. 952

Q. WHEREAS, there is a current and immediate threat to public health, safety and welfare because, without this urgency ordinance, PG&E SmartMeters or supporting equipment will be installed or constructed or modified in the City and will subject residents of Capitola to the privacy, security, health, accuracy and consumer fraud risks of the unproven SmartMeter technology; and

R. WHEREAS, the City Council hereby finds that it can be seen with certainty that there is no possibility that the adoption and implementation of this Ordinance may have a significant effect on the environment. This Ordinance does not authorize construction or installation of any facilities and, in fact, imposes greater restrictions on such construction and installation in order to protect the public health, safety and general welfare. This Ordinance is therefore exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations; and

S. WHEREAS, there is no feasible alternative to satisfactorily study the potential impact identified above as well or better with a less burdensome or restrictive effect than the adoption of this interim urgency moratorium ordinance; and

T. WHEREAS, based on the foregoing it is in the best interest of public health, safety and welfare to allow adequate study of the impacts resulting from the SmartMeter technology; therefore it is appropriate to adopt a temporary moratorium that would remain in effect from the date of its adoption through December 31, 2011, unless the City Council acts to repeal it prior to that date.

NOW, THEREFORE BE IT ORDAINED by the City Council of the City of Capitola as follows:

<u>Section 1</u>. Moratorium. From and after the effective date of this Ordinance, no PG&E SmartMeter may be installed in or on any home, apartment, condominium or business of any type within the City of Capitola, and no equipment related to PG&E SmartMeters may be installed in, on, under, or above any public street or public right of way within the City of Capitola.

<u>Section 2</u>. Violations of this moratorium may be charged as infractions or misdemeanors as set forth in Chapter 4.04 of the Capitola Municipal Code. In addition, violations shall be deemed public nuisances, with enforcement and abatement by injunction or any other remedy authorized by law.

<u>Section 3</u>. The City Council finds and determines that: (a) there is a current and immediate threat to the public peace, health, or safety; (b) this moratorium must be imposed in order to protect and preserve the public interest, health, safety, comfort and convenience and to preserve the public welfare; and (c) it is necessary to preserve the public health and safety of all residents or landowners adjacent to such uses as are affected by this interim ordinance as well as to protect all of the citizens of the City of Capitola by preserving and improving the aesthetic and economic conditions of the City.

<u>Section 4</u>. If any provision of this interim ordinance is held to be unconstitutional, it is the intent of the City Council that such portions of such ordinance shall be severable from the remainder and the remainder be given full force and effect.

Section 5. This interim ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Section 15060(c)(2) - the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment and Section 15060(c)(3) - the activity is not a project as defined in Section 15378 of the CEQA Guidelines, because it has no potential for resulting in physical change to the environment, directly or indirectly.

#### **URGENCY ORDINANCE NO. 952**

<u>Section 6</u>. Effective Dates. This ordinance shall take effect immediately based on the findings by the City Council that this ordinance is necessary for the protection of the public health, safety, and general welfare. This ordinance shall be in full force and effect from the date of its adoption by the City Council through December 31, 2011, at which time its terms and provision shall expire and no longer remain in effect.

This ordinance was passed and adopted on the 10<sup>th</sup> day of February, 2011, as an Urgency Ordinance to be effective immediately, by the following vote:

AYES: Council Members Harlan, Termini, Storey, and Mayor Norton

NOES: Council Member Nicol

ABSENT: None

ABSTAIN: None

DISQUALIFIED: None

APPROVED

Dennis R. Norton, Mayor

ATTEST: MMC Pamela Greeninger, City

This is to certify that the above and foregoing is a true and correct copy of Urgency Ordinance No. 952 passed and adopted by the City Council on the 10<sup>th</sup> day of February, 2011.

Pamela Greeninger, MMC 22

#### **RESOLUTION NO. 11-018 C.S.**

#### A RESOLUTION OF THE COUNCIL OF THE CITY OF MONTEREY DEMANDING PG&E HALT THE INSTALLATION AND ACTIVATION OF SMARTMETERS AND RELATED EQUIPMENT WITHIN THE CITY OF MONTEREY

WHEREAS, Pacific Gas and Electric Company (PG&E) is now installing SmartMeters in Central and Northern California and will be installing these meters within the City; and

WHEREAS, concerns about the impact and accuracy of SmartMeters have been raised at public hearings for the City of Monterey; and

WHEREAS, major problems with SmartMeters in California have been brought to the attention of the City Council of the City of Monterey, including:

• The flow of gas and electricity into homes discloses private detailed information. SmartMeters represent a new form of technology that relays detailed hitherto confidential information reflecting the times and amounts of electrical power used without adequately protecting that data from being accessed by unauthorized persons and as such pose an unreasonable intrusion into resident's privacy and security interests;

• Significant health questions have been raised by constituents concerning the increased electromagnetic frequency radiation (EMF) emitted by the wireless technology in SmartMeters, which will be in every house, apartment, and business, thereby adding additional man-made EMF to our environment around the clock to the already existing EMF from utility poles, individual meters and telephone poles;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MONTEREY that it hereby resolves as follows: The City Council demands PG&E immediately halt the installation and activation of SmartMeters on any and all homes, apartments, condominiums, or businesses of any type, within the City of Monterey, and no equipment related to Smart Meters be installed in, on, or above any public street or public right-of-way within the City of Monterey until concerns regarding safety of the SmartMeters is addressed.

