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File #: 126931

January 25, 2016

***VIA ELECTRONIC FILING***

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor North  
P.O. Box 3265  
Harrisburg, PA 17105-3265

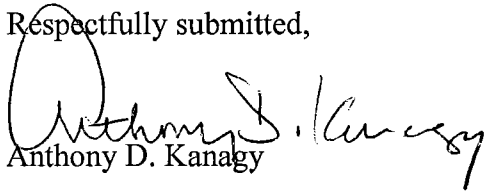
**Re: Petition of Duquesne Light Company For Waiver and Suspension of Meter Testing Requirements Under 52 Pa. Code §§ 57.20(e) and 57.21(f) For Deployed Legacy Meters**  
**Docket No. P-2016-**

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Dear Secretary Chiavetta:

Enclosed please find the Petition of Duquesne Light Company For Waiver and Suspension of Meter Testing Requirements Under 52 Pa. Code §§ 57.20(e) and 57.21(f) For Deployed Legacy Meters. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,



Anthony D. Kanagy

ADK/skr  
Attachment

cc: Certificate of Service

## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

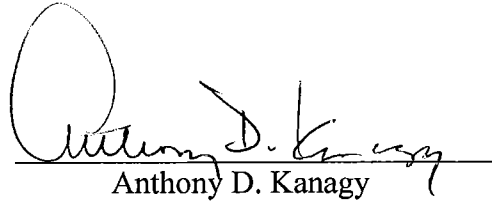
### VIA FIRST CLASS MAIL

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Office of Small Business Advocate  
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PO Box 3265  
Harrisburg, PA 17105-3265

Date: January 25, 2016

  
Anthony D. Kanagy

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Duquesne Light Company :  
For Waiver and Suspension of Meter :  
Testing Requirements Under 52 Pa. Code : Docket No. P-2016-  
§§ 57.20(e) and 57.21(f) For Deployed :  
Legacy Meters :

**PETITION OF DUQUESNE LIGHT COMPANY**

**I. INTRODUCTION**

Pursuant to 52 Pa. Code §§ 5.41 and 5.43, Duquesne Light Company (“Duquesne Light” or the “Company”) hereby Petitions the Pennsylvania Public Utility Commission (“Commission”) for a waiver and suspension of the meter testing requirements under 52 Pa. Code §§ 57.20(e) and 57.21(f) for the Company’s deployed legacy meters. The Company requests the waiver and suspension of meter testing for 2016 and continuing through the Company’s smart meter deployment period which is proposed to end in 2019.<sup>1</sup>

Duquesne Light’s currently deployed legacy meters will all be replaced within the next 4 years. As explained in more detail below, all families of deployed legacy meters within the Company’s service territory are within acceptable accuracy tolerances, and none are exhibiting a declining accuracy curve that would indicate replacement is necessary before the legacy meters are replaced with smart meters.

Granting Duquesne Light’s request for a waiver and suspension of the meter testing requirements under 52 Pa. Code §§ 57.20(e) and 57.21(f) will avoid capital costs related to exchanging legacy meters that are to be tested with new legacy meters. For the reasons

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<sup>1</sup> Under the Company’s currently approved smart meter plan, the Company’s deployment period is scheduled to end in 2020. As explained herein, the Company has filed a Petition to amend its smart meter plan at Docket No. P-2015-2497267. One of the proposed amendments is to accelerate meter deployment by one year, ending in 2019. No party has contested the Company’s proposal to accelerate meter deployment in that proceeding.

explained herein, Duquesne Light's waiver petition is in the public interest and should be approved.

## II. BACKGROUND

1. Duquesne Light is a public utility as that term is defined under Section 102 of the Public Utility Code, 66 Pa. C.S. § 102, certificated by the Commission to provide electric service in the City of Pittsburgh and in Allegheny and Beaver Counties in Pennsylvania. Duquesne Light is also an electric distribution company ("EDC") and default service provider ("DSP") as those terms are defined under Section 2803 of the Public Utility Code. 66 Pa. C.S. § 2803. As of November 30, 2015, Duquesne Light provides electric distribution service to approximately 590,000 customers and is currently the DSP for approximately 390,000 of those customers.

