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May 21, 2018

**VIA E-FILING**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor  
Harrisburg, PA 17120

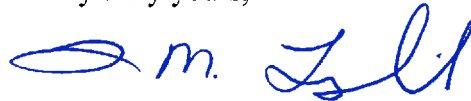
**Re: Karen Ann Wallace v. Metropolitan Edison Company**  
**Docket No. C-2018-3001564**

Dear Secretary Chiavetta:

Attached please find the Preliminary Objections of Metropolitan Edison Company in the above-referenced matter. This document has been served on the Complainant as shown in the Certificate of Service.

Please contact me if you have any questions.

Very truly yours,



Lauren M. Lepkoski

krak  
Enclosures

c: As per Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**KAREN ANN WALLACE**

**v.**

**METROPOLITAN EDISON COMPANY**

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**Docket No. C-2018-3001564**

**NOTICE TO PLEAD**

TO: Karen Ann Wallace

Pursuant to 52 Pa. Code § 5.101 you are hereby notified that if you do not file a reply to the enclosed Preliminary Objections of Metropolitan Edison Company within ten (10) days from service of this notice, the facts set forth by Metropolitan Edison Company in the Preliminary Objections may be deemed to be admitted, thereby requiring no other proof. All pleadings, such as a Reply to Objection, must be filed with the Secretary of the Pennsylvania Public Utility Commission, with a copy service to counsel for Metropolitan Edison Company, and where applicable, the Administrative Law Judge presiding over the case.

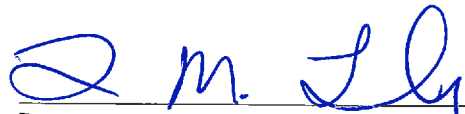
File with:

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

With a copy to:

Lauren M. Lepkoski  
Tori L. Giesler  
Teresa Harrold  
FirstEnergy Service Company  
2800 Pottsville Pike  
P.O. Box 16001  
Reading, Pennsylvania 19612-6001

Date: May 21, 2018



Lauren M. Lepkoski, Esquire  
Tori L. Giesler, Esquire  
Teresa Harrold, Esquire

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>KAREN ANN WALLACE</b>	:	
	:	
v.	:	<b>Docket No. C-2018-3001564</b>
	:	
<b>METROPOLITAN EDISON COMPANY</b>	:	

**PRELIMINARY OBJECTION TO THE FORMAL COMPLAINT OF  
KAREN ANN WALLACE**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

AND NOW, Metropolitan Edison Company ("Met-Ed" or the "Company"), by and through its counsel, Lauren M. Lepkoski, Tori L. Giesler and Teresa Harrold, files this Preliminary Objection pursuant to Section 5.101(a) of Pennsylvania Public Utility Commission ("Commission") regulations, 52 Pa. Code § 5.101(a)(1), and in support thereof, avers as follows:

**I. Introduction**

1. In her recently filed Formal Complaint, Karen Ann Wallace ("Complainant"), who resides at 9734 Kistler Valley Road, Kempton, Pennsylvania 19529 ("Service Location") alleges that she does not want a smart meter installed at the Service Location. (Formal Complaint ¶ 5.)

The Complainant states as requested relief:

I want them to stop threatening us with numerous letters because we do not want a smart meter installed on our house. What right does the utility have to authorize out electric to be turned off for any reason than non-payment. They are claiming under Act 129 if we refuse a smart meter, they are prepared to shut off our electric. I have done my best to review the Act and I do not see any specific clause that states non-compliance is a clause to lease us without electric.

(Formal Complaint ¶ 5.)

2. The Company is in the process of deploying smart meters in its service territory in accordance with Act 129 of 2008 (“Act 129”).<sup>1</sup>

3. On December 12, 2017, the Company sent correspondence to the Complainant regarding the installation of a smart meter at the Service Location. On January 3, 2018, the Company received notification from Wellington Energy, a contractor for the Company, that the Complainant was refusing installation of the smart meter. On January 8, 2018, the Company contacted the Complainant and spoke with Rolla Wallace, an authorized contact on the Account, regarding the smart meter refusal in an attempt to address any questions or concerns which the Complainant or residents of the Service Location may have. Mr. Wallace refused installation of the smart meter. Mr. Wallace indicated he was not satisfied with the results of his telephone call and the Company representative provided dispute rights. On January 9, 2018, the Company issued a letter to the Complainant stating that she should contact the Company to facilitate installation of a smart meter at the Service Location. On January 18, 2018, Bruce Wallace, the Complainant’s husband, contacted the Company to reiterate refusal of the smart meter installation at the Service Location. On March 8, 2018, the Company issued a letter to the Complainant stating that she should contact the Company to facilitate installation of a smart meter at the Service Location. On March 29, 2017, a pre-disconnection warning letter was issued to the Complainant pursuant to 66 Pa.C.S. § 1406, 52 Pa. Code § 56.81 and Rules 9 and 20 of the Company’s Commission-approved Tariff.<sup>2</sup> On April 2, 2018, the Complainant contacted the Company stating that she was refusing the smart meter for medical reasons and she did not give permission for the smart meter to be installed at the Service Location and that the Company should stop sending letters. The

