

## 2013 DRAFTING REQUEST

### Bill

Received: 11/28/2012 Received By: mkunkel  
Wanted: As time permits Same as LRB: -2676  
For: Jeremy Thiesfeldt (608) 266-3156 By/Representing: Hariah  
May Contact: Drafter: mkunkel  
Subject: Public Util. - misc. Addl. Drafters:  
Extra Copies: EVM

Submit via email: YES  
Requester's email: Rep.Thiesfeldt@legis.wi.gov  
Carbon copy (CC) to:

---

#### Pre Topic:

No specific pre topic given

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#### Topic:

Allowing public utility customers to opt out of "smart" meters

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#### Instructions:

See attached

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#### Drafting History:

| <u>Vers.</u> | <u>Drafted</u>        | <u>Reviewed</u>      | <u>Typed</u>          | <u>Proofed</u> | <u>Submitted</u>     | <u>Jacketed</u>      | <u>Required</u> |
|--------------|-----------------------|----------------------|-----------------------|----------------|----------------------|----------------------|-----------------|
| /?           | mkunkel<br>11/28/2012 | scalvin<br>12/4/2012 |                       | _____          |                      |                      |                 |
| /1           | mkunkel<br>6/28/2013  |                      | jmurphy<br>12/5/2012  | _____          | srose<br>12/5/2012   |                      |                 |
| /2           | mkunkel<br>7/24/2013  | scalvin<br>6/28/2013 | rschluet<br>6/28/2013 | _____          | lparisi<br>6/28/2013 | lparisi<br>7/10/2013 |                 |
| /3           | mkunkel               | scalvin              | jfrantze              | _____          | mbarman              | mbarman              | State           |

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|--------------|----------------|---------------------|---------------------|----------------|---------------------|---------------------|-----------------|
|              | 8/7/2013       | 7/25/2013           | 7/25/2013           | _____          | 7/26/2013           | 7/26/2013           | S&L             |
| /4           |                | scalvin<br>8/7/2013 | jmurphy<br>8/8/2013 | _____          | mbarman<br>8/8/2013 | mbarman<br>8/8/2013 | State<br>S&L    |

FE Sent For:

→ At Intro.

<END>

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### Topic:

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### Instructions:

See attached

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| /3           |                       | scalvin              | jfrantze              | _____          | mbarman              | mbarman              | State           |

14 sac  
08/07/2013

Jim  
8/7 self

Vers. Drafted

Reviewed  
7/25/2013

Typed  
7/25/2013

Proofed  
\_\_\_\_\_

Submitted  
7/26/2013

Jacketed  
7/26/2013

Required  
S&L

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Vers. Drafted

Reviewed  
7/25/2013

Typed  
7/25/2013

Proofed  
\_\_\_\_\_

Submitted  
7/26/2013

Jacketed

Required  
S&L

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1/3 sac  
07/25/2013

*Jo* / *rs*  
7/25

FE Sent For:

**<END>**

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FE Sent For:

**<END>**

**2013 DRAFTING REQUEST**

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Received: 11/28/2012 Received By: mkunkel  
Wanted: As time permits Companion to LRB:  
For: Jeremy Thiesfeldt (608) 266-3156 By/Representing: Hariah  
May Contact: Drafter: mkunkel  
Subject: Public Util. - misc. Addl. Drafters:  
Extra Copies: EVM

Submit via email: YES  
Requester's email: Rep.Thiesfeldt@legis.wi.gov  
Carbon copy (CC) to:

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See attached

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| /1           |                       |                       | 12/5/2012   | _____   | srose<br>12/5/2012 |                 |                 |
| FE Sent For: |                       | 1/2 sac<br>06/28/2013 |  |  |                    |                 |                 |

<END>

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|--------------|----------------|------------------|------------------|-----------------|------------------|-----------------|-----------------|
| 1?           | mkunkel        | 1 sac<br>12/4/12 | 1 sac<br>12/4/12 | Jim 12/4<br>JRS |                  |                 |                 |

FE Sent For:

<END>

## **Kunkel, Mark**

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**From:** Kunkel, Mark  
**Sent:** Wednesday, November 28, 2012 2:11 PM  
**To:** Kunkel, Mark  
**Subject:** Thiesfeldt request

Per Hariah Hutkowksi, allow utility customers to opt out of meter that does anything in addition to transmitting information about total use of utility service at issue. Can't opt out if meter only transmits total use. Allow PSC to determine reasonable charge that utility can impose on customer who opts out under the bill. Requester is concerned that information about household (lighting practices, refridgerator use, etc.) might be transmitted to government, which would interfere with customer's liberty. (Is "privacy" better term than "liberty"?)



