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PG&E takes bulk of smart meter complaints

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Number of smart meters installed	Total of co.
6.5million	4
1.3million	
1.2million	



Pacific Gas and Electric Co. isn't the only utility installing smart meters in California. But it's racking up the most complaints, by far.

As of July 31, state regulators had received 4,169 complaints from PG&E customers about the wireless electricity and gas meters, questioning their accuracy and possible effects on human health.

Southern California Edison customers, in contrast, filed 152 smart meter complaints with the California Public Utilities Commission. Customers of San Diego Gas and Electric Co. filed just 78 complaints.

The difference could be due, at least in part, to the size and timing of each utility's smart meter program. PG&E, based in San Francisco, has more customers than any other California utility and was the first in the state to start installing the advanced meters.

"We've been a pioneer on smart meters," the company's chief executive officer, Peter Darbee, said this month at a public forum on energy issues. "Pioneers take a lot of arrows."

And yet the difference seems disproportional considering the substantial number of meters the other utilities have installed. While PG&E has deployed 6.5 million meters throughout Northern and Central California since 2007, Edison has installed 1.3 million and SDG&E, 1.2 million since 2009.

Michael Shames, director of a consumer watchdog group in San Diego, said his organization has received just a handful of smart meter complaints, fewer than he expected.

"It's a very different experience than what you've had there with PG&E," said Shames, with the Utility Consumers' Action Network. "It's surprising how the issues with PG&E don't seem to have spread."

They have, however, been noticed throughout the utility industry.

Industry concerned

Many utility executives and energy analysts consider smart meters an essential tool for improving the nation's electricity grid and encouraging energy efficiency. They have watched PG&E's troubles with concern, hoping the meters don't touch off a similar backlash elsewhere. Thirty-eight states are installing or planning for smart meters, according to a report from the Edison Foundation. Widespread complaints, however, have been limited to California and Texas.

"Absolutely, everybody is watching California," said Katherine Hamilton, president of the GridWise Alliance, a group that advocates creating a new, more flexible "smart grid" for electricity. One online article about PG&E's smart meter woes, she noted, likened the meters' critics to a pitchfork-wielding mob.

"Those are the kinds of things that get people like me shivering," Hamilton said.

So, has PG&E generated more complaints because its devices, installed under the trademarked name SmartMeter, are malfunctioning?

The results of a state-ordered investigation into the accuracy of PG&E's meters should be released on Sept. 2. PG&E has reported finding problems with almost 45,000 of its new meters - less than 1 percent of those installed. And not all of the problems affected customers' bills, according to the utility.

"I believe that our technology is sound," said PG&E Senior Vice President Helen Burt. "I'm very hopeful (the investigation) will come to the same conclusion."

Perhaps the disproportionate number of complaints from PG&E customers is the result of customer fears run wild, fueled by media stories about sky-high bills.

Complaints grow

PG&E started installing the meters in 2007 and received five complaints that first year, Burt said. This year, the utility has received 1,193 complaints, bringing the total for the program's entire three-year history to 1,880. (Note that this is different from the utilities commission numbers. Those include people criticizing PG&E's smart meter program in general, often using form letters or e-mails, as well as people with specific concerns about their own meters and bills.)

Of all the complaints filed with PG&E, 16 percent came from customers who did not yet have a smart meter, Burt said. In other words, they couldn't be reacting to a mechanical problem with the meter.

Another bit of evidence suggests that fears rather than malfunctions drive at least some of the complaints. The Sacramento Municipal Utility District gets more customer complaints about its own smart meters following newspaper or television stories about PG&E's meters. That includes

stories about the meters' accuracy as well as complaints that the wireless devices could pose a health risk - an idea that PG&E strenuously rejects.

"Whenever we see a spike in stories about PG&E's smart meters, we see a spike in complaints," said SMUD spokesman Chris Capra.

Perhaps the difference in the number of complaints lies in the way the different utilities have introduced the meters to their customers.

Southern California Edison's service territory borders PG&E's in the southern San Joaquin Valley. So when complaints about PG&E's meters erupted last summer in Bakersfield, Edison couldn't help but notice.

Many Bakersfield-area residents blamed the new meters for electricity bills that in some cases appeared to double overnight. PG&E insisted the meters were fine and blamed the high bills on hot summer weather and two rate increases.

Edison's strategy

Edison planned to start installing its own "SmartConnect" meters last September. The utility examined its deployment schedule to make sure the first meters wouldn't be installed in California's broiling interior, said Ken Devore, director of the SmartConnect program. Edison also beefed up its community outreach efforts to tell customers about the meters' benefits before the devices were installed.

"It was tune-ups, not wholesale changes," said Devore. "We widened our peripheral vision, made sure we understood rate impacts and how they'd affect customers."

Burt said PG&E has realized in retrospect the importance of communicating early and often with customers receiving the new meters. When the utility first started planning for smart meters years ago, it contemplated giving customers just a single letter at the time of installation, she said. Now, the utility has added 76 customer service representatives this summer to handle smart meter questions and complaints.

"We have learned our lessons the hard way about dealing with our customers," Burt said. "With a rollout like this, you have to start talking to customers and telling them what's in it for them."

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