2. Duquesne Light's attorneys are:

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Anthony D. Kanagy, Esquire  
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Duquesne Light's attorneys are authorized to receive all notices and communications regarding this proceeding.

3. On November 14, 2008, Act 129 of 2008, P.L. 1592 (“Act 129”) became effective. Act 129 required EDCs to implement multiple programs to promote energy efficiency and conservation by electric customers. In addition, Act 129 required EDCs to file smart meter plans within 9 months after the effective date of the Act. On June 24, 2009, the Commission issued its *Implementation Order*.<sup>2</sup> In the *Implementation Order*, the Commission established the standards that EDCs must meet for providing smart meter technology to customers and also provided guidance for meeting those standards.

4. On August 14, 2009, Duquesne Light filed its Initial Smart Meter Plan that: (1) provided a description of its current metering system, (2) explained how it would address customer requests for smart meters and installation of smart meters in new construction during the grace period, (3) explained its network development and installation plan within the 30 month grace period, (4) proposed a milestone and status reporting schedule during the grace period, and (5) proposed a cost recovery mechanism for recovering smart meter costs.

5. On May 11, 2010, the Commission entered an Order approving Duquesne Light’s Initial Smart Meter Plan, with certain modifications. The Commission approved Duquesne Light’s proposal to recover its smart meter costs through a reconcilable cost recovery mechanism, and set forth the details of how this mechanism would work.

6. On June 29, 2012, the Company filed a Petition for Approval of its Smart Meter Deployment Plan. Included with the Petition was a copy of the 2012 Smart Meter Plan and direct testimony that detailed the Company’s plans to replace its Advanced Meter Reading (“AMR”) system with AMI and deploy smart meters over a seven year period from 2014-2020. As detailed in the 2012 Smart Meter Plan, Duquesne Light’s AMI project includes four components: 1) Itron

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<sup>2</sup> *Smart Meter Procurement and Installation*, Docket No. M-2009-2092655, *Implementation Order* entered June 24, 2009 (“*Implementation Order*”).

Smart Meters, 2) Local Area Network, 3) Wide Area Network, and 4) the Head-End Collection System. The Plan also provided a phased in approach to implementing the functionality required by Act 129 and the Commission's *Implementation Order*.

7. Following extensive investigation by interested stakeholders, on December 7, 2012, Duquesne Light and the Office of Consumer Advocate filed an uncontested Joint Petition for Approval of Full Settlement ("Joint Petition"). On January 24, 2013, Administrative Law Judge Katrina Dunderdale issued an Initial Decision approving the Joint Petition.

8. On May 6, 2013, the Commission entered an Opinion and Order ("May 6 Order") granting approval of, in part, and modifying the 2012 Smart Meter Plan and the Joint Petition. In the May 6 Order, the Commission directed Duquesne Light to make a compliance filing within ninety (90) days of the date of entry of the May 6 Order providing data supporting whether or not inclusion of the voltage monitoring and communication of outages and restorations capabilities are cost effective, among other things.<sup>3</sup>

9. On August 4, 2015, the Company filed a Petition for Approval to Modify Its Smart Meter Procurement and Installation Plan ("2015 Smart Meter Plan") at Docket No. P-2015-2497267. Therein, the Company proposed several modifications to its approved smart meter plan, including accelerating the deployment period by one year, such that all residential meter installations would be completed by 2018 and all commercial and industrial meter installations would be completed by 2019.

10. The 2015 Smart Meter Plan is currently being litigated. Other parties' testimony was due on December 17, 2015, and no party challenged the Company's revised deployment schedule.

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<sup>3</sup> On August 2, 2013, Duquesne Light submitted its Compliance Filing. No parties filed comments to the Company's Compliance Filing.

### **III. GRANTING THE METER TESTING WAIVER AND SUSPENSION IS IN THE PUBLIC INTEREST**

11. The Commission's wathour meter testing requirements for meters that have been placed into service are set forth at 52 Pa. Code § 57.20(e) and the demand meter testing requirements for meters that have been placed into service are set forth at 52 Pa. Code § 57.21(f).

12. Under Section 57.20(e), certain families or types of meters can be tested under a statistical sampling procedure, and other meters, generally higher amperage meters, are subject to periodic testing (e.g. every 16 years for certain meter families).