BE IT FURTHER RESOLVED that the City Council finds that freedom of choice is an important fundamental right of the citizens of the City of Monterey. The lack of an opt-out provision in the current PG&E SmartMeter Program is unacceptable. Should PG&E continue to pursue the SmartMeter Program within the City of Monterey, Council demands that PG&E respects the will of those residents who prefer to opt-out of the program, and remove the existing SmartMeters from houses of residents who do not want them.

Resolution 11-118 C.S.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF MONTEREY this 1st day of March, 2011, by the following votes:

AYES: 5 COUNCILMEMBERS: Della Sala, Downey, Haferman, Selfridge, Sollecito

NOES: 0 COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS: 0

ATTEST:

City Clerk thereof,

**APPROVED** 

None

None

<del>a</del>la

Mayor of said City

## CITY OF SEASIDE

## CITY COUNCIL

## **ORDINANCE NO. 998**

## AN UNCODIFIED ORDINANCE OF THE CITY OF SEASIDE ADOPTED AS AN URGENCY MEASURE IMPOSING A TEMPORARY MORATORIUM ON THE INSTALLATION OF PG&E SMARTMETERS AND RELATED EQUIPMENT IN, ALONG, ACROSS, UPON, UNDER AND OVER THE PUBLIC STREETS AND OTHER PLACES WITHIN THE CITY OF SEASIDE

WHEREAS, the City of Seaside through its police powers granted by Article XI of the California Constitution, retains broad discretion to legislate for public purposes and for the general welfare, including but not limited to, matters of public health, safety and consumer protection; and

WHEREAS, the City has a franchise agreement with PG&E that has been in effect since November 29, 1954; and

WHEREAS, in addition, the City retains authority under Article XII, Section 8 of the Constitution to grant franchises for public utilities, and pursuant to California Public Utilities Code Section 6203, "...may in such a franchise impose such other and additional terms and conditions...whether governmental or contractual in character, as in the judgment of the legislative body are to the public interest."; and

WHEREAS. Public Utilities Code section 2902 reserves the City's right to supervise and regulate public utilities in matters affective the health, convenience and safety of the general public, "...such as the use and repair of public streets by any public utility, the location of the poles, wires, mains, or conduits of any public utility, on, under, or above any public streets, and the speed of common carriers operating within the limits of the municipal corporation.": and

WHEREAS, Pacific Gas & Electric Company ("PG&E") is now installing SmartMeters in Central and Northern California and in installing these matters within the City of Seaside; and

WHEREAS, concerns about the impact and accuracy of SmartMeters have been raised nationwide, leading the Maryland Public Service Commission to deny permission on June 21, 2010, for the deployment of SmartMeters in that state. The State of Hawaii Public Utility Commission also recently declined to adopt a smart grid system in that state; and

WHEREAS, major problems and deficiencies with PG&E SmartMeters in California have been brought to the attention of the City Council of the City of Seaside, including PG&E's confirmation that its SmartMeters have provided incorrect readings costing ratepayers untold thousands of dollars in overcharges. In addition, PG&E records outline "risks" and "issues" including an ongoing inability to recover real-time data because of faulty hardware originating with PG&E vendors; and

WHEREAS, the ebb and flow of gas and electricity into homes discloses details information about private aspects of daily life. Energy usage data, measured moment by moment, allows the reconstruction of a household's activities; when people wake up, when they come home, when they go on vacation, and even when they take a hot bath. SmartMeters represent a new form of technology that relays detailed hitherto confidential information reflecting the times and amounts of the use of electrical power without adequately protecting that data from being accessed by unauthorized persons or entities and as such pose an unreasonable intrusion of utility customers' privacy rights and security interests. Indeed, the fact that the CPUC has not established safeguards for privacy in its regulatory approvals may violate the principles set forth by the U.S. Supreme Court in *Kyllo v. United States* (2001), 533 U.S. 27; and

WHEREAS, there is now evidence showing that problems with SmartMeters could adversely impact the amateur radio communication network that operates throughout California and neighboring states, as well as other radio emergency communication systems that serve first responders, government agencies and the public; and

WHEREAS, significant health questions have been raised concerning the increased electromagnetic frequency radiation (EMF) emitted by the wireless technology in SmartMeters, which will be in every house, apartment and business, thereby adding additional human-made EMF to our environment around the clock to the already existing EMF from utility poles, individual meters and telephone poles; and