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<sup>1</sup> 66 Pa.C.S. § 2806.1 *et seq.* (“Act 129”). Among other things, Act 129 specifically directed that electric distribution companies with at least 100,000 customers file a smart meter technology procurement and installation plan with the Commission for approval. 66 Pa.C.S. § 2807(f)(1) and (2).

<sup>2</sup> *Id.*

Complainant then disconnected the call. On April 12, 2018, a service termination notice was sent to the Complainant pursuant to 66 Pa.C.S. § 1406, 52 Pa. Code § 56.81 and Rules 9 and 20 of the Company's Commission-approved Tariff.<sup>3</sup> On April 16, 2018, Bruce Wallace contacted the Company stating, in part, that the Company does not have permission to come onto his property for any reason as he will provide his own meter readings to the Company. The Company representative explained to Mr. Wallace that Act 129 does not provide an 'opt-out' and that the Company has the right to terminate service due to lack of access to the Company's meter. Mr. Wallace disagreed with the Company representative and indicated he was not satisfied with the results of his telephone call. The Company representative provided Mr. Wallace with dispute rights both verbally and in writing as it was unclear if Mr. Wallace disconnected the telephone call prior to receiving his complete dispute rights. On April 25, 2018, the Company contacted the Complainant regarding the service termination notice in accordance with 52 Pa. Code § 56.93 and spoke with Rolla Wallace. Mr. Rolla Wallace reiterated his refusal of the smart meter installation. On May 1, 2018, the instant Formal Complaint was served on the Company and termination efforts ceased.

4. As explained in greater detail below, even if all of the facts in the Formal Complaint are accepted as true, they do not constitute a violation of any law which the Commission has jurisdiction to administer, or of any regulation or order of the Commission, such that relief can be granted. *See* 66 Pa.C.S. § 701.

5. As a result, the Company requests that this Preliminary Objection be granted and that the Commission: (1) strike the Complainant's request for an exemption from the installation

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<sup>3</sup> *Metropolitan Edison Company Retail Electric Service Tariff*, Electric Pa. PUC No. 52, pp. 40, issued May 1, 2015, effective May 21, 2015.

of a smart meter; (2) dismiss the Formal Complaint in its entirety with prejudice; and (3) grant the Company such other relief as may be just and reasonable under the circumstances.

## II. Background

6. Met-Ed is an electric distribution company that is certificated as a public utility in Pennsylvania.

7. On December 12, 2017, the Company sent correspondence to the Complainant regarding the installation of a smart meter at the Service Location. On January 3, 2018, the Company received notification from Wellington Energy, a contractor for the Company, that the Complainant was refusing installation of the smart meter. On January 8, 2018, the Company contacted the Complainant and spoke with Rolla Wallace, an authorized contact on the Account, regarding the smart meter refusal in an attempt to address any questions or concerns which the Complainant or residents of the Service Location may have. Mr. Wallace refused installation of the smart meter. Mr. Wallace indicated he was not satisfied with the results of his telephone call and the Company representative provided dispute rights. On January 9, 2018, the Company issued a letter to the Complainant stating that she should contact the Company to facilitate installation of a smart meter at the Service Location. On January 18, 2018, Bruce Wallace, the Complainant's husband, contacted the Company to reiterate refusal of the smart meter installation at the Service Location. On March 8, 2018, the Company issued a letter to the Complainant stating that she should contact the Company to facilitate installation of a smart meter at the Service Location. On March 29, 2017, a pre-disconnection warning letter was issued to the Complainant pursuant to 66 Pa.C.S. § 1406, 52 Pa. Code § 56.81 and Rules 9 and 20 of the Company's Commission-approved Tariff.<sup>4</sup> On April 2, 2018, the Complainant contacted the Company stating that she was refusing

