

MAINE STATE LEGISLATURE

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125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 1396

H.P. 1025

House of Representatives, April 4, 2011

**An Act To Require a Transmission and Distribution Utility To
Provide Safeguards to Consumers Prior To Installing Wireless
Smart Meters**

Reference to the Committee on Energy, Utilities and Technology suggested and ordered printed.

A handwritten signature in cursive script, reading 'Heather J.R. Priest'.

HEATHER J.R. PRIEST
Clerk

Presented by Representative BOLAND of Sanford.
Cosponsored by Representative CHIPMAN of Portland, Senator SNOWE-MELLO of
Androscoggin and Representatives: BOLDUC of Auburn, BRIGGS of Mexico, DILL of Cape
Elizabeth, MORRISON of South Portland, SIROCKI of Scarborough, SOCTOMAH of the
Passamaquoddy Tribe, TUTTLE of Sanford, Senator: GERZOFKY of Cumberland.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 35-A MRSA §3143, sub-§2, ¶E**, as enacted by PL 2009, c. 539, §2, is
3 amended to read:

4 E. ~~It is vital that a smart grid policy be developed in order to ensure that all~~
5 ~~ratepayers and the State as a whole are afforded~~ The development of a smart grid
6 policy will help promote the benefits of smart grid functions and associated
7 infrastructure, technology and applications.

8 **Sec. 2. 35-A MRSA §3143, sub-§3**, as enacted by PL 2009, c. 539, §2, is
9 amended to read:

10 **3. Smart grid policy; goals.** In order to improve the overall reliability and
11 efficiency of the electric system, reduce ratepayers' costs in a way that improves the
12 overall efficiency of electric energy resources, reduce and better manage energy
13 consumption and reduce greenhouse gas emissions, it is the policy of the State to promote
14 in a timely and responsible manner, with consideration of all relevant factors and
15 consistent with all applicable laws, including section 3144, the development,
16 implementation, availability and use of smart grid functions and associated infrastructure,
17 technology and applications in the State through:

18 A. Increased use of digital information and control technology to improve the
19 reliability, security and efficiency of the electric system;

20 B. Deployment and integration into the electric system of renewable capacity
21 resources, as defined in section 3210-C, subsection 1, paragraph E, that are
22 interconnected to the electric grid at a voltage level less than 69 kilovolts;

23 C. Deployment and integration into the electric system of demand response
24 technologies, demand-side resources and energy-efficiency resources;

25 D. Deployment of smart grid technologies, including real-time, automated,
26 interactive technologies that optimize the physical operation of energy-consuming
27 appliances and devices, for purposes of metering, communications concerning grid
28 operation and status and distribution system operations;

29 E. Deployment and integration into the electric system of advanced electric storage
30 and peak-reduction technologies, including plug-in electric and hybrid electric
31 vehicles;

32 F. Provision to consumers of timely energy consumption information and control
33 options; and

34 G. Identification ~~and elimination of barriers~~ concerns related to the adoption of smart
35 grid functions and associated infrastructure, technology and applications.

36 It is the policy of the State to promote the development, implementation, availability and
37 use of smart grid functions in accordance with this subsection in a manner that is
38 consistent with applicable standards for reliability, safety, security and privacy and that
39 takes into account the implementation of smart grid functions in other jurisdictions.

1 The commission may adopt rules regarding the implementation of smart grid functions in
2 the State in accordance with this subsection, including, but not limited to, rules regarding
3 cybersecurity and protection of consumer privacy, and access to smart grid infrastructure
4 and information, including, but not limited to, open access issues, coordination between
5 smart grid users and methods to address financial disincentives for transmission and
6 distribution utilities to promote smart grid functions. Rules adopted pursuant to this
7 subsection are routine technical rules as described in Title 5, chapter 375, subchapter 2-A.

8 **Sec. 3. 35-A MRSA §3144** is enacted to read:

9 **§3144. Installation of wireless smart meter; customer rights**

10 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
11 following terms have the following meanings.

12 A. "Wired smart meter" means an advanced metering infrastructure device that uses
13 transmission lines for signal communication.

14 B. "Wireless smart meter" means an advanced metering infrastructure device that
15 uses radio frequency methods of wireless communication.

