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EXCLUSIVE INTERVIEW

Utility expert describes harm from anti-AMI lawsuits

Legal costs of suits pushed into rate-bases, taxes

Anti-smart-meter campaigns across the US, though small in number, threaten to give customer-engagement efforts by utilities a "black eye," Utility Services Customer Link (USCL) CEO Tom Tamarkin told us this week. "It's costing utilities a great deal of time, resources and money," to the point of "having to hire consultants to counter a lot of their claims," he said.

Tamarkin is a utility-industry expert who has been at the forefront of smart grid's advance in California -- and took up the cause of defending smart meters because anti-smart-meter advocacy is "counterproductive to the industry," he said. His firm, Carmichael, Calif-based USCL, began making in-home energy management monitors in response to the California energy crisis of 2000-01.

Lawsuits filed against smart meters at the California PUC, for example, can "cost the rate-base tens, hundreds of thousands of dollars in legal fees," he said. An anti-metering group filing suit may be unable to afford the legal expenses, so the state PUC is forced to foot the bill, he said, adding that hurts everybody because that money comes from both the tax base and the rate base.

A technology meant to save the customer money is unfairly being associated with costly litigation, he added.

Most research has found that RF emitted by smart meters are not a significant health risk to consumers. FCC standards provide adequate protection from known, thermally induced RF damage from smart meters, a 2011 report by the California Council on Science & Technology found.

Power-industry research firm EPRI believes no study shows RF causes bodily harm, while an EMF safety group has argued that the subject has not been studied sufficiently. The US EPA and the World Health Organization both agree that no clear evidence of harm exists despite much study, according to their websites, and both agree more study is needed.

Still, lawsuits against utilities and state PUCs claiming adverse health effects from smart meters persist. Customers of Pacific Gas & Electric (PG&E) and Southern California Edison (SCE) recently sued the IOUs, alleging headaches, fatigue and other damage from smart meters.

Motivations questionable

Rather than comprehensively rebut these accusations, it is often in utilities' interest to settle quickly in court, Tamarkin said.

QUOTABLE: It's much easier to just settle these [anti-smart-meter] lawsuits as opposed to really bring in armies of consultants and expert witnesses and litigate, which can cost millions and millions of dollars. -- USCL CEO Tom Tamarkin in an exclusive interview with Smart Grid Today.

And Tamarkin sees self-interested designs in those filing suit. "My view of it is they're just trying to force their weight around and get whatever money out of it they can."

Smart grid harmed

The damage of anti-smart meter campaigns is not to utilities' bottom line, Tamarkin noted, but rather to the credibility of their efforts to digitize the grid. He worries that anti-metering advocacy is resonating, reporting that on his recent random sampling of people on the street, "three or four" out of 10 had a negative impression of smart meters.

Just a few years ago, public confidence in utilities was higher, he asserted. "Unfortunately, over the last several years, that's eroded," and Tamarkin's firm wants to help utilities "reestablish the prestige that they once had and they should continue to have."

To that end, USCL will, over the next four to six months, carry out a marketing campaign to disabuse utility customers of any misconceptions they have of smart meters, he said. The pushback against antimetering groups will include "professionally produced" videos that demonstrate the customer benefits of smart meters, he added.

USCL prepares privacy tool

Opponents of smart meters often claim them to be an invasion of privacy because of the devices' precise reading of customer data.

Tamarkin and his firm have an answer to these concerns: A simple information "firewall" installed in the meter that gives the utility aggregated consumer data rather than the minutiae that could infringe on privacy.

"Over the course of the next four months, we're going to be introducing our products not so much to utility companies but rather directly to the consumer," he said.

This new firewall will hopefully give customers "peace of mind" that they are reaping the benefits of a connected grid without sacrificing privacy, he added.