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<sup>4</sup> *Id.*

the smart meter for medical reasons and she did not give permission for the smart meter to be installed at the Service Location and that the Company should stop sending letters. The Complainant then disconnected the call. On April 12, 2018, a service termination notice was sent to the Complainant pursuant to 66 Pa.C.S. § 1406, 52 Pa. Code § 56.81 and Rules 9 and 20 of the Company's Commission-approved Tariff.<sup>5</sup> On April 16, 2018, Bruce Wallace contacted the Company stating, in part, that the Company does not have permission to come onto his property for any reason as he will provide his own meter readings to the Company. The Company representative explained to Mr. Wallace that Act 129 does not provide an 'opt-out' and that the Company has the right to terminate service due to lack of access to the Company's meter. Mr. Wallace disagreed with the Company representative and indicated he was not satisfied with the results of his telephone call. The Company representative provided Mr. Wallace with dispute rights both verbally and in writing as it was unclear if Mr. Wallace disconnected the telephone call prior to receiving his complete dispute rights. On April 25, 2018, the Company contacted the Complainant regarding the service termination notice in accordance with 52 Pa. Code § 56.93 and spoke with Rolla Wallace. Mr. Rolla Wallace reiterated his refusal of the smart meter installation. Termination efforts ceased upon receipt of the instant Formal Complaint.

8. On April 27, 2018, the Complainant filed a Formal Complaint with the Commission against Met-Ed at the above-captioned docket. The Company was electronically served with the Formal Complaint on May 1, 2018.

9. Met-Ed is timely filing its Answer and New Matter contemporaneously with this Preliminary Objection, which Answer and New Matter is incorporated into this Preliminary Objection as if fully set forth herein.

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<sup>5</sup> *Id.*

### III. Argument

10. The Commission's Rules of Practice and Procedure permit parties to file preliminary objections. The grounds for preliminary objections are limited to those set forth in 52 Pa. Code § 5.101(a) as follows:

- (1) Lack of Commission jurisdiction or improper service of the pleading initiating the proceeding.
- (2) Failure of a pleading to conform to this chapter or the inclusion of scandalous or impertinent matter.
- (3) Insufficient specificity of a pleading.
- (4) Legal insufficiency of a pleading.
- (5) Lack of capacity to sue, nonjoinder of a necessary party or misjoinder of a cause of action.
- (6) Pendency of a prior proceeding or agreement for alternative dispute resolution.
- (7) Standing of a party to participate in the proceeding.

11 The Commission's procedure regarding the disposition of preliminary objections is similar to that utilized in Pennsylvania civil practice. *Equitable Small Transportation Intervenors v. Equitable Gas Company*, Docket No. C-00935435 (Opinion and Order entered July 18, 1994).

12. A preliminary objection in civil practice seeking dismissal of a pleading will be granted only where relief is clearly warranted and free from doubt. *Interstate Traveler Services, Inc. v. Pa. Dept. of Environmental Resources*, 406 A.2d 1020 (Pa. 1979); *Rivera v. Philadelphia Theological Seminary of St. Charles Borromeo, Inc.*, 595 A.2d 172 (Pa. Super. 1991). The Commission has adopted this standard. *Montague v. Philadelphia Electric Company*, 66 Pa. PUC 24 (1988).

13. In accordance with Section 701 of the Code, 66 Pa.C.S. § 701, a person may file a complaint which sets forth “any act or thing done or omitted to be done by any public utility in violation, or claimed violation, of any law which the commission has jurisdiction to administer, or of any regulation or order of the commission.” As explained below, the Company has not violated the Public Utility Code or the orders or regulations of the Commission.<sup>6</sup> In fact, the Company’s action have been in compliance with Act 129 and the June 5 Order.

14. The moving party may not rely on its own factual assertions, but must accept for the purposes of disposition of the preliminary objection, all well-pleaded, material facts of the other party, as well as every inference fairly deducible from those facts. *County of Allegheny v. Commw. of Pa.*, 490 A.2d 402 (Pa. 1985). Therefore, in ruling on a preliminary objection, the Commission must assume, for decisional purposes only, that the factual allegations of the Formal Complaint are true. *Id.*

15. Met-Ed’s smart meter deployment plan was approved by the Commission at Docket No. M-2013-2341990 by Order entered June 5, 2014. In accordance with the June 5 Order, the Company filed its final Smart Meter Deployment Plan (“SMP”) on June 16, 2014. The SMP was approved by the Commission on June 20, 2014. The Complainant challenges no aspect of the Company’s provision of electric service other than the installation of a smart meter at the Service Location, as required by Act 129 and the Company’s SMP.

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<sup>6</sup> 66 Pa.C.S. § 701.

