

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: November 8, 2016

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE \_\_\_\_\_ Upon Approval \_\_\_\_\_

DATE: October 12, 2016

TO: Public Utility Commission

FROM: Paul Birkeland *PB*

THROUGH: Jason Eisdorfer and Lori Koho *MGE LK*

SUBJECT: PACIFIC POWER: (Docket No. UM 1772) Revises Metering Test and Inspection Policy Under Oregon Administrative Rule (OAR) 860-023-0115(3), to suspend meter testing in Oregon during Automated Metering Infrastructure (AMI) deployment in 2016-2019.

**STAFF RECOMMENDATION:**

Staff recommends the Commission issue an order approving Pacific Power's (PAC or Company) Application for Approval of Revised Metering Test and Inspection Policy (Application) subject to the condition that the Company file a revised Metering Test and Inspection Policy after the AMI deployment is completed.

**DISCUSSION:**

Issue

Whether the Commission should approve Pacific Power's Application to modify its Metering Test and Inspection Policy (Testing Policy) to suspend testing of all of the Company's in-service meters in Oregon that will be replaced with the new AMI meters during the AMI deployment period (April 2016 through 2019).

Applicable Law

Under OAR 860-023-0015(3), each energy utility shall adopt schedules for periodic tests and repairs of meters. The length of time meters are allowed to remain in service before receiving periodic tests and repairs is to be determined from periodic analysis of the accuracy of the meters tested. The schedules adopted are subject to the Commission's approval.

Discussion and Analysis

On April 21, 2016, PAC filed its Application to revise its current Testing Policy. The proposed revisions to the Testing Policy are set forth in the Company's Revised Annual Report which is attached as an exhibit to its Application. The Company's Application was docketed as Docket No. UM 1772. PAC requests that the Commission grant its Application to allow it to suspend testing of all meters that will be replaced with Smart Meters during the Company's announced "Smart Meter"<sup>1</sup> roll-out period of April 2016 through 2019.

One of the objectives of a meter testing program is to identify in-service groups of meters or individual meters that are inaccurate so they can be replaced with accurate meters. The AMI project will replace nearly all of PAC's 590,000 meters in its Oregon service territory, with the exception of a very small number of complex meters.<sup>2</sup> The complex meters that are not replaced with smart meters will continue to be tested and maintained.<sup>3</sup> PAC will continue to test meters upon customer request per OAR 860-021-0130.<sup>4</sup>

PAC will require the new AMI meters to be tested by the manufacturer before shipping them to the utility. Once the meters have been received from the manufacturer, the Company will perform first article testing on a sample of the new meters. During deployment the Company will test five percent of all AMI meters to ANSI Z1.9,<sup>5</sup> and all three phase instrument rated meters will be tested prior to installation.

Because PAC is a multi-state utility with a common metering policy for each of the states it serves, the Company has chosen to amend its policy by adding language that identifies the Oregon AMI project, and exempts only meters in Oregon from sample and periodic testing beginning in 2016 and ending in 2019.

Conclusion

Staff concludes that the proposed revisions to the Company's Metering Test and Inspection Policy, which suspends testing of meters that will be replaced during its Oregon AMI Deployment in 2016-2019, is a prudent use of its metering resources.

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<sup>1</sup> A smart meter is an electronic device that records consumption of electric energy in intervals of an hour or less and communicates that information at least daily back to the utility for monitoring and billing. Smart meters enable two-way communication between the meter and the central system.

<sup>2</sup> Examples of complex meters would be those in a substation, meters on customer owned generation, and totalized installations

<sup>3</sup> For example the substation interchange meters (that meter energy between different utilities) have their own test schedules and will continue their present schedules of maintenance and testing.

<sup>4</sup> 860-021-0130: [http://arcweb.sos.state.or.us/pages/rules/oars\\_800/oar\\_860/860\\_021.html](http://arcweb.sos.state.or.us/pages/rules/oars_800/oar_860/860_021.html)

<sup>5</sup> American National Standards Institute (ANSI) Z1.9: <http://asq.org/learn-about-quality/z14-z19/>

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**PROPOSED COMMISSION MOTION:**

Approve Pacific Power's Application for Approval of Revised Metering Test and Inspection Policy with the condition that the Company file a revised Metering Test and Inspection Policy after the AMI deployment is completed.

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