WHEREAS, FCC safety standards do not exist for chronic long-term exposure to EMF or from multiple sources, and reported adverse health effects from electromagnetic pollution include sleep disorders, irritability, short term memory loss, headaches, anxiety, nausea, DNA breaks, abnormal cell growth, cancer, premature aging, etc. Because of untested technology, international scientists, environmental agencies, advocacy groups and doctors are calling for the use of caution in wireless technology; and

WHEREAS, the primary justification given for the SmartMeters program is the assertion that it will encourage customers to move some of their electricity usage from daytime to evening hours; however, PG&E has conducted no actual pilot projects to determine whether this assumption is in fact correct. Nontransmitting time-of-day meters are already available for customers who desire them, and enhanced customer education is a viable non-technological alternative to encourage electricity use timeshifting. Further, some engineers and energy conservation experts believe that the SmartMeters program could well actually increase total electricity consumption and therefore the carbon footprint; and

WHEREAS, Assembly member Jared Huffman has recently introduced legislation (AB 37) which would add a section to the Public Utilities Code to require the CPUC to identify alternative options for customers who do not wish to have a wireless SmartMeter installed and allow customers to opt-out of wireless SmartMeter installation, including removing existing SmartMeters where requested by the customer. Most importantly, the legislation would suspend deployment of SmartMeters until the CPUC meets the above requirements; and

WHEREAS, because the potential risks to the health, safety and welfare of City residents are so great the City Council wishes to adopt a moratorium on the installation of PG&E SmartMeters and related equipment within the City of Seaside. The moratorium period will allow the legislative process referenced above to be completed and for additional information to be collected and analyzed regarding potential problems with these SmartMeters; and WHEREAS, there is a current and immediate threat to public health, safety and welfare because, without this urgency ordinance, PG&E SmartMeters or supporting equipment will be installed or constructed or modified in the City and will subject residents of Seaside to the privacy, security, health, accuracy and consumer fraud risks of the unproven SmartMeter technology; and

WHEREAS, the City Council hereby finds that it can be seen with certainty that there is no possibility that the adoption and implementation of this Ordinance may have a significant effect on the environment. This Ordinance does not authorize construction or installation of any facilities and, in fact, imposes greater restrictions on such construction and installation in order to protect the public health, safety and general welfare. This Ordinance is therefore exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations; and

WHEREAS, there is no feasible alternative to satisfactorily study the potential impact identified above as well or better with a less burdensome or restrictive effect than the adoption of this interim urgency moratorium ordinance; and

WHEREAS, based on the foregoing it is in the best interest of public health, safety and welfare to allow adequate study of the impacts resulting from the SmartMeter technology; therefore it is appropriate to adopt a temporary moratorium that would remain in effect from the date of its adoption through December 31, 2011, unless City Council acts to repeal it prior to that date.

NOW, THEREFORE, BE IT ORDAINED by the NOW THEREFORE, the City Council of the City of Seaside does hereby ordain as follows:

## SECTION ONE

From and after the effective date of this Ordinance, no PG&E SmartMeter may be installed in or on any home, apartment, condominium or business of any type within the City of Seaside, and no equipment related to PG&E SmartMeters may be installed in, on, under, or above any public street or public right of way within the City of Seaside.

#### SECTION TWO

Violations of this moratorium may be charged as infractions or misdemeanors as set forth in Chapter 1.16 of the Seaside Municipal Code. In addition, violations shall be deemed public nuisances, with enforcement and abatement by injunction or any other remedy authorized by law.

#### SECTION THREE

The City Council finds and determines that: (a) there is a current and immediate threat to the public peace, health, or safety; (b) this moratorium must be imposed in order to protect and preserve the public interest, health, safety, comfort and convenience and to preserve the public welfare; and (c) it is necessary to preserve the public health and safety of all residents of landowners adjacent to such uses as are affected by this interim ordinance as well as to protect all of the citizens of the City of Seaside by preserving and improving the aesthetic and economic conditions of the City.

## SECTION FOUR

If any provision of this interim ordinance is held to be unconstitutional, it is the intent of the City Council that such portions of such ordinance shall be severable from the remainder and the remainder be given full force and effect.

## SECTION FIVE

This interim ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Section 15060(c)(2) - the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment and Section 15060(c)(3) - the activity is not a project as defined in Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change to the environment, directly or indirectly.

#### SECTION SIX

This ordinance shall take effect immediately based on the findings by the City Council that this ordinance is necessary for the protection of the public health, safety, and general welfare. This ordinance shall be in full force and effect from the date of its adoption by the City Council through December 31, 2011, at which time its terms and provision shall expire and no longer remain in effect.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Seaside duly held on 3<sup>rd</sup> day of March, 2011, by the following role call vote:

AYES: COUNCIL MEMBERS: Alexander, Edwards, Oglesby, Bloomer and Bachofner NOES: COUNCIL MEMBERS: ABSENT: COUNCIL MEMBERS: ABSTAIN: COUNCIL MEMBERS:

APPROVED:

Felix H. Bachofner, Mayor

ATTEST:

