

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of PACIFIC GAS
AND ELECTRIC COMPANY for
Authority to Increase Revenue
Requirements to Recover the
Costs to Upgrade its
SmartMeter™ Program

Application No. 07-12-009
(Filed December 12, 2007)

**THE COALITION OF CALIFORNIA UTILITY EMPLOYEES'
OPPOSITION TO THE CITY AND COUNTY OF SAN FRANCISCO'S
PETITION TO MODIFY DECISION 09-03-026 TO TEMPORARILY
SUSPEND PACIFIC GAS AND ELECTRIC COMPANY'S
INSTALLATION OF SMARTMETERS™**

Pursuant to Rule 16.4 of the California Public Utilities Commission's Rules of Practice and Procedure, the Coalition of California Utility Employees (CUE) submits this opposition to the City and County of San Francisco's (CCSF) proposed immediate suspension of further installation of PG&E's SmartMeters™.

CUE was definitely not one of the original advocates of automated metering. We questioned whether the program would be cost effective, whether the claimed benefits would be real, whether there would be any "benefits" other than eliminating meter reading jobs and whether the peak load shaving value could be achieved with less expense.

However, CUE also recognized long ago that automated electric metering someday would be the norm. We understand the relationship between smart meters and the evolving smart grid. While we remain skeptical of grandiose claims,

we understand the direction of the industry, plan to be part of the future and want to help shape that future in the most thoughtful way possible. Smart meters definitely are part of that future.

PG&E's SmartMeter™ installation is more than half finished. The installation certainly has not been flawless. However, the program has not been the sort of widespread disaster the CCSF Petition would suggest. There have been problems of all sorts, and the Commission was wise to engage a third party to investigate the entire program. But the existence of a modest number of problems within a major infrastructure deployment does not automatically mean that the program should be stopped in its tracks.

Stopping deployment comes with real and substantial costs. There are currently more than 400 people who have been trained and are working daily to install SmartMeters™. Stopping the installation would cost these people their jobs. Depending on the length of the suspension, when the program resumed, some of these people would no longer be available, so that new people would have to be trained. This is a real cost that is never acknowledged by CCSF.

CCSF also fails to acknowledge that in many respects most customers with new meters are already benefiting from those meters – estimated and delayed bills are fewer than with legacy meters.

In sum, just because a major infrastructure program has some percentage of problems does not mean that the program should be suspended when those problems are already under independent investigation, the investigation will be

completed shortly, the program is providing some benefits and the suspension would itself impose real and substantial costs.

The Commission should wait until the independent investigation is completed before taking any precipitous action to suspend SmartMeter™ installation.

Dated: July 19, 2010

Respectfully submitted,

/s/

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CERTIFICATE OF SERVICE

I, Bonnie Heeley, declare that on July 19, 2010, I emailed, had hand delivered and/or deposited copies of the attached **THE COALITION OF CALIFORNIA UTILITY EMPLOYEES' OPPOSITION TO THE CITY AND COUNTY OF SAN FRANCISCO'S PETITION TO MODIFY DECISION 09-03-026 TO TEMPORARILY SUSPEND PACIFIC GAS AND ELECTRIC COMPANY'S INSTALLATION OF SMARTMETERS™** in the United States Mail at South San Francisco, California, with first class postage thereon fully prepaid and addressed as follows:

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I declare under penalty of perjury that the foregoing is true and correct. Executed at South San Francisco, CA, this 19th day of July, 2010.

/s/
Bonnie Heeley