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-019171

MDK:sac

sac

U-NOTE

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

IN 11-28

0644/1

RM NOT RUN

gen cat

smart

- 1 AN ACT to create 196.165 of the statutes; relating to: installation of radio
- 2 frequency signal meters at premises of public utility customers and granting
- 3 rule-making authority.

INSERT 1A

**Analysis by the Legislative Reference Bureau**

This ~~preliminary draft~~ prohibits public utilities, other than telecommunications utilities, from installing certain meters at the premises of customers who object to the meters. The ~~draft~~ applies to RF meters, which the ~~draft~~ defines as a meter that uses a radio frequency signal to transmit data regarding a customer's usage of public utility service. Also under the ~~draft~~, if a public utility installed an RF meter at the premises of a customer who objects to the installation, the public utility must remove the RF meter. The ~~draft~~ requires the PSC to specify procedures for customers to make objections to RF meters. The ~~draft~~ allows the PSC to specify the procedures by order or rule.

The ~~draft~~ also requires public utilities to submit tariffs for PSC approval that specify rates allocating the costs of alternatives to RF meters to only those customers who object to the meters. However, with respect to RF meters installed before the ~~draft's~~ effective date that a public utility must remove under the bill, the tariffs must allocate the removal costs to all customers, not just those customers who object to the RF meters. The ~~draft~~ requires public utilities to submit the tariffs to the PSC no later than approximately 3 months after the ~~draft~~ goes into effect. If a public utility demonstrates to the PSC's satisfaction that the public utility does not intend to install RF meters, the public utility is not required to submit a tariff. However, if such a public utility subsequently determines to install RF meters, the ~~draft~~

smart

smart

bill

smart

bill

bill

smart

bill

INSERT 1B

spell out

INSCAT  
2-5

charges

prohibits their installation until the public utility files, and the PSC approves, a tariff that specifies rates that comply with the foregoing requirements.

**The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:**

SECTION 1. 196.165 of the statutes is created to read:

**196.165 Radio frequency signal meters.** (1) DEFINITIONS. In this section:

(a) "Public utility" does not include a telecommunications utility.

(b) "RF meter" means a meter that uses a radio frequency signal to transmit data regarding a customer's usage of public utility service.

(2) INSTALLATIONS. (a) No public utility may install a RF meter at the premises of a customer who objects to the installation.

(b) If a public utility has installed a RF meter before the effective date of this paragraph .... [LRB inserts date], at the premises of a customer who objects to the installation, the public utility shall remove the RF meter from the customer's premises.

(c) The commission shall, by order or rule, specify procedures for public utility customers to make objections under pars. (a) and (b).

(3) TARIFFS. (a) No later than the first day of the 4th month beginning after the effective date of this paragraph .... [LRB inserts date], each public utility shall file a tariff for commission approval that specifies rates that do each of the following:

1. Except as provided in subd. 2., allocate the costs of alternatives to RF meters to only those customers who object to the installation of RF meters on their premises.
2. Allocate the costs of removing RF meters under sub. (2) (b) to all customers.

(b) Paragraph (a) does not apply to a public utility that demonstrates to the satisfaction of the commission that the public utility has not installed, and does not

INSCAT  
2-16

1 intend to install, ~~BE~~ smart meters at customer premises, except that if the public utility  
2 subsequently determines to install ~~BE~~ smart meters at customer premises, the public  
3 utility may not install ~~BE~~ smart meters until the public utility files, and the commission  
4 approves, a tariff specifying ~~rates~~ charges that comply with par. (a) ~~of sec. 2.~~

5 **SECTION 2. Effective date.** charges

6 (1) This act takes effect on the first day of the 5th month beginning after  
7 publication.

8 (END)

dnote

**2013-2014 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0644/lins  
MDK:.....

1

**INSERT 1A:**

2

transmits any data that is in addition to data measuring

3

**INSERT 1B:**

4

reasonable charges that the utilities may impose on customers who object to smart

5

meters under the bill.

6

**INSERT 2-5:**

7

to a public utility that is in addition to data measuring

8

**INSERT 2-16:**

9

reasonable charges that the public utility may impose on customers who make

10

objections under sub. (2).<sup>✓</sup>

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0644/1dn

MDK:j:...

