
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 396 Session of
2015

INTRODUCED BY REESE, BLOOM, DeLUCA, DIAMOND, DUNBAR, EMRICK,
EVANKOVICH, GABLER, GROVE, A. HARRIS, KAUFFMAN, KRIEGER,
MUSTIO, PICKETT, SACCONI, SNYDER AND TAYLOR, FEBRUARY 9, 2015

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, FEBRUARY 9, 2015

AN ACT

1 Amending Title 66 (Public Utilities) of the Pennsylvania
2 Consolidated Statutes, in restructuring of electric utility
3 industry, further providing for duties of electric
4 distribution companies.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Section 2807(f) of Title 66 of the Pennsylvania
8 Consolidated Statutes is amended to read:

9 § 2807. Duties of electric distribution companies.

10 * * *

11 (f) Smart meter technology and time of use rates.--

12 (1) [Within nine months after the effective date of this
13 paragraph, electric] Electric distribution companies [shall]
14 may file a smart meter technology procurement and
15 installation plan with the commission for approval. [The plan
16 shall describe the smart meter technologies the electric
17 distribution company proposes to install in accordance with
18 paragraph (2).]

1 (2) Electric distribution companies shall furnish smart
2 meter technology as follows:

3 (i) Upon request from a customer that agrees to pay
4 the cost of the smart meter at the time of the request.

5 (ii) In new building construction.

6 (iii) In accordance with a depreciation schedule not
7 to exceed 15 years.] Customers may opt out of receiving
8 smart meter technology under this subparagraph by
9 notifying, in writing, the electric distribution company.

10 The following shall apply:

11 (i) The electric distribution company shall provide
12 an opt-out form to consumers upon request and may provide
13 a method for consumers to opt out electronically through
14 the electric distribution company's Internet website.

15 (ii) The commission shall create and regulate a
16 surcharge for consumers who elect to opt out of receiving
17 smart meter technology under this subparagraph. The
18 surcharge may include a one-time fee and a monthly fee
19 reflective of the actual costs incurred by an electric
20 distribution company to install, read, maintain or
21 service the meters of customers who elect to opt out.

22 (3) Electric distribution companies shall, with customer
23 consent, make available direct meter access and electronic
24 access to customer meter data to third parties, including
25 electric generation suppliers [and], providers of
26 conservation and load management services[.] and government
27 agencies. Notwithstanding the foregoing, customer consent
28 shall not be required when:

29 (i) the information is released to comply with a
30 subpoena or order issued by a court or regulatory agency;

1 (ii) the information is released on a confidential
2 basis in the context of an administrative proceeding
3 involving a customer complaint;

4 (iii) the information is released in aggregated
5 form; or

6 (iv) there is an emergency situation involving an
7 imminent threat to public health or safety.

8 (4) In no event shall lost or decreased revenues by an
9 electric distribution company due to reduced electricity
10 consumption or shifting energy demand be considered any of
11 the following:

12 (i) A cost of smart meter technology recoverable
13 under a reconcilable automatic adjustment clause under
14 section 1307(b), except that decreased revenues and
15 reduced energy consumption may be reflected in the
16 revenue and sales data used to calculate rates in a
17 distribution rate base rate proceeding filed under
18 section 1308 (relating to voluntary changes in rates).

19 (ii) A recoverable cost.

20 (5) [By January 1, 2010, or at the end of the applicable
21 generation rate cap period, whichever is later, a] A default
22 service provider [shall] may submit to the commission one or
23 more proposed time-of-use rates and real-time price plans.
24 The commission shall approve or modify the time-of-use rates
25 and real-time price plan within six months of submittal. The
26 default service provider [shall] may offer the time-of-use
27 rates and real-time price plan to all customers that have
28 been provided with smart meter technology [under paragraph
29 (2)(iii)]. Residential or commercial customers may elect to
30 participate in time-of-use rates or real-time pricing. [The

1 default service provider shall submit an annual report to the
2 price programs and the efficacy of the programs in affecting
3 energy demand and consumption and the effect on wholesale
4 market prices.

5 (6) The provisions of this subsection shall not apply to
6 an electric distribution company with 100,000 or fewer
7 customers.]

8 (7) An electric distribution company may recover
9 reasonable and prudent costs of providing smart meter
10 technology [under paragraph (2)(ii) and (iii)], as determined
11 by the commission[. This paragraph includes], including
12 annual depreciation and capital costs over the life of the
13 smart meter technology and the cost of any system upgrades
14 that the electric distribution company may require to enable
15 the use of the smart meter technology which are incurred
16 after the effective date of this paragraph, less operating
17 and capital cost savings realized by the electric
18 distribution company from the installation and use of the
19 smart meter technology. Smart meter technology shall be
20 deemed to be a new service offered for the first time under
21 section 2804(4)(vi). An electric distribution company may
22 recover smart meter technology costs:

23 (i) through base rates, including a deferral for
24 future base rate recovery of current basis with carrying
25 charge as determined by the commission[; or

26 (ii) on a full and current basis through a
27 reconcilable automatic adjustment clause under section
28 1307].

29 * * *

30 Section 2. This act shall take effect in 60 days.