

ORDER NO. 11 006

ENTERED JAN 05 2011

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1384(1)

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY

Filing of Amended Meter Testing and
Inspection Policy.

ORDER

DISPOSITION: APPLICATION APPROVED WITH CONDITION

On September 1, 2010, Portland General Electric Company (PGE or Company) filed an amended Electric Metering Test and Inspection Policy (Policy) with the Public Utility Commission of Oregon (Commission) that incorporates meter test process modifications related to the deployment of smart meters associated with the Advanced Metering Infrastructure project. PGE proposes that the Policy be made effective beginning January 1, 2011. The new Policy sets out schedules by which the Company will test and inspect customer meters and metering installations. PGE made a revised filing on December 9, 2010, providing additional information supporting the need for the new Policy. The Staff memo summarizing the procedural history and Staff's recommendation is attached as Appendix A, and is incorporated by reference.

At its public meeting on December 28, 2010, the Commission adopted Staff's recommendation and approved PGE's policy, with one condition.

ORDER

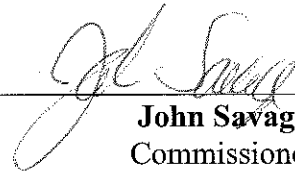
IT IS ORDERED that:

1. Portland General Electric Company's amended Electric Meter Testing and Inspection Policy filed on December 9, 2010, is approved, effective January 1, 2011.
2. Portland General Electric Company will file, between March 1 and May 1, 2014, a report evaluating the merits of Portland General Electric Company's meter testing and inspection practices for ensuring customer metering accuracy of Advanced Metering Infrastructure meters.

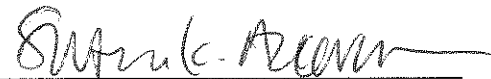
Made, entered, and effective JAN 05 2011



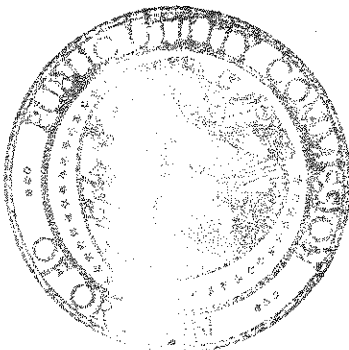
Ray Baum
Chairman



John Savage
Commissioner



Susan K. Ackerman
Commissioner



A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484

ITEM NO. CA14

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 28, 2010**

REGULAR _____ CONSENT X EFFECTIVE DATE January 1, 2010

DATE: December 15, 2010

TO: Public Utility Commission

FROM: Jerry Murray *JM*

THROUGH: *in* Lee Sparling and JR Gonzalez *JR*

SUBJECT: PORTLAND GENERAL ELECTRIC: (Docket No. UM 1384) Approval of amended Electric Metering Test and Inspection Policy.

STAFF RECOMMENDATION:

Staff recommends that the Commission issue an order approving Portland General Electric's filing of December 9, 2010, to amend its Electric Metering Test and Inspection Policy.

DISCUSSION:

Oregon Administrative Rule (OAR) 860-023-0015 requires that the Commission approve the meter testing and inspection schedules of energy regulated utilities to assure revenue metering accuracy. This approval pertains to the testing of customer revenue meters including new meters, reinstalled meters, in-service meters and systems, obsolete meters, laboratory metering standards, and other associated metering equipment.

In accordance with PUC Order 08-377, Portland General Electric (PGE or Company) filed on September 1, 2010, an amended Electric Metering Test and Inspection Policy (Policy) that incorporates meter test process modifications related to the deployment of smart meters associated with the Advanced Metering Infrastructure (AMI) project. PGE proposes that the Policy be made effective beginning January 1, 2011. The new Policy sets out schedules by which the Company will test and inspect customer meters and metering installations. PGE made a revised filing on December 9, 2010, providing additional information supporting the need for the new Policy.

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PGE's filing, which includes the proposed new Policy, may be viewed at the PUC's eDocket website at <http://edocs.puc.state.or.us/efdocs/HAO/um1384hao165835.pdf>. The Company's existing meter policy, to be withdrawn, may be viewed at <http://edocs.puc.state.or.us/efdocs/HAA/um1384haa165653.pdf>. History and other information about this docket may be found on the PUC's eDockets website for Docket UM 1384.¹

Under the new Policy the Company proposes to resume the two types of meter testing that were previously suspended or reduced during the AMI deployment period. The two areas of meter testing that are being resumed are (1) In-service Random Sampling Meter Testing and (2) In-Service Periodic Meter Testing for meters replaced with AMI meters. These are covered in Sections 7 and 8 of the proposed new Policy.

In regards to in-service meter random testing, PGE's test methodology is based on sample-size determination criterion that provides adequate testing to identify emergent meter accuracy issues that may arise in the field. The basic methodology will comply with nationally accepted random sampling methodologies that are associated with residential and smaller commercial meters. Further, the in-service periodic test program for commercial, industrial and high bill meters provides for examination and testing of all applicable meters on an established recurring timetable.

To further support the in-service meter testing efforts, PGE has other proactive programs for monitoring the accuracy of the new AMI meters. For example, PGE will monitor the AMI manufacturer's warranty performance, national and manufacturer industry practice changes for assuring AMI performance, and other meter assurance programs. One of the new AMI capabilities that PGE expects to explore and leverage going forward is the in-service meter alarms. These meter alarms will provide an enhanced surveillance capability that would allow the Company to dispatch qualified field personnel to inspect a potentially failing meter within a short amount of time. As experience is gained with these new capabilities, the information should prove to be a valuable tool in the meter test practices.

With respect to quality assurance efforts for new meters, PGE's meter quality assurance requires the 10 percent random sampling of all new meters received (see Section 6 of the Policy). This is in addition to PGE independently requiring that the meter supplier test all meters sent to the Company.

PGE has also committed to testing all AMI meters that may be removed or replaced in-service, if their condition will permit. Further, the Company has committed to continue

¹ See PUC website at <http://apps.puc.state.or.us/edockets/docket.asp?DocketID=14933>.

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providing an annual meter report to the Commission summarizing customer metering activities and testing results along with deficiencies found and corrective actions taken.

Staff believes that implementation of the proposed new Policy coupled with other PGE meter quality assurance measures will provide multiple methods by which the Company may identify emerging AMI and other metering accuracy concerns. Because of the modern technology associated with AMI meters, Staff is requesting that PGE provide a report between March 1 and May 1 of 2014, addressing the merits of continuing with the Policy in Year 2015, and beyond.

PROPOSED COMMISSION MOTION:

PGE's amended Electric Meter Testing and Inspection Policy filed on December 9, 2010, be approved with the condition that PGE file a report with the Commission between March 1 and May 1 of 2014, evaluating the merits of the PGE's meter testing and inspection practices for ensuring customer metering accuracy of Advanced Meter Infrastructure meters.

PGE UM 1384 Amended Metering Test Policy.doc