SAC

*- date -*

Rep. Thiesfeldt:

Please review this bill to make sure it achieves your intent. In particular, please note the following:

1. The bill requires the PSC to approve the charges that public utilities can impose on customers who object to smart meters. The charges must be reasonable, and the PSC has the authority to determine what is reasonable. If you want to impose additional requirements on the PSC's approval, let me know.
2. The bill has a delayed effective date of approximately 4 months. No later than approximately 3 months after that delayed effective date, the bill requires public utilities to submit tariffs setting forth the reasonable charges that the PSC must approve. I created the foregoing delays to give public utilities and the PSC time to implement the bill's requirements. If those delays are not okay with you, let me know, and I will revise the bill accordingly.

Mark D. Kunkel  
Senior Legislative Attorney  
Phone: (608) 266-0131  
E-mail: [mark.kunkel@legis.wisconsin.gov](mailto:mark.kunkel@legis.wisconsin.gov)

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0644/1dn  
MDK:sac:jm

December 4, 2012

Rep. Thiesfeldt:

Please review this bill to make sure it achieves your intent. In particular, please note the following:

1. The bill requires the PSC to approve the charges that public utilities can impose on customers who object to smart meters. The charges must be reasonable, and the PSC has the authority to determine what is reasonable. If you want to impose additional requirements on the PSC's approval, let me know.
2. The bill has a delayed effective date of approximately 4 months. No later than approximately 3 months after that delayed effective date, the bill requires public utilities to submit tariffs setting forth the reasonable charges that the PSC must approve. I created the foregoing delays to give public utilities and the PSC time to implement the bill's requirements. If those delays are not okay with you, let me know, and I will revise the bill accordingly.

Mark D. Kunkel  
Senior Legislative Attorney  
Phone: (608) 266-0131  
E-mail: [mark.kunkel@legis.wisconsin.gov](mailto:mark.kunkel@legis.wisconsin.gov)

**BILL**

approves, a tariff that specifies charges that comply with the foregoing requirements.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

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SECTION 1. 196.165 of the statutes is created to read:

**196.165 Smart meters.** (1) DEFINITIONS. In this section:

(a) "Public utility" does not include a telecommunications utility.

(b) "Smart meter" means a meter that transmits any data to a public utility that is in addition to data measuring a customer's usage of public utility service.

(2) INSTALLATIONS. (a) No public utility may install a smart meter at the premises of a customer who objects to the installation.

(b) If a public utility has installed a smart meter before the effective date of this paragraph .... [LRB inserts date], at the premises of a customer who objects to the installation, the public utility shall remove the smart meter from the customer's premises.

(c) The commission shall, by order or rule, specify procedures for public utility customers to make objections under pars. (a) and (b).

(3) TARIFFS. (a) No later than the first day of the 4th month beginning after the effective date of this paragraph .... [LRB inserts date], each public utility shall file a tariff for commission approval that specifies reasonable charges that the public utility may impose on customers who make objections under sub. (2).

(b) Paragraph (a) does not apply to a public utility that demonstrates to the satisfaction of the commission that the public utility has not installed, and does not intend to install, smart meters at customer premises, except that if the public utility subsequently determines to install smart meters at customer premises, the public

*" is capable of transmitting"*

*is capable of* ~~transmits any data to a public utility that~~ *" based on quarterly reading" ?*

~~is in addition to data measuring a customer's usage of public utility service.~~

*based on quarterly reading*

*\* NOTE I obtained the above changes from Hariah (Thiesfeldt's aide) at meeting on 6-26-13. - MOK*

# MDK NOTES

## ***Investigation into the Health and Safety and Other Aspects of Advanced Meter Infrastructure Systems for Water Utilities***

5-WI-05

PSC decision and order September 12, 2012

PSC denied petition brought under s. 196.26 and 196.37 (2) of customers of Madison Water Utility, asking, among other things, that MWU give customers the right to "opt out" of smart meters.

AMI = advanced metering infrastructure

AMR = automatic meter reading

"advanced meter" is, generally, any meter that can be read remotely

"smart meter" is typically considered to be any meter that is capable of collecting, at a minimum, hourly usage data and that is capable of 2-way communication with a utility's central data system

PSC said that utilities, including MWU, should work with customers to develop an "opt out" policy, and that, if utility offers such a policy, the costs associated with opting out should be fully allocated to customers who opt out, as the costs should not be subsidized by other rate payers. (Costs include costs to utility of owning, maintaining, reading, and processing bills associated with nonstandard meters.)

