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Associate General Counsel
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July 29, 2016

Hon. Kathleen H. Burgess
Secretary to the Commission
New York State Public Service Commission
Agency Building 3
Albany, NY 12223-1350

Re: Case 14-M-0196 - *Tariff filing by Central Hudson Gas & Electric Corporation to establish fees for residential customers who choose to opt out of using Automated Meter Reading devices, Central Hudson Gas & Electric Corporation's Reply Comments in Opposition to the Petition*

Dear Secretary Burgess:

Central Hudson Gas & Electric Corporation hereby submits its Reply Comments in Opposition to the Petition.

Please contact the undersigned at (845)486-5831 or pcolbert@cenhud.com with any questions regarding this matter.

Respectfully submitted,

A handwritten signature in blue ink that reads "Paul A. Colbert".

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**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

<i>Tariff filing by Central Hudson Gas & Electric Corporation to establish fees for residential customers who choose to opt out of using Automated Meter Reading devices.</i>	14-M-0196
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**CENTRAL HUDSON GAS & ELECTRIC CORPORATION'S
REPLY COMMENTS IN OPPOSITION TO PETITION**

INTRODUCTION

Central Hudson Gas & Electric Corporation ("Central Hudson") files its Reply Comments in Opposition to Petition ("Comments") due to the inconsistent and incorrect assertions of Petitioners. On June 27 and 28 2016, the New York State Public Service Commission ("Commission") received three requests for an extension of this proceeding to permit Parties to file Reply Comments. On June 29, 2016 the Secretary granted the requests and set July 29, 2016 as the date by which Parties should file Reply Comments.

Central Hudson, Niagara Mohawk Power Corporation d/b/a National Grid ("National Grid"), New York State Electric & Gas Corporation ("NYSEG") and Rochester Gas and Electric Corporation ("RG&E"), (together, the "Joint Utilities") filed their initial Comments on June 23, 2016 as directed by the Secretary in her Notice Regarding Submission of Comments issued and effective April 26, 2016. Thereafter, Petitioners filed reply comments to the Joint Utilities, but did not file together or comments that were consistent with one another, and instead took various inconsistent positions and began arguing with each other. Central Hudson files its Reply Comments to clarify the docket and request that the Commission bring this proceeding to a close by rejecting Petitioners' request for an analog meter option. Central Hudson will not repeat the Joint Utilities' initial Comments but incorporates those Comments by reference herein.

ARGUMENT

I. **The Commission should not require Central Hudson to install analog meters whether refurbished or not.**

Mr. Panza, on behalf of Petitioner Varland, argues that Petitioner Varland never requested the use of refurbished analog meters and did not request the use of analog meters at no cost, but instead seeks to retain the use of existing analog meters for customers that have them installed and would like Central Hudson to install analog meters from its existing stock of meters for customers that request an analog meter.¹ Stop Smart Meters, however, continues to argue that Central Hudson should provide refurbished analog meters upon the customer's request and apparently at no cost to the requesting customer.²

Central Hudson has not purchased mechanical analog meters for approximately ten (10) years. Mechanical analog meters have a useful life of from thirty (30) to forty (40) years so the newest installed mechanical analog meters have less than three quarters to two thirds of their useful life remaining. Central Hudson has no stock of unused analog meters to install. Mechanical analog meters are removed from usage for three main reasons: (1) they fail and are no longer usable; (2) they are removed for testing pursuant to Commission requirements; or (3) they are removed at the customer's request so the customer may have a new meter that better meets their service needs, including but not limited to the need for a demand meter, net metering or other rate structure. Under these circumstances it does not make sense for Central Hudson to reinstall old and/or defective mechanical analog meters when accurate digital non-AMR meters are available, particularly where the non-AMR digital meter has the same or a lower electro-magnetic field profile than does the old mechanical analog meter.³

Stop Smart Meters argues that refurbished mechanical analog meters are more accurate

¹ Kenneth S. Panza Letter at 3-6 (June 28, 2016).

² Stop Smart Meters Letter (June 30, 2016).

³ Sacramento Municipal Utility District ("SMUD") at <https://www.smud.org/en/residential/customer-service/smart-meters/common-questions.htm> (SMUD study set forth as Attachment 1).

and meet all ANSI standards, as well as more stringent standards.⁴ In support of Stop Smart Meter's argument it refers to the more stringent rules and Hialeah's testing standards set forth in a letter from Hialeah dated January 27, 2016 and filed in this docket on June 28, 2016. The more stringent standards referenced by Stop Smart Meters are irrelevant to this proceeding because compliance with ANSI standards are sufficient. Refurbished mechanical analog meters, however, do not meet ANSI standards because, as stated in the Hialeah letter, the only ANSI standard that refurbishers may comply with is ANSI C12.⁵ As discussed in the Joint Utilities' initial Comments to comply with ANSI Standards and be eligible for installation in New York a refurbished meter must comply with ANSI Standards C12.1 2014, C12.10 2011, C12.20 2010, and C37.90.1 2012. Mechanical analog meter refurbishers do not, and cannot, test for and comply with these standards even if they comply with the ANSI C12 accuracy standard.

II. Smart Meters are not at issue in this proceeding.

Mr. Panza's letter discusses opt out programs in various state, including Nevada and California, that are related to "smart meters."⁶ Stop Smart Meters submitted information from the Nevada program and NStar's determination not to implement a full smart meter program that would provide AMI meters to its customers.⁷ All of the referenced meters are digital meters that have two-way communication; in other words, they send and receive data. The program at issue allows customers to avoid a digital-AMR meter in favor of a non-AMR meter. AMR is an acronym for Automated Meter Recording, which is a meter that has one-way communication transmitting information to the utility. AMI is an Acronym for Advanced Metering Infrastructure, which refers to digital meters with two-way communication capabilities commonly known as smart meters.

⁴ Stop Smart Meters Letter (June 30, 2016).

⁵ Hialeah Letter (January 27, 2016).

⁶ Kenneth S. Panza Letter at 3-6 (June 28, 2016).

⁷ Stop Smart Meters Letter 2 at 1 (June 30, 2016); Nevada Smart Meter Information (July 1, 2016); NU Submission to MA (July 1, 2016).

Central Hudson does not have a smart meter program and has no plans to seek Commission authorization to install smart meters for all customers. No customers that have signed Petitioners' petitions have smart meters because they have not been deployed in Central Hudson's service territory. Central Hudson plans to permit customers that want a smart meter to opt-in to using a smart meter, but that is the extent of its plans because a benefit cost analysis does not justify a full roll out in Central Hudson's service territory, just as NStar's analysis determined it was not beneficial in its service territory. Other utilities have performed benefit cost analysis that show customers receive benefits associated with a full roll out of smart meters. The difference of the outcome associated with smart meter benefit cost analysis results from differences in utility service territories and customer energy usage. Regardless, none of the issues raised by Petitioners are at issue in this case where customers may choose to have a non-AMR meter if they are willing to pay the costs associated with their decision.

CONCLUSION

For the reasons more fully discussed above, Central Hudson respectfully requests that the Commission deny the Town of Woodstock's Petition.

Respectfully submitted,



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Dated: July 29, 2016