Maricela Hernandez, City

## ORDINANCE NO. 752

## AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF FAIRFAX ADOPTED AS AN URGENCY MEASURE ESTABLISHING A TEMPORARY MORATORIUM ON THE INSTALLATION OF SMARTMETERS AND RELATED EQUIPMENT WITHIN THE TOWN OF FAIRFAX OR IN, ALONG, ACROSS, UPON, UNDER AND OVER THE PUBLIC STREETS AND PLACES WITHIN THE TOWN OF FAIRFAX, AND DECLARING THE URGENCY THEREOF

The Town Council of the Town of Fairfax, California does ordain as follows:

Section I. Findings:

- A. The Town of Fairfax (the "Town"), through its police powers granted by Article XI of the California Constitution, retains broad discretion to legislate for public purposes and for the general welfare, including but not limited to matters of public health, safety and consumer protection.
- B. In addition, the Town retains authority under Article XII, Section 8 of the Constitution to grant franchises for public utilities, and pursuant to California Public Utilities Code section 6203, "may in such a franchise impose such other and additional terms and conditions..., whether governmental or contractual in character, as in the judgment of the legislative body are to the public interest."
- C. Further, Public Utilities Code section 2902 reserves the Town's right to supervise and regulate public utilities in matters affecting the health, convenience and safety of the general public, "such as the use and repair of public streets by any public utility, the location of the poles, wires, mains, or conduits of any public utility, on, under, or above any public streets, and the speed of common carriers operating within the limits of the municipal corporation."
- D. Pacific Gas & Electric Company ("PG&E") is now installing SmartMeters in Central and Northern California and will be installing these meters in Fairfax in the very near future. PG&E has already installed antennae to support the SmartMeter system at four sites within the public rights of way in the Town without obtaining permits from the Town as required by Section19.04 of the Town Code. Further, PG&G did not comply with Section XIV of General Order 131-D of the California Public Utilities Commission (the "CPUC"), which requires a utility to consult with the local jurisdiction on land use matter prior to locating its facilities.
- E. Concerns about the impact and accuracy of SmartMeters have been raised nationwide, leading the Maryland Public Service Commission to deny permission on June 21, 2010 for the deployment of SmartMeters in that state. The CPUC currently has pending before it a petition from the City and County of San Francisco, the Town of Fairfax and other municipalities, seeking to delay the implementation of SmartMeters until the questions about their accuracy can be evaluated.

- F. Indeed, major problems and deficiencies with SmartMeters in California have been brought to the attention of the Fairfax Town Council, including PG&E's confirmation that SmartMeters have provided incorrect readings costing ratepayers untold thousands of dollars in overcharges and PG&E's records outlined "risks" and "issues" including an ongoing inability to recover real-time data because of faulty hardware originating with PG&E vendors.
- G. The ebb and flow of gas and electricity into homes discloses detailed information about private details of daily life. Energy usage data, measured moment by moment, allows the reconstruction of a household's activities: when people wake up, when they come home, when they go on vacation, and even when they take a hot bath. SmartMeters represent a new form of technology that relays detailed hitherto confidential information reflecting the times and amounts of the use of electrical power without adequately protecting that data from being accessed by unauthorized persons or entities and as such pose an unreasonable intrusion of utility customers' privacy rights and security interests. Indeed, the fact that the CPUC has not established safeguards for privacy in its regulatory approvals may violate the principles set forth by the U.S. Supreme Court in *Kyllo v. United States* (2001), 533 U.S. 27.
- H. Significant health questions have been raised concerning the increased electromagnetic frequency radiation (EMF) emitted by the wireless technology in SmartMeters, which will be in every house, apartment and business, thereby adding additional man-made EMF to our environment around the clock to the already existing EMF from utility poles, individual meters and telephone poles.
- I. FCC safety standards exist for chronic long-term exposure to EMF or from multiple sources, and reported adverse health effects from electromagnetic pollution include sleep disorders, irritability, short term memory loss, headaches, anxiety, nausea, DNA breaks, abnormal cell growth, cancer, premature aging, etc.. Because of untested technology, international scientists, environmental agencies, advocacy groups and doctors are calling for the use of caution in wireless technologies.
- J. Because the potential risks to the health, safety and welfare of Fairfax residents are so great, the Fairfax Town Council wishes to adopt a six month moratorium on the installation of SmartMeters and related equipment within the Fairfax Town Limits. The six-month period will allow the CPUC petition process referenced in Recital E above to be completed and for additional information to be collected and analyzed regarding potential problems with SmartMeters.
- K. There is a current and immediate threat to public health, safety and welfare because, without this urgency ordinance, SmartMeters or supporting equipment will be installed or constructed or modified in the Town without PG&E's complying with the CPUC process for consultation with the local jurisdiction, the Town's Code requirements, and subjecting residents of Fairfax to the privacy, security, health, accuracy and consumer fraud risks of the unproven SmartMeter technology.

