

**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. (U39E)

Application 07-12-009
(Filed December 12, 2007)

COMMENTS OF THE TECHNOLOGY NETWORK

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October 15, 2010

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In accordance with the Administrative Law Judge's Ruling issued on September 22, 2010, in the above-captioned proceeding, The Technology Network (TechNet)¹ hereby submits these comments.

I. INTRODUCTION

The Ruling requests that interested parties submit comments on the question of what the Commission should do concerning the *City and County of San Francisco's Petition to Modify Decision 09-03-026 to Temporarily Suspend Pacific Gas & Electric Company's Installation of Smart Meters* (CCSF Petition) in light of the Commission sponsored Smart Meter evaluation report titled "PG&E Advanced Metering Assessment Report" (Structure Report). Since the central premise of the CCSF Petition is that Pacific Gas & Electric Company's (PG&E's) SmartMeters are inaccurate, yet the Structure

¹ TechNet is a network of CEOs and Senior Executives that promotes the growth of technology and the innovation economy by bringing its members together with our nation's policy makers to sustain and advance America's global leadership in innovation. TechNet's members represent two million employees in the fields of information technology, clean technology, biotechnology, e-commerce and finance. In addition to its offices in Washington, DC and Silicon Valley, TechNet has a presence in New England; Texas; the Pacific Northwest; Sacramento, California; and Albany, New York.

Report unequivocally concludes that the SmartMeters are highly accurate, TechNet strongly urges the Commission to deny the CCSF Petition with prejudice.

II. COMMENTS

A. The Structure Report Repudiates the CCSF Petition’s Core Premise Concerning the Accuracy of PG&E’s SmartMeters.

The CCSF Petition asks the Commission to immediately suspend further installation of PG&E SmartMeters “until the Commission completes its investigation into the significant problems created by PG&E’s deployment of its SmartMeters.”² The CCSF Petition’s core premise is that these “significant problems” are the product of inaccurate SmartMeters, which the CCSF Petition alleges harms customers by causing them to be overbilled and erodes consumer confidence in the SmartMeter program.

In the Structure Report, issued after an independent investigation sponsored by the Commission, the report’s authors conclude—based on comprehensive sample testing of SmartMeters in the laboratory and field testing of installed meters, as well as a thorough review of disputed customer billings—that both the PG&E SmartMeters and the bills rendered by PG&E based on SmartMeter data are highly accurate.³ The Structure Report thus demolishes the core premise of the CCSF Petition.

B. Suspending PG&E’s SmartMeter Deployment Is Not Necessary to Protect Customers or in the Public Interest.

In light of the Structure Report, the relief sought by the CCSF Petition is inappropriate. Since the Structure Report concludes that both PG&E’s SmartMeters and associated customer billings are highly accurate, suspending the deployment of SmartMeters would not serve any valid purpose. That is, a suspension would not lead to

² CCSF Petition at 1.

³ ALJ’s Ruling at 1.

an improvement in the accuracy of customer SmartMeter billings (as such billings are in fact correct), it is not needed to acknowledge any legitimate customer concerns regarding meter and billing accuracy (as such concerns are not the product of inaccurate SmartMeters or bills), and it is not needed to promote consumer confidence in the SmartMeter program (as the most effective way to address consumer confidence issues is through improved educational efforts and customer relations).

Indeed, suspending PG&E's deployment of SmartMeters could actually harm PG&E customers by increasing the costs of PG&E's SmartMeter program. It would also harm California and Californians through the loss of much needed jobs. Equally troubling, a suspension may lead to further erosion of consumer confidence in SmartMeters because the suspension would delay realization of the societal benefits associated with advanced metering infrastructure and the SmartGrid. A suspension of PG&E's program would thus be counter to the public interest.

C. Allowing the Possibility of a Suspension to Continue Is Detrimental to the Interests of All Parties.

The Commission's investigation of PG&E's SmartMeter program has cleared the air with respect to concerns about meter and billing accuracy and has identified the sources of customer complaints related to the program. Of course, this benefit has come at a cost, namely the diversion of attention and resources away from resolving technical and logistical challenges that arise in the course of any major utility infrastructure upgrade. Now that the accuracy of PG&E's SmartMeters and associated customer bills is no longer in doubt, the Commission should remove the threat of a suspension and thereby free up PG&E's employees, the employees of PG&E's SmartMeter vendors, Commission staff members, and well-intentioned consumer advocates to focus on what they each do

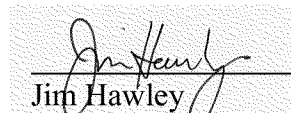
best, namely identifying and resolving any real but resolvable issues that may arise in connection with this technologically innovative and logistically challenging infrastructure upgrade project.

III. CONCLUSION

The Commission should deny the CCSF Petition, with prejudice, for the following reasons:

- (1) While the CCSF Petition asserts that a temporary suspension of PG&E's SmartMeter deployment is needed to protect customers from harm resulting from inaccurate meters, the Structure Report unequivocally demonstrates that PG&E's SmartMeters are highly accurate, thereby making CCSF's request for a suspension superfluous;
- (2) Suspension of PG&E's SmartMeter deployment could affirmatively harm PG&E customers due to additional costs and job losses which would result from the suspension; and
- (3) The continued possibility of a suspension will unnecessarily divert the attention and resources of interested parties.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of *Comments of the Technology Network* on all parties of record in proceeding *A.07-12-009* by serving an electronic copy on their email addresses of record and by mailing a properly addressed copy by first-class mail with postage prepaid to each party for whom an email address is not available.

Executed on October 15, 2010, at Woodland Hills, California.



Michelle Dargott

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