PSC notes: Half of water utilities have advance meter service. Waukesha water utility has an opt out tariff that requires customers to pay \$15 per quarter for manual meter reading. Tariff was created in 1990 and originally required \$3.00 per reading payment.

## ***Investigation into the Health and Safety and Other Aspects of Advanced Meter Infrastructure Systems for Water Utilities***

5-WI-05

Final PSC decision November 2, 2012 on MWU's application for approval of tariff for customers who "opt out"

2 options for "opt out": 1) electronic reading transmitter (ERT) mounted outside of building, instead of in basement: one time charge (\$50.69) during phase 1 of installation, after phase 1, customers who opt out pay actual costs for outside ERT installation; 2) no ERT installed anywhere: when meter needs to be replaced, nonstandard meter will be installed: during phase 1, no one time charge; after phase 1, a one time charge to replace ERT; PLUS monthly charge of \$7.78 based on costs of collecting manual quarterly reading and processing info for monthly billing.



RM  
has been  
AM

SOON

IN 6-28

## 2013 BILL

1 AN ACT *gen cab* to create 196.165 of the statutes; relating to: installation of smart  
2 meters at premises of public utility customers and ~~granting rule-making~~  
3 ~~authority.~~

is capable of transmitting

### Analysis by the Legislative Reference Bureau

This bill prohibits public utilities, other than telecommunications utilities, from installing certain meters at the premises of customers who object to the meters. The bill applies to "smart meters," which the bill defines as a meter that ~~transmits~~ any data that is in addition to data measuring a customer's usage of public utility service. Also under the bill, if a public utility installed a smart meter at the premises of a customer who objects to the installation, the public utility must remove the smart meter. ~~The bill requires the PSC to specify procedures for customers to make objections to smart meters. The bill allows the PSC to specify the procedures by order or rule.~~

INSEAT 1A

The bill also requires public utilities to submit tariffs for PSC approval that specify ~~reasonable charges that the utilities may impose on customers who object to smart meters under the bill.~~ The bill requires public utilities to submit the tariffs to the PSC no later than approximately three months after the bill goes into effect. If a public utility demonstrates to the PSC's satisfaction that the public utility does not intend to install smart meters, the public utility is not required to submit a tariff. However, if such a public utility subsequently determines to install smart meters, the bill prohibits their installation until the public utility files, and the PSC

**BILL**

approves, a tariff ~~that specifies charges~~ that ~~apply~~ with the foregoing requirements.

*Complies  
Complies*

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1 SECTION 1. 196.165 of the statutes is created to read:

2 **196.165 Smart meters.** (1) DEFINITIONS. In this section:

*that is capable of transmitting*

3 (a) "Public utility" does not include a telecommunications utility.

4 (b) "Smart meter" means a meter that ~~transmits~~ any data to a public utility that is in addition to data measuring a customer's usage of public utility service.

6 (2) INSTALLATIONS. (a) No public utility may install a smart meter at the premises of a customer who objects to the installation.

8 (b) If a public utility has installed a smart meter before the effective date of this paragraph .... [LRB inserts date], at the premises of a customer who objects to the installation, the public utility shall remove the smart meter from the customer's premises.

12 (c) The commission shall, by order or rule, specify procedures for public utility customers to make objections under pars. (a) and (b).

14 (3) TARIFFS. (a) No later than the first day of the 4th month beginning after the effective date of this paragraph .... [LRB inserts date], each public utility shall file a tariff for commission approval that specifies ~~reasonable charges that the public utility may impose on~~ customers ~~who~~ make objections under sub. (2).

*each of the following: 1. The procedures for*

18 (b) Paragraph (a) does not apply to a public utility that demonstrates to the satisfaction of the commission that the public utility has not installed, and does not intend to install, smart meters at customer premises, except that if the public utility subsequently determines to install smart meters at customer premises, the public

*INSERT 2-17*

**BILL**

1 utility may not install smart meters until the public utility files, and the commission

2 approves, a tariff specifying changes that ~~comply~~<sup>complies</sup> with par. (a). 1. and 2

3 **SECTION 2. Effective date.**

4 (1) This act takes effect on the first day of the 5th month beginning after  
5 publication.