L. The Town Council hereby finds that it can be seen with certainty that there is no possibility that the adoption and implementation of this Ordinance may have a significant effect on the environment. This Ordinance does not authorize construction or installation of any facilities and, in fact, imposes greater restrictions on such construction and installation in order to protect the public health, safety and general welfare. This Ordinance is therefore exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

## Section II. Moratorium

1. No SmartMeter may be installed in or on any home, apartment, condominium or business in Fairfax, and no equipment related to SmartMeters may be installed in, on, under, or above any public street or public right of way in the Town for six months from the date of this Ordinance, at which time the Fairfax Town Council, shall consider whether to extend or terminate this prohibition in light of the then-current data on SmartMeter privacy, safety, accuracy and health effects.

2. Violations of this Moratorium may be charged as infractions or misdemeanors as set forth in Chapter 1.08.010 of the Town Code or as administrative citations as set forth in Chapter 1.10 of the Town Code, in the discretion of the Town. In addition, violations shall be deemed public nuisances, with enforcement by injunction or any other remedy authorized by law.

3. The Fairfax Town Manager is hereby authorized to direct all Town Departments, including the Town Attorney, to facilitate compliance with the purpose and intent of this Ordinance using the enforcement powers described in the preceding paragraph.

## Section III. Effectiveness

This Ordinance, being adopted as an urgency measure for the immediate protection of the public safety, health, and general welfare and containing a declaration of the facts constituting the urgency, upon passage by a minimum four-fifths (4/5) vote of the Town Council, shall take effect immediately upon its adoption and shall continue in effect until modified or rescinded.

## Section IV. Severability

If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect any other provision or application, and to this end the provisions of this chapter are severable.

#### Section V. Publication

Copies of the foregoing ordinance shall, within fifteen days after its passage and adoption, be posted in three public places in the Town of Fairfax, to wit: 1. Bulletin Board, Town Hall Offices; 2. Bulletin Board, Fairfax Post Office; 3. Bulletin Board, Fairfax Women's Club building; which places are designated for that purpose.

The foregoing ordinance was duly adopted on the 4th day of August, 2010, by the following vote, to wit:

AYES: NOES: ABSENT:

LEW TREMAINE, MAYOR

Attest:

Town Clerk

Agenda Item No. 22.

## **TOWN OF ROSS**

## **ORDINANCE NO. 623**

## AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF ROSS ADOPTED AS AN URGENCY MEASURE ESTABLISHING A TEMPORARY MORATORIUM ON THE INSTALLATION OF SMARTMETERS AND RELATED EQUIPMENT WITHIN THE TOWN OF ROSS OR IN, ALONG, ACROSS, UPON, UNDER AND OVER THE PUBLIC STREETS AND PLACES WITHIN THE TOWN OF ROSS, AND DECLARING THE URGENCY THEREOF

The Town Council of the Town of Ross, California does ordain as follows:

Section I. Findings:

- A. The Town of Ross ("Town"), through its police powers granted by Article XI of the California Constitution, retains broad discretion to legislate for public purposes and for the general welfare, including but not limited to matters of public health, safety and consumer protection.
- B. The Town has a franchise agreement with PG&E that has been in effect since September 7, 1940.
- C. In addition, the Town retains authority under Article XII, Section 8 of the Constitution to grant franchises for public utilities, and pursuant to California Public Utilities Code section 6203, "may in such a franchise impose such other and additional terms and conditions..., whether governmental or contractual in character, as in the judgment of the legislative body are to the public interest."
- D. Further, California Public Utilities Code section 2902 reserves the Town's right to supervise and regulate public utilities in matters affecting the health, convenience and safety of the general public, "such as the use and repair of public streets by any public utility, the location of the poles, wires, mains, or conduits of any public utility, on, under, or above any public streets, and the speed of common carriers operating within the limits of the municipal corporation."
- E. Pacific Gas & Electric Company ("PG&E") is now installing SmartMeters in Central and Northern California and installing these meters in Ross at the present time. Concerns about the impact and accuracy of SmartMeters have been raised nationwide, leading the Maryland Public Service Commission to deny permission on June 21, 2010 for the deployment of SmartMeters in that state. The State of Hawaii Public Utility Commission also recently declined to adopt a smart grid system in that state. The CPUC currently has pending before it a petition from the City and County of San Francisco, the Town of Fairfax and other municipalities, seeking to delay the implementation of SmartMeters until the questions about their accuracy can be evaluated.
- F. Indeed, major problems and deficiencies with SmartMeters in California have been brought to the attention of the Ross Town Council, including PG&E's confirmation that

SmartMeters have provided incorrect readings costing ratepayers untold thousands of dollars in overcharges and PG&E's records outlined "risks" and "issues" including an ongoing inability to recover real-time data because of faulty hardware originating with PG&E vendors.

