

---

THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

SENATE BILL

No. 364 Session of  
2015

---

INTRODUCED BY WHITE, WOZNIAK, WARD, FOLMER, WAGNER, VULAKOVICH  
AND ALLOWAY, JANUARY 30, 2015

---

REFERRED TO CONSUMER PROTECTION AND PROFESSIONAL LICENSURE,  
JANUARY 30, 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.]

8           (3) Electric distribution companies shall, with customer  
9 consent, make available direct meter access and electronic  
10 access to customer meter data to third parties, including  
11 electric generation suppliers and providers of conservation  
12 and load management services.

13           (4) In no event shall lost or decreased revenues by an  
14 electric distribution company due to reduced electricity  
15 consumption or shifting energy demand be considered any of  
16 the following:

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

24           (ii) A recoverable cost.

25           (5) [By January 1, 2010, or at the end of the applicable  
26 generation rate cap period, whichever is later, a] A default  
27 service provider [shall] may submit to the commission one or  
28 more proposed time-of-use rates and real-time price plans.  
29 The commission shall approve or modify the time-of-use rates  
30 and real-time price plan within six months of submittal. The

1 default service provider [shall] may offer the time-of-use  
2 rates and real-time price plan to all customers that have  
3 been provided with smart meter technology [under paragraph  
4 (2)(iii)]. Residential or commercial customers may elect to  
5 participate in time-of-use rates or real-time pricing. [The  
6 default service provider shall submit an annual report to the  
7 price programs and the efficacy of the programs in affecting  
8 energy demand and consumption and the effect on wholesale  
9 market prices.

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

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

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

1           (ii) on a full and current basis through a  
2           reconcilable automatic adjustment clause under section  
3           1307].

4           \* \* \*

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