



2013 ASSEMBLY BILL 345

August 29, 2013 - Introduced by Representatives THIESFELDT, MURPHY, KRUG, SCHRAA, PRIDEMORE, KESTELL, JACQUE, BIES and NASS, cosponsored by Senators GROTHMAN and SCHULTZ. Referred to Committee on Energy and Utilities.

- 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. 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.

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

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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 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:

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.

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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
8 and replace the smart meter with a meter that is neither a smart meter nor a
9 modified smart meter.

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

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

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

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

