



**STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION
COMMISSION**

621 Woodland Square Loop S.E. • Lacey, Washington 98503

P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY 1-800-833-6384 or 711

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October 9, 2020

Mark L. Johnson, Executive Director and Secretary
 Washington Utilities and Transportation Commission
 621 Woodland Square Loop
 P. O. Box 47250
 Olympia, Washington 98504-7250

RE: *In the Matter of the Revisions to Tariff WN- U-60 and WN U-2 by Puget Sound Energy, Schedule 171, Dockets UE-180860 and UG-180861*

Dear Mr. Johnson:

Commission Staff has reviewed the compliance filing of Puget Sound Energy (PSE) dated July 31, 2020, titled *Puget Sound Energy-Meter Upgrade Project and Schedules 171 Implementation Status Report*. This report – the second of the series - provides updates to the Commission about the program’s progress through the second quarter of 2020. Subsequent reports are due every six months. Staff believes that the filing complies fully with the Commission’s Order 01, entered January 11, 2019.

This table shows the progress of the installation project on June 30, 2020:

Total Customers by County at 6/30/20				AMI Installations at 6/30/20			Percent Complete	
County	Electric	Gas	Total	Electric	Gas	Total	Electric	Gas
Island	38,209	0	38,209	0	0	0	0.0%	0.0%
King	581,786	492,345	1,074,131	448,498	225,175	673,673	77.1%	45.7%
Kitsap	125,727	0	125,727	867	0	867	0.7%	0.0%
Kittitas	15,054	1,963	17,017	1,127	0	1,127	7.5%	0.0%
Lewis	5	4,618	4,623	0	0	0	0.0%	0.0%
Pierce	128,532	167,927	296,459	9,539	24,475	34,014	7.4%	14.6%
Skagit	63,391	0	63,391	0	0	0	0.0%	0.0%
Snohomish	50	151,103	151,153	0	0	0	0.0%	0.0%
Thurston	136,325	55,977	192,302	0	0	0	0.0%	0.0%
Whatcom	108,951	0	108,951	0	0	0	0.0%	0.0%
Total	1,198,029	873,934	2,071,963	460,031	249,650	709,681	38.4%	28.6%

As of June 30, PSE had received 6,048 requests for non-communicating meter service. 2,141 have been cancelled by the customer involved, 1,629 requests have been left incomplete by the customer, and a variety of other reasons for rejection comprise another 86 requests. There are 1,110 completed requests, and 1,082 in progress, approximately one-tenth of one percent of the company's overall customer base. Initial estimates anticipated one percent of customers would opt-out.

The project will continue through 2022 to replace gas meters and through 2023 for electric meters. PSE and its contractors paused the installation schedule from late March until May 5, 2020, as a result of the governor's "Stay Home, Stay Healthy" order. Installers wear protective equipment in the field, and the company has also updated its messaging to include social distancing for both customers and installers.

PSE has moved forward with contracting out manual meter reading services with an independent contractor, Landis+Gyr (L+G). Landis+Gyr has been a key partner in PSE's metering operations during the company's AMR era as well.

Staff has reviewed the contract between PSE and L+G and notes that the per-hour rates that will be charged by L+G are similar to those that PSE would have paid its own staff to read meters. However, L+G staff will be empowered to read both electric and gas meters during a single visit to opt-out customers. In its original filing, PSE planned for separate visits by its electric and natural gas staff, because of union contracts dividing these two spheres of work, which made manual meter reading more expensive. However, since L+G has not yet invoiced PSE for its manual meter reads, actual cost data is not yet available. Staff looks forward to reviewing that information during the next reporting cycle.

Sincerely,

AMY I. WHITE
Regulatory Analyst, Energy Regulation