

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17105-3265**

**Petition of Duquesne Light Co. for Waiver
and Suspension of Meter Testing
Requirements Under 52 Pa. Code §§ 57.20(e)
and 57.21(f) for Deployed Legacy Meters**

**Public Meeting held May 19, 2016
2525790-LAW**

**Docket Nos. P-2016-2525790
M-2009-2123948**

**JOINT MOTION OF CHAIRMAN GLADYS M. BROWN
and VICE CHAIRMAN ANDREW G. PLACE**

Before Commission is Duquesne Light Co.'s Petition seeking a waiver and suspension for certain meter testing obligations related to legacy meters being phased out of service. Duquesne requests the waiver and suspension of meter testing for 2016 through the end of its smart meter/advanced meter infrastructure (AMI) deployment period in 2019.

Duquesne intends to replace all of its currently deployed legacy meters within the next 3 to four years. Duquesne claims that because all families of its legacy meters are within acceptable accuracy tolerances, suspension of 52 Pa. Code §§ 57.20(e) and 57.21(f) meter testing requirements would save significant operational and capital costs related to exchanging legacy meters, with no significant degradation in validation of meter accuracy. Duquesne 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 registration accuracy.

While we commend Duquesne for attempting to reduce meter testing costs which are ultimately borne by ratepayers, we do not believe that Duquesne has met its burden of proving that a waiver of the meter testing requirements is merited. We understand that this Petition was served on the statutory advocates and is not contested. However, we are concerned that Duquesne did not explain its reason for not attempting broad public notice to its customer base given the importance of meter accuracy.

We do not believe that there is enough factual information included in Duquesne's Petition to allow us to thoroughly consider how granting a waiver would affect rates. Meter testing costs are embedded in current rates. This fact begs a number of questions: how much money would be saved by not carrying out statistical sampling of meters; whether Duquesne plans to refund the savings to ratepayers; which method would Duquesne use to refund savings to ratepayers, rates or through the AMI surcharge; and, whether the chosen refund method avoids the prohibition against single-issue ratemaking?

Because we are unable to thoroughly consider the potential customer impacts of granting the waiver, as it is currently crafted, we are unable to approve the Petition. That being said, should Duquesne wish to file a revised petition for waiver, we would appreciate answers to the questions contained herein and the data request appended to this Motion.

THEREFORE, WE MOVE THAT:

1. That the Petition for Waiver filed by Duquesne Light Company is denied.
2. That the Law Bureau prepare an Opinion and Order consistent with this Motion.

May 19, 2016

Date



Gladys M. Brown, Chairman



Andrew G. Place, Vice Chairman

1. What are Duquesne's acceptable tolerance levels, and how many legacy meters are estimated to be out of tolerance annually, based on the approximately 6000 legacy meters sampled every year?
2. Provide the annual accuracy curves for each make and model of legacy meters for at least 5 years. Also, provide details or test results to support the assertion of a historical record of meter accuracy.
3. What are the per customer legacy meter testing costs for Duquesne's meters? What are the replacement legacy meter capital costs?
4. Provide the estimated operation and capital cost savings for each of the next 4 years related to:
 - a. Not testing the meters upon replacement
 - b. Discontinuing the annual 6000 legacy meter statistical sampling and periodic testing program.
 - c. Not testing for non-AMI reasons which are unrelated to meter accuracy issues.
5. Describe for each of the cost estimates in question 3 above, how customers will benefit from such cost savings.
6. Once smart meters are installed at each location, does Duquesne propose to immediately begin statistical and periodic testing for all new meters, or does Duquesne propose to only commence such testing beginning in 2019? If the latter, describe how such savings, if applicable, will be credited to customers, and the projected smart meter accuracy data for 4 years in support of this approach.
7. Provide the reasoning why affected customers should not be given notice of this waiver. Does Duquesne find it reasonable to allow customers to opt into legacy meter testing upon smart meter replacement?
8. If legacy meters are not tested, what are the estimated costs of storage per month for legacy meters, so as to be made available for testing in the event of a complaint regarding changes in meter usage before and after meter replacement?
9. How will Duquesne track operational and capital cost savings to the extent they propose to pass such savings onto customers?