16. Commission precedent is uniform that it cannot grant exceptions to the statutory directive that smart meters be installed by allowing customers to opt out.<sup>7</sup>

17. Assuming the facts pleaded in the Formal Complaint are true, as the Commission must for the purposes of ruling on a preliminary objection, the Complainant has failed to allege that Met-Ed has committed or omitted an act in violation of a Commission statute, regulation, order, or Met-Ed's tariff, a finding of which must be made in order to sustain a formal complaint. *See* 66 Pa.C.S. § 701; *County of Allegheny, supra.* (Compl. ¶ 4).

18. Because Act 129 and the Commission's orders not only authorize but require the Company to develop and implement a smart meter procurement and installation plan, and do not allow a customer to opt out of having a smart meter installed, this Complaint must be dismissed. As a matter of law, the Company is required to install a smart meter at the Service Location. As such, the Commission cannot find the Company to be in violation for having attempted to follow the law as it has done here.

19. Therefore, the Formal Complaint is legally insufficient because it fails to state a claim upon which the Commission can grant relief. *See* 52 Pa. Code § 5.101(a)(4).

20. The Commission may dismiss a complaint without hearing if a hearing is not necessary in the public interest. 66 Pa.C.S. § 703(b); 52 Pa. Code § 5.21 (d).

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<sup>7</sup> *Negley v. Metropolitan Edison Company*, Docket No. C-2010-2205305 (Initial Decision dated January 3, 2011 became final without Commission action closed March 3, 2011); *Lutherschmidt v. Metropolitan Edison Company*, Docket No. C-2010-2200353 (Final Order entered March 25, 2011). The Commission has continued to uphold installation of smart meters by dismissing complaints opposing installation of smart meters on the basis of legal insufficiency. *Corbett v. Pennsylvania Power Company*, Docket No. C-2011-2219898 (Final Order entered May 27, 2011); *Jones v. Metropolitan Edison Company*, Docket No. C-2011-2224380 (Final Order entered June 28, 2011); *Griffin v. Metropolitan Edison Company*, Docket No. C-2012-2300172 (Final Order entered November 27, 2012); *Brake v. Met-Ed Company*, Docket No. C-2013-2367308 (Final Order entered November 14, 2013); *Drake v. Metropolitan Edison Company*, Docket No. C-2014-2413771 (Final Order entered June 12, 2014); *Efaw v Met-Ed Company*, Docket No. C-2014-2413744 (Final Order entered June 12, 2014). *See also*, the Initial Decision of ALJ Susan D. Colwell in *Dennis McElwain v. Pennsylvania Power Company*, Docket No. C-2014-2451478 issued December 3, 2015.

21. Recently, the Commission set for hearing two cases in which the complainant was opposed to the installation of a smart meter at their premises.<sup>8</sup> These cases represent a departure from past Commission practice of dismissing such complaints on Preliminary Objections. The Commission stated that where a complainant has presented specific factual averments regarding the health or other effects that they have experienced after a smart meter was installed at their home, the Commission has overruled Preliminary Objections and allowed a case to proceed. Specifically, in *Kreider*, the complainant alleged specific deleterious health effects after installation of a smart meter affecting her specific medical condition. Further, in *Van Schoyck*, the complainants alleged potential health risks due to constant ringing noise in their home and their inability to sleep since the time the smart meter was installed.<sup>9</sup> In contrast, in the instant case, the Complainant has made no specific factual averments regarding any effects experienced which began *after* a smart meter was installed. Furthermore, the Complainant only states that she does not consent to the smart meter installation at the Service Location.<sup>10</sup> Further, the Commission has not recognized a customer's lack of consent to install a smart meter as sufficient to overcome Preliminary Objections.<sup>11</sup> Therefore, the Company respectfully submits that the matters plead in the subject Formal Complaint do not meet the standards set in the *Kreider* and *Van Schoyck* cases such that this matter can survive dismissal on preliminary objections.

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<sup>8</sup> *Susan Kreider v. PECO Energy Company*, Docket No. C-2015-2469655 (Order on Reconsideration entered January 28, 2016); *Stephen and Diane Van Schoyck v. PECO Energy Company*, Docket No. C-2015-2478239 (Opinion and Order entered February 25, 2016).

<sup>9</sup> *Id.*

<sup>10</sup> Formal Complaint ¶ 5.

<sup>11</sup> *Richard and Marie Fugo in care of Fugo Eye Institute v. PECO Energy Company*, Docket Nos. C-2015-2519763 and C-2015-2519770 (Order entered April 6, 2016).