- G. The ebb and flow of gas and electricity into homes discloses detailed information about private details of daily life. Energy usage data, measured moment by moment, allows the reconstruction of a household's activities: when people wake up, when they come home, when they go on vacation, and even when they take a hot bath. SmartMeters represent a new form of technology that relays detailed hitherto confidential information reflecting the times and amounts of the use of electrical power without adequately protecting that data from being accessed by unauthorized persons or entities and as such pose an unreasonable intrusion of utility customers' privacy rights and security interests. Indeed, the fact that the CPUC has not established safeguards for privacy in its regulatory approvals may violate the principles set forth by the U.S. Supreme Court in *Kyllo* v. *United States* (2001), 533 U.S. 27.
- H. Significant health questions have been raised concerning the increased electromagnetic frequency radiation (EMF) emitted by the wireless technology in SmartMeters, which will be in every house, apartment and business, thereby adding additional man-made EMF to our environment around the clock to the already existing EMF from utility poles, individual meters and telephone poles.
- FCC safety standards do not exist for chronic long-term exposure to EMF or from multiple sources, and reported adverse health effects from electromagnetic pollution include sleep disorders, irritability, short term memory loss, headaches, anxiety, nausea, DNA breaks, abnormal ceil growth, cancer, premature aging, etc. Because of untested technology, international scientists, environmental agencies, advocacy groups and doctors are calling for the use of caution in wireless technologies.
- J. The primary justification given for the SmartMeters program is the assertion that it will encourage customers to move some of their electricity usage from daytime to evening hours; however, PG&E has conducted no actual pilot projects to determine whether this assumption is in fact correct. Further, some engineers and energy conservation experts believe that the SmartMeters program—in totality—could well actually increase total electricity consumption and therefore the carbon footprint.
- K. On August 13, 2010 and December 16, 2010 the Ross Town Council sent letters asking PG&E and CPUC to suspend the installation of SmartMeters in the Town of Ross until the California Council on Science and Technology fully completes its examination of SmartMeter health issues and assesses the adequacy of current standards. There has been no response to those requests
- L. Because the potential risks to the health, safety and welfare of Ross residents are so great, the Ross Town Council wishes to adopt a **twelve-month** moratorium on the installation of SmartMeters and related equipment within the Town Limits. The **twelve-month** period will allow the CPUC petition process referenced in Recital E above to be completed and for additional information to be collected and analyzed regarding potential problems with SmartMeters.
- M. There is a current and immediate threat to public health, safety and welfare because, without this urgency ordinance, SmartMeters or supporting equipment will be installed or

constructed or modified in the Town without PG&E's complying with the CPUC process for consultation with the local jurisdiction, the Town's Code requirements, and subjecting residents of Ross to the privacy, security, health, accuracy and consumer fraud risks of the unproven SmartMeter technology.

- N. Assemblyman Huffman has introduced Assembly Bill 37, which directs the CPUC to determine alternatives for customers who do not wish to have SmartMeters installed, as well as directs the utilities to disclose information about SmartMeters to consumers, including magnitude and duration of radio frequency emissions.
- O. The Town Council hereby finds that it can be seen with certainty that there is no possibility that the adoption and implementation of this Ordinance may have a significant effect on the environment. This Ordinance does not authorize construction or installation of any facilities and, in fact, imposes greater restrictions on such construction and installation in order to protect the public health, safety and general welfare. This Ordinance is therefore exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

#### Section II. Moratorium

1. No SmartMeter may be installed in or on any home, apartment, condominium or business in Ross, and no equipment related to SmartMeters may be installed in, on, under, or above any public street or public right of way in the Town for **twelve** months from the date of this Ordinance, at which time the Ross Town Council, shall consider whether to extend or terminate this prohibition in light of the then-current data on SmartMeter privacy, safety, accuracy and health effects.

2. Violations of this Moratorium may be charged as infractions or misdemeanors as set forth in Chapter 1.04 of the Town Code. In addition, violations shall be deemed public nuisances, with enforcement by injunction or any other remedy authorized by law.

3. The Ross Town Manager is hereby authorized to direct all Town Departments to facilitate compliance with the purpose and intent of this Ordinance using the enforcement powers described in the preceding paragraph.

#### Section III. Effectiveness

This Ordinance, being adopted as an urgency measure for the immediate protection of the public safety, health, and general welfare and containing a declaration of the facts constituting the urgency, upon passage by a minimum four-fifths (4/5) vote of the Town Council, shall take effect immediately upon its adoption and shall continue in effect for twelve months or unless modified or rescinded.

#### Section IV. Severability

If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect any other provision or application, and to this end the provisions of this chapter are severable.

#### Section V. Adoption

The foregoing ordinance was duly passed and adopted at a regular meeting of the Ross Town Council held on the 10<sup>th</sup> day of February 2011, by the following vote:

AYES:

NOES:

**ABSENT:** 

**ABSTAIN:** 

Christopher Martin, Mayor

ATTEST:

Gary Broad, Town Manager

#### **RESOLUTION NO. 63-10**

## RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA DECLARING CONCERNS REGARDING THE INSTALLATION OF PG&E "SMART METERS" IN MORRO BAY

## THE CITY COUNCIL City of Morro Bay, California

**WHEREAS**, on July 20, 2006, the California Public Utilities Commission approved the request of Pacific Gas & Electric (PG&E) to install advanced metering infrastructure (AMI), which includes replacing existing electric meters with so-called "Smart Meters"; and