6 (END)

2013-2014 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-0644/2ins  
MDK:.....

1

**INSERT 1A:**

*now* the procedures for customers to object to smart meters. In addition, the tariffs must specify the charges imposed on customers who object to smart meters. The bill requires the charges to be based on the costs reasonably incurred by public utilities to measure service used by such customers, including the cost of manually collecting usage readings no more frequently than quarterly.

2

**INSERT 2-17:**

3

2. The charges imposed on customers who make objections under sub. (2). The

4

charges shall be based on the costs reasonably incurred by the public utility to

5

measure public utility service used by such customers, including the cost of manually

6

collecting usage readings no more frequently than quarterly.

**Barman, Mike**

---

**From:** Hutkowski, Hariah  
**Sent:** Wednesday, July 10, 2013 11:34 AM  
**To:** LRB.Legal  
**Subject:** Draft Review: LRB -0644/2 Topic: Allowing public utility customers to opt out of \_smart\_ meters

Please Jacket LRB -0644/2 for the ASSEMBLY.

## Kunkel, Mark

---

**From:** Kunkel, Mark  
**Sent:** Wednesday, July 24, 2013 3:54 PM  
**To:** Kunkel, Mark  
**Subject:** FW: revising LRB 0644/2

Per Hariah:

--eliminate exemption for telecommunications utilities, but add reference to water, electric, or natural gas service, so that telecommunications isn't covered under the bill

--refer to measuring, recording, or *sending* in definition below

--use my alternative to "and/or"

--subject cooperatives to bill, allow reasonable charges to members who opt out, but don't subject them to PSC jurisdiction

--in definition below, revise so that communication can include being between, but is not limited to being between, the meter and public utility/cooperative

---

**From:** Hutkowski, Hariah  
**Sent:** Tuesday, July 23, 2013 1:10 PM  
**To:** Kunkel, Mark  
**Subject:** revising LRB 0644/2

Change the definition to: "An electric or battery operated meter that is capable of measuring and/or recording consumption data from a customer to a public utility and communicating such information utilizing one and/or two-way communication between the meter and the public utility."

PSC basing their tariffs to be "based on a burden no more frequent than an annual manual collection of usage readings and quarterly self-reporting by customers by phone or mail." (perhaps you have some better language than that?)

You also mentioned adding cooperatives. Please do that.

Hariah Hutkowski  
*Research Assistant*  
**Rep. Thiesfeldt's office**  
1-888-529-0052  
FAX: 608-282-3652



3

AM has been run

But Fri 7-26

IN 7-24

LPS: make marked changes to topic on request sheet

### 2013 BILL

1 AN ACT to create 196.165 of the statutes; relating to: installation of smart  
 2 meters ~~at premises of public utility customers~~ by ~~public utilities and~~ <sup>public utilities and</sup> cooperative associations

#### Analysis by the Legislative Reference Bureau

This bill prohibits ~~public utilities, other than telecommunications utilities,~~ <sup>and cooperative associations</sup> from installing certain meters at the premises of customers who object to the meters. The bill applies to "smart meters," which the bill defines as ~~a meter that is capable of transmitting any data that is in addition to data measuring a customer's usage of public utility service.~~ Also under the bill, if a public utility installed a smart meter at the premises of a customer who objects to the installation, the public utility must remove the smart meter.

The bill also requires public utilities to submit tariffs for PSC approval that specify the procedures for customers to object to smart meters. In addition, the tariffs must specify the charges imposed on customers who object to smart meters. The bill requires the charges to be based on the costs reasonably incurred by public utilities to measure service used by such customers, including the cost of manually collecting usage readings no more frequently than ~~quarterly~~ <sup>or member</sup>. The bill requires public utilities to submit the tariffs to the PSC no later than approximately three months after the bill goes into effect. If a public utility demonstrates to the PSC's satisfaction that the public utility does not intend to install smart meters, the public utility is not required to submit a tariff. However, if such a public utility subsequently determines to install

certain

certain

and cooperative associations

INSERT 1B

INSERT 1A

or cooperative association

of cooperative association

INSERT 1C

**BILL**

INSEPT 2 A

smart meters, the bill prohibits their installation until the public utility files, and the PSC approves, a tariff that complies with the foregoing requirements.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

INSEPT 2-2

SECTION 1. 196.165 of the statutes is created to read:

**196.165 Smart meters.** (1) DEFINITIONS. In this section:

(a) "Public utility" does not include a telecommunications utility.