13. Under Section 57.21(f), all demand meters must be tested on a periodic basis. The testing period schedule varies depending upon the type of demand meter.

14. Duquesne Light performs testing on average 4,000 wathour meters per year under Section 57.20(e) and on average 2,000 demand meters per year under Section 57.21(f) for a total testing base on average of 6,000 meters per year.<sup>4</sup>

15. Currently, all families of deployed legacy meters within Duquesne Light's service territory have shown, through testing, to be within acceptable accuracy tolerances. In addition, none of the meter families are exhibiting a declining accuracy curve that would indicate replacement is necessitated prior to being exchanged under the AMI project.

16. In January of 2015, Duquesne Light started the full ramp-up phase of the AMI deployment project, exchanging approximately 12,500 residential single phase meters per month for an annual exchange rate of 150,000 for four years through 2018. Commercial & Industrial AMI meter exchanges will start in 2016, with approximately 7,500 meters being exchanged annually for the next four years through 2019 as proposed under the 2015 Smart Meter Plan.

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<sup>4</sup> Of the total, approximately 4,000 single phase meters are tested annually through statistical sample testing and approximately 2,000 poly phase meters are tested annually through periodic testing.

17. All new smart meters are tested for accuracy by the manufacturer prior to being installed.

18. Duquesne Light believes that it is reasonable to suspend statistical sample and periodic testing of the legacy meters beginning in 2016 through the end of the AMI smart meter deployment period. Under the meter testing programs, many legacy meters that are being tested are exchanged with a new legacy meter so that the Company can perform the required testing. Continuing the testing programs concurrently with the AMI Deployment project would result in many legacy meters exchanged under the testing programs being exchanged again for an AMI meter within 0-24 months. This duplication of meter exchanges results in significant additional capital costs to both Duquesne Light and its customers, with no significant improvement in validation of meter accuracy.

19. Duquesne Light notes that during the AMI deployment period, it will continue to test legacy meters that are removed from service for non-AMI deployment reasons for “as found” registration accuracy. Non-AMI reasons for removing legacy meters include discontinuation of service, rate change, service type change, load increase, housing damage, communications failure, or other reasons. Duquesne Light will not test legacy meters that are being exchanged with a smart meter pursuant to the Commission’s *Implementation Order* at page 35. See 52 Pa. Code § 57.20(h). Duquesne Light estimates that on average 12,000 legacy meters will be tested for “as found” registration accuracy in 2016. This will allow Duquesne Light to continue monitoring the meter families for accuracy.

20. The Company will also continue periodic testing of meters not being exchanged under the AMI Deployment project, which would include a family of approximately 3,000 meters remaining within the MV 90 interrogation scope.

21. Under its proposal, the Company proposes to resume its statistical sample meter testing program for watt-hour meters starting in 2019 to include the new deployed AMI single phase family of meters.

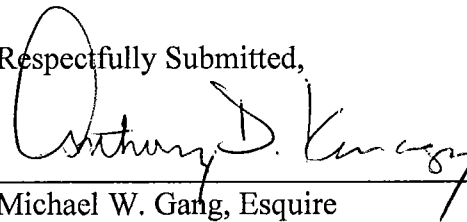
22. Likewise, the Company proposes to resume the periodic testing program starting in 2020 to include the new deployed AMI poly phase family of meters.

#### IV. CONCLUSION

WHEREFORE, for all of the foregoing reasons, Duquesne Light Company respectfully requests that the Pennsylvania Public Utility Commission approve the Company's request for a waiver and suspension of the meter testing requirements under 52 Pa. Code §§ 57.20(e) and 57.21(f) for the Company's deployed legacy meters beginning in 2016 and continuing through the Company's smart meter deployment period, which is proposed to end in 2019 as set forth herein.

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Respectfully Submitted,



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Date: January 25, 2016

Attorneys for Duquesne Light Company

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**VERIFICATION**

I, Brian J. Novicki, Senior Manager, Meter Operations, of Duquesne Light Company, hereby state that the facts set forth in the above-captioned Petition are true and correct to the best of my knowledge, information and belief, and that if asked orally at a hearing in this matter, my answers would be as set forth therein.

I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: January 25, 2016

  
Brian J. Novicki