

Consumers question wisdom of smart meters

By Cosby Woodruff

Alabama Power Co. blames a spike in complaints about the company's new smart meters on bad timing, but the Alabama Public Service Commission is checking to make sure it is not more than that.

The electric utility installed a few of the new meters as early as 2005 as a pilot project. It began full-scale installation in 2008 and has put up more than 900,000 of the devices, according to spokesman Michael Sznajderman.

It began putting up the devices in Montgomery early last month, just as one of the longest, deepest cold spells was causing residents to crank up thermostats. Three times in a week the utility set its winter demand record.

According to Sznajderman, that record demand should translate into higher bills. It did, but at least some consumers complained that the bills were as much a result of the new technology as the frigid weather.

A smart meter is new technology that allows the utility company -- Alabama Power in this case -- to read the meter remotely. Instead of using the old wheel meter, it is a digital device. Alabama Power said it is much more accurate and will eventually save consumers money because the utility won't have to pay meter readers to visit each customer every month.

When the meters went on the wall just as higher bills hit the mailbox, at least some customers decided the two events might be related. Complaints picked up at Alabama Power and the PSC. Even with the increase, the number of complaints is small compared to the number of meters. Both the PSC and Alabama Power say they have heard from about 70 customers with concerns about the smart meters.

That means that one in every 14,000 customers who receives a new device calls to complain. Sznajderman said Alabama Power tries to show customers that their usage went up, leading to the higher bill.

"Some of them are trying to tie two things together, when they are not necessarily related," he said. He also said in some cases the new meter might lead to higher bills because it more accurately measures the amount of energy being used. Older mechanical meters can wear down and give a measurement that is lower than the actual usage, he said.

Smart meters will lead to customers with those meters paying what they should, he said. "These meters are very accurate," he said.

At least some of those complaints made their way to the PSC, and that agency has heard enough of them that it is taking a second look at smart meters.

According to spokeswoman Judy McLean, the PSC saw a small but steady stream of complaints about the meters since the devices went into general use about two years ago. Those complaints soared recently, and many of them came from Cleburne County. "We are monitoring whether or not these meters are operating as they should be," she said. That monitoring includes dual meters in some locations. In those cases the customer has both an old meter and a smart meter. The test checks to see if both meters record the same electrical usage. In other states, the meters have led to full investigations and even legal action. At Pacific Gas and Electric Co. in California, complaints of soaring costs and expectations of more frequent power shutoffs are commonplace. Consumer advocacy groups are trying to block that utility from installing the meters.

John Free, a member of the Alabama PSC's advisory staff, said a formal investigation requires several steps beyond what is happening now. In Alabama, the new meters will not make it easier for electric disconnections, according to Sznajderman.

When Alabama Power disconnects a customer for non-payment, it takes the entire meter, he said. Sznajderman said Alabama Power tries to avoid non-payment disconnects by offering payment options and other solutions.

At any rate, Alabama Power is pushing ahead with installation of the devices. According to Sznajderman, the company has installed more than 57,000 of them in the Montgomery market since Jan. 7. It expects to finish the market by the end of March and will finish the larger district, which stretches roughly from Selma to Opelika to Troy, by the end of May. Statewide, more than 900,000 of the meters are in service, covering most of the company's 1.4 million accounts.

Customers with the meters are eligible for additional smart grid services, and more advanced services are likely to be offered in the future. Among those services will be a program that will allow customers to monitor their electric usage in real time. The meter will sense whether the electrical system is operating at peak demand and then will allow the customer to decrease usage to save money and electricity.

The meters also will notify the utility company if power goes out at a home because of a storm or other emergency.