INSEPT 2-3

(b) "Smart meter" means ~~a meter that is capable of transmitting any data to a public utility that is in addition to data measuring a customer's usage of public utility service.~~

INSEPT 2-6

cooperative or cooperative association

(2) INSTALLATIONS. (a) No public utility may install a smart meter at the premises of a customer who objects to the installation.

or member

(b) If a public utility has installed a smart meter before the effective date of this paragraph ... [LRB inserts date], at the premises of a customer who objects to the installation, the public utility shall remove the smart meter from the customer's premises.

or cooperative association

or member

or cooperative association

or member's

PUBLIC UTILITY (C'S S)

(3) TARIFFS. (a) No later than the first day of the 4th month beginning after the effective date of this paragraph ... [LRB inserts date], each public utility shall file a tariff for commission approval that specifies each of the following:

1. The procedures for customers to make objections under sub. (2).

2. The charges imposed on customers who make objections under sub. (2). The charges shall be based on the costs reasonably incurred by the public utility to measure public utility service used by such customers, including the cost of manually collecting usage readings no more frequently than quarterly.

INSEPT 2-20



2013-2014 DRAFTING INSERT  
FROM THE  
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MDK:.....

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**INSERT 1A:**

The public utilities and cooperative associations that are subject to the bill are those providing electricity, natural gas, or water to their customers or members.

2

**INSERT 1B:**

an electric or battery operated meter capable of measuring, recording, or sending data from a customer or member to a public utility or cooperative association. To qualify as a smart meter under the bill, a meter must also be capable of doing the foregoing in a manner utilizing one-<sup>way</sup> or two-way communication between any entity or device.

\*

3

**INSERT 1C:**

annually and the cost of requiring customers to self-report usage readings no more frequently than

4

**INSERT 2A:**

¶ As for cooperative associations, the bill provides that the PSC does not have jurisdiction over them to enforce the bill's requirements. Instead, the bill allows a member of a cooperative association to bring an action in court to enjoin a violation of the bill or compel compliance.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

5

**INSERT 2-2:**

6

(a) "Cooperative association" means a cooperative association organized under ch. 185 for the purpose of providing electricity, natural gas, or water to its members only.

7

8

9

(b) "Public utility" means a public utility that provides electricity, natural gas, or water to its customers.

10

11

**INSERT 2-6:**

12

no ¶

an electric or battery operated meter that is capable of measuring, recording, sending, or any combination of measuring, recording, or sending, data from a customer or member to a public utility or cooperative association in a manner

13

14

1 utilizing one-way communication, two-way communication, or a combination of  
2 one-way and two-way communication, between any entity or device.

3 **INSERT 2-20:**

4 <sup>no fl</sup> annually and the cost of requiring customers to self-report usage readings no more  
5 frequently than quarterly

6 **INSERT 3-6:**

7 (4) COOPERATIVE ASSOCIATIONS. (a) A cooperative association may impose  
8 charges on members who make objections under sub. (2) that are based on the costs  
9 reasonably incurred by the cooperative association to measure electricity, natural  
10 gas, or water that the cooperative association provides to such members.

11 (b) The commission does not have jurisdiction over a cooperative association  
12 to enforce the requirements of sub. (2) or par. (a). A member of a cooperative  
13 association may bring an action against the cooperative association to enjoin a  
14 violation of sub. (2) or par. (a) or compel compliance with sub. (2) or par. (a).





4

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been  
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Bn Fri  
8-9

12-5-7

## 2013 BILL

Gen cat

1 AN ACT to create 196.165 of the statutes; relating to: installation of smart  
2 meters by certain public utilities and cooperative associations.

### *Analysis by the Legislative Reference Bureau*

This bill prohibits certain public utilities, and cooperative associations from installing certain meters at the premises of customers who object to the meters. The public utilities and cooperative associations that are subject to the bill are those providing electricity, natural gas, or water to their customers or members. The bill applies to "smart meters," which the bill defines as an electric or battery operated meter capable of measuring, recording, or sending data from a customer or member to a public utility or cooperative association. To qualify as a smart meter under the bill, a meter must also be capable of doing the foregoing in a manner utilizing one-way or two-way communication between any entity or device. Also under the bill, if a public utility or cooperative association installed a smart meter at the premises of a customer or member who objects to the installation, the public utility or cooperative association must remove the smart meter.