16 **2. Proceeding.** A transmission and distribution utility shall notify the commission
17 prior to installing a wireless smart meter. If installing more than one smart meter in a
18 designated area of its territory, a transmission and distribution utility may provide a single
19 notice to the commission prior to the first installation. The notice must include the
20 number of smart meters to be installed in that designated area. The commission shall
21 open a proceeding to establish by order the terms and conditions by which the
22 transmission and distribution utility must protect customer rights when a wireless smart
23 meter is installed. The order resulting from the proceeding must include, but is not
24 limited to, provisions that:

25 A. Require the transmission and distribution utility to provide written notice to a
26 customer at least one month in advance of the date of installation of a wireless smart
27 meter. The notice must include:

28 (1) A time frame of 3 to 7 days during which the installation will occur;

29 (2) Information about the purpose and goals of smart meters and the ways in
30 which smart meters function, including but not limited to information on
31 time-of-use pricing, potential customer interaction and how smart meters can
32 benefit customers;

33 (3) A description of all essential characteristics of the communications signal,
34 including but not limited to frequency, amplitude and modulation and how often
35 the transmission is generated;

36 (4) A statement noting the controversy regarding the health, privacy and security
37 risks of wireless smart meters that use electromagnetic waves for communication;
38 and

39 (5) How the customer may submit a written request to decline the installation of
40 the wireless smart meter or request that a wired smart meter be installed as an

1 alternative to the wireless smart meter, pursuant to paragraphs B and C, including
2 a mailing address and e-mail address to which the written request may be sent;

3 B. Require the transmission and distribution utility to allow a customer to decline the
4 installation of a wireless smart meter;

5 C. Require the transmission and distribution utility to offer a wired smart meter as an
6 alternative to a wireless smart meter to a customer that declines a wireless smart
7 meter;

8 D. Prohibit the transmission and distribution utility from charging a customer
9 unreasonable fees or rate increases for declining the installation of a wireless smart
10 meter or requesting a wired smart meter as an alternative to a wireless smart meter;

11 E. Require transmission and distribution utilities to use reasonable security measures,
12 as determined by the commission, to protect customer information, including name,
13 address, telephone number, electricity usage and payment information; and

14 F. Prohibit the transmission and distribution utility from sharing, disclosing, selling
15 or otherwise making customer information accessible to any 3rd party without
16 customer consent, except as authorized by law.

17 **3. Already installed smart meters.** If a transmission and distribution utility
18 installed a wireless smart meter prior to the effective date of this section, it shall notify
19 the commission within 2 months of the effective date and the commission shall open a
20 proceeding to establish by order the terms and conditions by which the transmission and
21 distribution utility must protect customer rights. The order resulting from the proceeding
22 must include, but is not limited to, provisions that:

23 A. Require a transmission and distribution utility to provide written notice to the
24 customer of when the wireless smart meter was installed and the information required
25 by subsection 2, paragraph A, subparagraphs (2), (3), (4) and (5);

26 B. Establish a process for a customer to request to have the wireless smart meter
27 removed or replaced with a wired smart meter;

28 C. Prohibit the transmission and distribution utility from charging a customer
29 unreasonable fees or rate increases for requesting the removal of a wireless smart
30 meter or requesting a wired smart meter as an alternative to a wireless smart meter;

31 D. Require transmission and distribution utilities to use reasonable security
32 measures, as determined by the commission, to protect customer information,
33 including name, address, telephone number, electricity usage and payment
34 information; and

35 E. Prohibit the transmission and distribution utility from sharing, disclosing, selling
36 or otherwise making customer information accessible to any 3rd party without
37 customer consent, except as authorized by law.

38 **SUMMARY**

39 This bill amends the State's smart grid policy to include consideration of customer
40 rights. This bill requires the Public Utilities Commission to initiate a proceeding

1 whenever a transmission and distribution utility is going to install a wireless smart meter.
2 The proceeding must order the transmission and distribution utility to protect customer
3 rights when a wireless smart meter is installed, including providing opt-out provisions
4 and wired smart meter alternatives, protection from unreasonable fees or rate increases
5 and protection of customer data, including name, address, telephone number, electricity
6 use and payment information. This bill requires the commission to take similar action to
7 protect a customer that had a wireless smart meter installed prior to the effective date of
8 this provision.