**WHEREAS**, the City Council understands that PG&E has begun installing the Smart Meters in the San Luis Obispo area; and

**WHEREAS**, citizens of Morro Bay have expressed concerns about the installation of Smart Meters relating to health concerns and privacy; and

**WHEREAS**, the City Council understands the Public Utilities Commission, in approving the Smart Meters program, did not consider possible health impacts or give adequate consideration to privacy concerns; and

**WHEREAS**, the meters will be installed on private property and many homeowners and businesses have no knowledge of the planned installation.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Morro Bay, California, that

- 1. The City of Morro Bay urges PG&E not to install, for a period not less than one hundred eighty (180) days, any Smart Meters, repeaters, antennas and any related wireless equipment in Morro Bay until PG&E has provided local residents additional information on the planned installation.
- 2. The City of Morro Bay urges PG&E and the California Public Utilities Commission to provide an appropriate mechanism and forum for local residents to voice their positions for or against Smart Meters before any Smart Meters are installed in Morro Bay.
- 3. The City Council of Morro Bay urges PG&E to modify its Smart Meters program to provide that individuals may choose not to have wireless Smart Meters installed on their properties or use hard wire types.

Resolution No. 63-10 Page Two

**PASSED AND ADOPTED** by the City Council of the City of Morro Bay at a regular meeting thereof held on the 8th day of December, 2010 on the following vote:

AYES: NOES: ABSENT:

ATTEST:

JANICE PETERS, Mayor

BRIDGETT KESSLING, City Clerk

#### **RESOLUTION NO. 68-10**

#### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND SUPPORTING OUTREACH AND EDUCATION REGARDING SMART METERS TO PREVENT POWER SERVICE DISCONNECTIONS AND URGING A MORATORIUM ON NEW SMART METER INSTALLATIONS PENDING THE OUTCOME OF AN INVESTIGATION BY THE PUBLIC UTILITIES COMMISSION

WHEREAS, the City of Richmond desires to protect its citizens from losing essential services such as power and utilities; and

WHEREAS, data from the Division of Ratepayer Advocates has shown an increase in PG&E's disconnections of service compared to the past year, particularly after the installation of Advanced Metering Infrastructure (AMI) or Smart Meters in April of 2009; and

WHEREAS, numerous complaints have been sent to consumer advocacy groups such as TURN (Toward Utility Rate Normalization) regarding skyrocketing bills that arose after the installation of Smart Meters; and

WHEREAS, according to TURN, there are some cases where plausible explanations have not yet been given to justify these increased power bills; and

WHEREAS, according to the California Public Utilities Commission (CPUC), approximately 1000 complaints have been received regarding Smart Meters; and

WHEREAS, Pacific Gas and Electric Company (PG&E) has admitted there are problems with Smart Meters such as non-functional, non-communicative or problematically installed Smart Meters; and

WHEREAS, heightened consumer protections, in the form of educational assistance, monetary assistance, and communication with customers, are key to preventing and limiting disconnections from essential utility services and possible overbillings; and

WHEREAS, The City of Richmond supports suspension of remote disconnections while the Public Utilities Commission conducts its investigation into the use of Smart Meters; now

THEREFORE BE IT RESOLVED, that the Richmond City Council calls upon the CPUC to develop additional consumer protections to prevent service disconnections in the form of improved education, communication, and monetary assistance programs in cases of financial hardship; and

BE IT FUTHER RESOLVED, that the Richmond City Council supports a moratorium on new Smart Meter installations, consistent with TURN's consumer advocacy efforts, as well as suspending remote disconnections until the CPUC ordered independent investigation on Smart Meters has issued its findings; and

#### AND BE IT FINALLY RESOLVED that the City Manager is directed to send a

copy of this resolution and a cover letter to the Commissioners and Executive Director of

the California Public Utilities Commission (CPUC).

I certify that the foregoing resolution was passed and adopted by the City Council of the City of Richmond at a City Council meeting held on June 1, 2010, by the following vote:

AYES:Councilmembers Bates, Butt, Lopez, Vice Mayor Ritterman,<br/>Rogers, Viramontes, and Mayor McLaughlin.NOES:None.ABSTENTIONS:None.ABSENT:None.

DIANE HOLMES Clerk of the City of Richmond

APPROVED

[Seal]

GAYLE McLAUGHLIN

Mayor

Approved as to form:

RANDY RIDDLE

City Attorney

State of California } County of Contra Costa : ss. City of Richmond }

I certify that the foregoing is a true copy of **Resolution No. 68-10**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on June 1, 2010.

# ATTACHMENT C



LEE L. SELWYN PRESIDENT ONE WASHINGTON MALL, 15<sup>TH</sup> FLOOR BOSTON, MASSACHUSETTS 02108 Telephone (617) 598-2222 Washington (202) 331-7711 Fax (617) 598-2235 E-mail: Iselwyn@econtech.com

#### MEMORANDUM

To: James M. Tobin, Esq.