The bill also requires public utilities to submit tariffs for PSC approval that specify the procedures for customers to object to smart meters. In addition, the tariffs must specify the charges imposed on customers who object to smart meters. The bill requires the charges to be based on the costs reasonably incurred by public utilities to measure service used by such customers, including the cost of manually collecting usage readings no more frequently than annually and the cost of requiring customers to self-report usage readings no more frequently than quarterly. The bill requires public utilities to submit the tariffs to the PSC no later than approximately three

INSERT  
1A

**BILL**

months after the bill goes into effect. If a public utility demonstrates to the PSC's satisfaction that the public utility does not intend to install smart meters, the public utility is not required to submit a tariff. However, if such a public utility subsequently determines to install smart meters, the bill prohibits their installation until the public utility files, and the PSC approves, a tariff that complies with the foregoing requirements.

As for cooperative associations, the bill provides that the PSC does not have jurisdiction over them to enforce the bill's requirements. Instead, the bill allows a member of a cooperative association to bring an action in court to enjoin a violation of the bill or compel compliance.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

---

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

x

1       **SECTION 1.** 196.165 of the statutes is created to read:

2       **196.165 Smart meters. (1) DEFINITIONS.** In this section:

3       (a) "Cooperative association" means a cooperative association organized under  
4       ch. 185 for the purpose of providing electricity, natural gas, or water to its members  
5       only.

6       (b) "Public utility" means a public utility that provides electricity, natural gas,  
7       or water to its customers.

8       (c) "Smart meter" means an electric or battery operated meter that is capable  
9       of measuring, recording, sending, or any combination of measuring, recording, or  
10       sending, data from a customer or member to a public utility or cooperative  
11       association in a manner utilizing one-way communication, two-way  
12       communication, or a combination of one-way and two-way communication, between  
13       any entity or device.

**BILL**

1           **(2) INSTALLATIONS.** (a) No public utility or cooperative association may install  
2 a smart meter at the premises of a customer or member who objects to the  
3 installation.

4           (b) If a public utility or cooperative association has installed a smart meter  
5 before the effective date of this paragraph .... [LRB inserts date], at the premises of  
6 a customer or member who objects to the installation, the public utility or cooperative  
7 association shall remove the smart meter from the customer's or member's premises.

INSECT  
3-7

8           **(3) PUBLIC UTILITY TARIFFS.** (a) No later than the first day of the 4th month  
9 beginning after the effective date of this paragraph .... [LRB inserts date], each public  
10 utility shall file a tariff for commission approval that specifies each of the following:

- 11           1. The procedures for customers to make objections under sub. (2).
- 12           2. The charges imposed on customers who make objections under sub. (2). The  
13 charges shall be based on the costs reasonably incurred by the public utility to  
14 measure public utility service used by such customers, including the cost of manually  
15 collecting usage readings no more frequently than annually and the cost of requiring  
16 customers to self-report usage readings no more frequently than quarterly.

17           (b) Paragraph (a) does not apply to a public utility that demonstrates to the  
18 satisfaction of the commission that the public utility has not installed, and does not  
19 intend to install, smart meters at customer premises, except that if the public utility  
20 subsequently determines to install smart meters at customer premises, the public  
21 utility may not install smart meters until the public utility files, and the commission  
22 approves, a tariff that complies with par. (a) 1. and 2.

23           **(4) COOPERATIVE ASSOCIATIONS.** (a) A cooperative association may impose  
24 charges on members who make objections under sub. (2) that are based on the costs

**BILL**

1 reasonably incurred by the cooperative association to measure electricity, natural  
2 gas, or water that the cooperative association provides to such members.

3 (b) The commission does not have jurisdiction over a cooperative association  
4 to enforce the requirements of sub. (2) or par. (a). A member of a cooperative  
5 association may bring an action against the cooperative association to enjoin a  
6 violation of sub. (2) or par. (a) or compel compliance with sub. (2) or par. (a).

7 **SECTION 2. Effective date.**

8 (1) This act takes effect on the first day of the 5th month beginning after  
9 publication.

10 (END)

2013-2014 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-0644/4ins  
MDK:.....

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no 9

**INSERT 1A:**

In addition, the public utility or cooperative association must replace the smart meter with a meter that is neither a smart meter nor a modified smart meter.

2

**INSERT 3-7:**

3

and replace the smart meter with a meter that is neither a smart meter nor a

4

modified smart meter