



## Memo

**To:** Haines Borough Energy & Sustainability Commissioners  
**From:** Stephanie Scott, Energy & Sustainability Coordinator  
**Date:** December 16, 2008  
**Re:** New Business C: Smart Meters

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According to James Keen, Engineering Section Supervisor with the Regulatory Commission of Alaska (RCA), utilities may use smart meters now, but there is no state requirement to use them.<sup>1</sup>

Mr. Keen associates Smart Meters with variable time-of-day utility rates. He said that discussion of the application of Smart Meters to the consumer groups in Anchorage focused on variation in the cost of producing power. Apparently, because the variation is so small for most utilities in Alaska, it is thought that the cost of smart metering may not provide a benefit except to perhaps the largest consumers. (Telephone conversation 12-16-08).

However, Smart Meters are not just tied to the variable cost of producing power at different times of the day. Smart Meters give the consumer feedback on his/her minute-to-minute electrical consumption. This enables consumers to make informed decisions about what appliances to use for how long. It helps consumers use electricity on purpose instead of by habit.

Smart Meters are one of the strategies of the President-elect's Energy Plan because utilization of smart meters has been shown to reduce home energy use.

One recent example of Smart Meter installation is taking place in the Houston, TX area where the total cost per home is expected to be about \$475 (see <http://www.chron.com/disp/story.mpl/headline/biz/6160663.html>)

The RCA will be considering Smart Grid and 4 additional standards as required by the Energy and Independence Security Act of 2007. You can follow this link to a manual describing the 5 new standards: <http://www.naruc.org/Publications/EISStandardsManualFINAL.pdf> or you can download the manual from the Outlier website.

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<sup>1</sup> In August 2007, the RCA issued Order R-05-5 (4) declining to implement interconnect and smart metering standards proposed by the 2005 Energy Policy Act.

