

From: Cherry, Brian K  
Sent: 1/24/2011 11:10:20 AM  
To: Gleicher, Cliff (Law)  
(/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=CJGF);  
'marzia.zafar@cpuc.ca.gov' (marzia.zafar@cpuc.ca.gov); Dietz, Sidney  
(/O=PG&E/OU=Corporate/cn=Recipients/cn=SBD4)  
Cc:  
Bcc:  
Subject: RE: Maine's opt-out issue

Thanks Marzia. Keep in mind that your boss and my boss wants an alternative.

**From:** Zafar, Marzia [mailto:marzia.zafar@cpuc.ca.gov]  
**Sent:** Monday, January 24, 2011 09:07 AM  
**To:** Gleicher, Cliff (Law); Cherry, Brian K; Dietz, Sidney  
**Subject:** FW: Maine's opt-out issue

FYI...

**From:** Zafar, Marzia  
**Sent:** Monday, January 24, 2011 9:05 AM  
**Subject:** Maine's opt-out issue

Hi,

Here's a brief update on what's going on in Maine in terms of the smart meter opt-out issue. The Maine PUC opened an OIR looking into the technical and financial feasibility of an opt-out program and the utility has responding by saying it makes no sense.

marzia

Central Maine Power defends  
no-opt-outs policy  
January 24, 2011

Central Maine Power has not acted unreasonably, insufficiently or in an unjustly discriminatory fashion by denying customers the right to opt out of smart meter installations, the utility told state regulators in a [filing](#) Thursday. The utility was responding to a unanimous vote by Maine's PUC earlier this month to investigate CMP's no-opt-out policy (SGT, [Jan-06](#)).

Substituting hard-wired meters and dedicated phone lines, or letting customers keep their old electromechanical meters, both fail "technical and financial considerations," CMP wrote in its 26-page filing. But relocating smart meters to a new location on the customer's property might satisfy those considerations, it said.

Offering hard-wired meters would cost \$53.1 million at current opt-out rates, CMP said. Allowing old meters to remain in place would not support “even a single operational or system benefit and is therefore not feasible,” it said. Relocating meters would cost \$18 million over the 20-year life of the AMI project, and some of those costs should be borne by customers who opt out.

“It is the company's position that customers should continue to have the ability to relocate a smart meter to a new location on the customer's property and pay the incremental costs,” CMP concluded.

Of the first 100,000 smart meter installations, 17% of the opt-out requests came from the town of Cape Elizabeth, representing 7.9% of all the meters installed there, CMP said. If all those people do opt out, CMP's ability to manage outages, control voltage variations and manage load swings there and nearby could be diminished.

No other US utility has allowed opt-outs, CMP said. So refusing to allow them “is not in any respect unreasonable, insufficient or unjustly discriminatory,” it said.

Maine's PUC is scheduled to discuss the matter today, Mitchell Tannenbaum, a PUC spokesperson, told us Friday. The next steps have not been determined, he said, “but we may know more by the end of the day about what they should be.”

Marzia Zafar - [Zaf@cpuc.ca.gov](mailto:Zaf@cpuc.ca.gov) - 415-703-1997