From: Lee L. Selwyn// Rhl

Re: Cal. PUC Application (A.)11-03-014, PG&E SmartMeter Opt-Out Proposal

Date: April 22, 2011

You have requested that I review the March 24, 2011 testimony submitted by Pacific Gas & Electric (PG&E) in the above-referenced proceeding and, in particular, the cost studies being proffered in support of PG&E's rate proposal. While I have not examined this material in great detail, there are certain obvious shortcomings that will need to be carefully scrutinized.

- (1) The PG&E cost analysis is premised upon individual customer opt-outs, rather than on community-wide opt-outs. Community level opt-outs will be considerably less costly on a per-customer basis due to the significantly lower per-customer cost of conventional meter reading, when every customer in an area can be canvassed *en masse*, rather than requiring individual premises visits to isolated individual customers. Costs could be lower still, both for individual as well as for community-level opt-outs, if the Commission is willing to consider alternative methods for obtaining customer usage information that do not involve monthly premises visits by PG&E.
- (2) The PG&E cost analysis is also premised upon the SmartMeters having already been deployed, thus requiring their physical removal and replacement. If the opt-out option is exercised prior to SmartMeter deployment, the existing analog meter can continue to be used, and no equipment removal and replacement would be required. In such an event, the only costs involved would be of a recurring nature, relating to meter reading and other exception processing and administration. Moreover, whatever additional up-front and recurring costs might be engendered by a customer's or a community's decision to opt-out prior to the installation of the SmartMeter(s) must then be offset by the costs that PG&E avoids by not having to install any SmartMeters in those situations. However, because PG&E's cost study failed to even address such pre-installation opt-outs, it afforded no consideration whatsoever to these avoided costs.
- (3) There is no particular basis for the assumption regarding the number of customers that will individually elect to opt-out of the SmartMeter program. The decision to opt-out is likely to be

James M. Tobin, Esq. April 22, 2011 Page 2

highly price-elastic, suggesting an inverse relationship between the price (initial and recurring) of the opt-out option and the number of customers likely to exercise it. To the extent that the costs are themselves heavily linked to the "demand" for opt-out, there is no basis upon which the accuracy of the cost studies proffered by PG&E could be confirmed.

(4) Community-level decision to opt-out is not simply a scaled-up version of individual opt-out decisions. For example, Marin County Ordinance No. 3552 expresses concerns regarding customer privacy and the potential for information on the customer's electricity and gas usage to be intercepted by unauthorized persons. If limited to individual opt-outs, that concern would also apply as to those customers who elect *not* to have a SmartMeter, the absence of which could also be detected. Community-level opt-out overcomes this concern.

You have also asked me to review the "Bench Analysis" issued yesterday (April 21) by the Maine PUC staff regarding a SmartMeter opt-out plan proposed by the Central Maine Power Company (CMP). My review is necessarily preliminary, and I have not had an opportunity to examine the underlying cost studies undertaken by CMP or by the MPUC staff. The CMP proposal, like PG&E's, focuses upon *individual* rather than community opt-out decisions, and the MPUC Bench Analysis is confined to the individual opt-out option. Like the PG&E cost study, the CMP study is also premised upon an *assumed* take rate of 9,000 customers, apparently giving no effect to price elasticity issues. That said, the approach being proposed in Maine does distinguish between situations in which the SmartMeter has already been deployed vs. the case where the customer elects to opt-out prior to any such installation. The proposed initial and recurring charges for the opt-out as recommended in the Bench Analysis are also considerably lower than those being proposed by PG&E. Customers choosing to opt-out would be offered two choices: (1) Retain their existing meter, at an initial charge of \$40 plus a monthly recurring charge of \$12, or (2) get a SmartMeter but have CMP disable the "transmitter" function, at an initial charge of \$20 plus a monthly charge of \$10.50. Customers not electing to opt-out prior to SmartMeter installation would be assessed an additional \$25 charge. There is no volumetric charge in the Maine PUC plan.

Both the CMP and PG&E plans would require on-site monthly meter reading for customers who opt-out of the SmartMeter program. It is unclear as to why this would be necessary. Customers could be furnished with a mail-in, phone-in, or web-based device by which they could provide the utility with their current meter reading, subject to periodic (e.g., quarterly or perhaps even semi-annually) site visits and audits. It is also noteworthy that neither utility has addressed the potential use of their customers' existing broadband service in lieu of RF transmission to convey the SmartMeter data. According to the FCC's Report on *"Internet Access Service: Status as of December 31, 2009*, high-speed Internet access (at speeds of at least 200 kbps in at least one direction) was in place at some 69% of all California households; the penetration rate is likely even higher today, Establishing a communications path between PG&E and its customers utilizing this existing resource would significantly reduce the need for RF transmissions while at the same time affording customers and communities unwilling to accept RF-based SmartMeters the full SmartMeter functionality. It could also considerably reduce the costs of the SmartMeter program.

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I hope that these preliminary observations are helpful, and would be happy to discuss them with you at greater length.