22. In *Charles F. Jackson v. Pennsylvania Electric Company*, Docket No. C-2017-2600495 (Order Entered August 31, 2017), the Commission approved the Initial Decision of ALJ David A. Salapa, dated June 26, 2017, which granted the Preliminary Objections of Pennsylvania Electric Company and dismissed the formal complaint of Mr. Jackson (who was disputing the installation of a smart meter) finding that formal complaint was legally insufficient, pursuant to 52 Pa. Code § 5.101(a)(4), in that the complaint fails to allege that the utility violated the Public Utility Code, Commission regulations or orders or its tariff provisions. The respondent was found to be authorized to install smart meters and impose a charge on its customers to develop and implement a smart meter procurement and installation plan that will lead to the installation of smart meters throughout its service territory. ALJ Salapa further found that the respondent was authorized to terminate the Mr. Jackson's service if he refused to provide the respondent with access to its meter and equipment to install the smart meter.

This Commission decision was entered after *Kreider*. The instant formal complaint is similar to the alleged averments in the formal complaint at Docket No. C-2017-2600495, in that the Complainant has only alleged that she does not want a smart meter at the Service Location. The Complainant has not set forth in her complaint that any act done by the respondent violates a Commission regulation, statute or order.

23. Therefore, the Company respectfully submits that the matters plead in the subject Formal Complaint do not meet the standards set in the *Kreider* and *Van Schoyck* cases such that this matter can survive dismissal on preliminary objections.

24. Further, the Commission has upheld decisions granting preliminary objections and dismissing complaints for legal insufficiency opposing smart meter installation. In *Richard Negley v. Metropolitan Edison Company*, Docket No. C-2010-2205305 (Initial Decision issued January

3, 2011), ALJ Susan D. Colwell dismissed a complaint opposing installation of smart meters for legal insufficiency. ALJ Colwell concluded that Act 129 of 2008 authorized the installation of smart meters by EDCs. ALJ Colwell held that the Commission's orders approving the EDC's smart meter plans did not exempt any customers from the smart meter plans. By Commission final order entered March 3, 2011, ALJ Colwell's Initial Decision became final without further Commission action.

25. Rule 9 of the Company's Commission- approved Tariff<sup>12</sup>, allows the Company to have access to its customers' premises for any and all purposes relating to the supply of electric energy which includes the exchange of meters. The Complainant's refusal to allow the Company access to its own meter is a violation of Rules 9 and 20 of the Company's Commission-approved Tariff<sup>13</sup> and is grounds for termination of service. The Commission has also upheld decisions finding that a utility has the ability to terminate the service of a customer who refuses installation of a smart meter. *Art Larson v. PECO Energy Company*; Docket No. C-2014-2451754 (Opinion and Order entered June 11, 2015). *See also, Catherine J. Frompovitch v. PECO Energy Company*; Docket No. C-2015-2474602 (Opinion and Order entered May 3, 2018).

26. Because Act 129 of 2008 and the Commission's orders authorize the Company to develop and implement a smart meter procurement and installation plan, the Complainant has not set forth in their complaint any act done by the Company that violates a Commission regulation, statute or order.

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<sup>12</sup> *Metropolitan Edison Company Retail Electric Service Tariff*, Electric Pa. PUC No. 52, pp. 40, issued May 1, 2015, effective May 21, 2015.

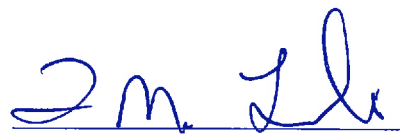
<sup>13</sup> *Id.*

**IV. Conclusion**

WHEREFORE, for the foregoing reasons, Metropolitan Edison Company respectfully requests that the Commission: (1) grant its Preliminary Objections and strike the Complainant's request for an exemption from the installation of a smart meter; (2) dismiss the Formal Complaint in its entirety with prejudice; and (3) grant the Company such other relief as may be just and reasonable under the circumstances.

Respectfully submitted,

Dated: May 21, 2018



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Counsel for Metropolitan Edison Company

**BEFORE THE  
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**KAREN ANN WALLACE**

**v.**

**METROPOLITAN EDISON COMPANY**

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**Docket No. C-2018-3001564**

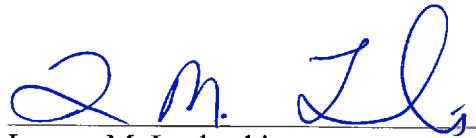
**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the Preliminary Objections of Metropolitan Edison Company to the Formal Complaint of Karen Ann Wallace upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

Service by First Class Mail, postage prepaid, as follows:

Karen Ann Wallace  
9734 Kistler Valley Road  
Kempton, PA 19529

Dated: May 21, 2018



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Tori L. Giesler  
Teresa Harrold  
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