

From: [Len Lindsay](#)  
To: [Water](#)  
Cc: [Len Lindsay](#)  
Subject: Public Comments on Project H2O  
Date: Tuesday, September 25, 2012 4:00:07 PM

---

I had planned on attending the Public Hearing last night but in the end was unable to make it.

Your postcard said that I could send my comments to you at this email address as well, so I am doing so now.

- 1) Your calculations of a monthly cost to opt-out are seriously flawed.
  - 1a) you estimate 2 minutes to make an appointment to read the meter ... yet you say this is to happen each and every month. Since the appointment can be made as a recurring monthly appointment, it only needs to be set up one time so the monthly time to make the appointment should be 0 minutes instead of 2 minutes (\$1.58 less per month)
  - 1b) you estimate 5 minutes to read the meter. That is vastly over stated. It takes less than a minute to get out of the vehicle walk a couple dozen steps to our meter, read it and walk back to the vehicle. Thus the cost should be for 1 minute rather than 5 or 20% of your \$4.38 estimate - should be \$0.876
  - 1c) you estimate that it takes 5 minutes to enter the reading into your billing system. I have done data entry myself. If it truly takes your staff 5 minutes to enter a couple numbers into your billing system, then you need a better billing system or data entry module for it. It should take maybe half a minute at most, or about 10% of your 5 minute estimate. Thus the cost should be \$0.40 rather than \$3.96
  - 1d) you estimate 10 miles FOR THE TRIP TO EVERY METER! In Madison, the meters are not 10 miles apart. Many are just a hundred yards apart or less. Even 1/2 mile between meters would be way too far of an estimate, but let's use it just for the sake of getting a maximum cost for this line item. 1/2 mile is 5percent of 10 miles, so the cost estimate should be 5% of \$5.50 or \$0.28

SUMMARY of COST ESTIMATE (and this is estimate is more than what it actually would be):

- 1a) \$0.00
  - 1b) \$0.876
  - 1c) \$0.396
  - 1d) \$0.275
- =====
- \$1.547 (or \$1.55) TOTAL estimate cost

2) Charging for a monthly meter reading itself is possibly flawed. I could be wrong, but I was under the impression that you currently come to read our meter every six months, not each and every month. In this case, you should charge the \$1.55 every SIX months instead of monthly.

3) It is to your advantage to have some meters read by hand! This lets you compare their reading with the automated readings to see if the automated readings line up with the manual ones - kind of a check system for you. Thus actually you should waive the \$3.10 per year for the benefit that you receive.

Please advise where my comments will be posted and how I can read other peoples comments.

Thank you.  
Len Lindsay  
5501 Groveland Terrace  
Madison, WI 53716

---

**From:** [Len Lindsay](#)  
**To:** [Water](#)  
**Cc:** [Len Lindsay](#)  
**Subject:** Re: Public Comments on Project H2O  
**Date:** Tuesday, September 25, 2012 4:52:46 PM

---

Quick Notes ... to provide your cost estimate along side my estimate:

\$1.58 for 2 minutes to set up a meter reading appointment per Madison Water  
\$0.00 for 0 minutes to set up a monthly meter reading appointment (should use recurring appointments) my estimate

\$4.38 for 5 minutes to read my meter per Madison Water  
\$0.876 for 1 minute to read one meter my estimate

\$3.96 for 5 minutes to enter my meter numbers into their billing system per Madison Water  
\$0.396 for 1/2 minute to enter my meter numbers my estimate

\$5.50 for 10 miles to drive from one meter to another per Madison Water  
\$0.275 for 1/2 mile between meters per my estimate

=====

\$15.42 per month per Madison Water  
\$3.10 per month per my estimate

But ... this should be done every six months, not every month, so the actual monthly cost should be \$0.52

At fifty cents per month it would be cheaper to not even bother to set up this opt-out billing!

---

**From:** [Dolores Kester](#)  
**To:** ["Bruce Mayer"; Cnare, Lauren; Dan Melton; Larry Nelson; Madeline Gotkowitz; Mike DePue; Robb, Amy; Ellingson, Susan; Voegeli, Doug Heikkinen, Tom; Piper, Robin](#)  
**Cc:** [Heikkinen, Tom; Piper, Robin](#)  
**Subject:** Economist Larry Kaufmann's comments on opt out policy Option One  
**Date:** Thursday, September 27, 2012 12:50:24 PM  
**Attachments:** [Sep 27 KAUFMANN comments to WUB -\(2\) 9-27-12.docx](#)

---

**Hello Water Utility Board members, Mr. Heikkinen, and Mr. Piper:**

**The economist who has been working with the PSC petitioners, Larry Kaufmann, has sent me the attached comments to forward for your review and consideration in regard to the viability of proposed charges for Option One of the MWU's proposed opt out policy.**

**Thank you for your time and attention to this matter,**

**Dolores Kester**



September 27, 2012

In a meeting with Staff of the Madison Water Utility (MWU) on September 18<sup>th</sup> 2012, MWU stated that Corix, the company installing smart meters for water service in Madison, had provided information on its costs of installing a smart meter on the outside rather than the inside of a Madison residence. Standard smart meter installations would take place inside of homes, while implementing an outside mount would require a “work change order.” Corix said its charge for a standard installation was \$18.81 and its costs of an outside mount would be \$69.50. The incremental cost of the Corix work change order was therefore \$50.69, which MWU has used as the basis for its proposed “Option One” for customers who choose to opt out of having a smart meter.

In my September 24 comments to the Water Utility Board (WUB), I said the following about the Option One proposal:

I am still concerned about the one-time costs associated with Option One. A \$50.69 charge associated seems clearly excessive for the small amount of time associated with a “change order” of installing the meter on the outside rather than the inside of the customer premises. Even if this was the cost estimated by MWU’s vendor, MWU should not take such cost claims at face value. Indeed, MWU has a regulatory obligation to procure goods and services prudently, if those costs are to be recovered through regulated rates. Prudent purchases would require MWU to understand the bases of such costs that it intends to “pass on” to its customers, not simply accept a vendor’s cost estimate without challenge.

I believe MWU, and the contractor installing the meters, must provide a detailed accounting of the incremental man hours associated with Option One, ideally broken down by task, as well as an estimate of the fully-loaded hourly rate for the contractors providing the work. The ‘fully loaded’ hourly rate would include wages and all associated benefits, but not any “administrative and general” costs associated with the program, since no such A&G costs would be incurred with this work change order; any and all incremental time would be incurred directly at the site where the work change takes place. This information must be provided to all stakeholders as well as the PSC so that the cost basis for Option One is transparent and publicly available to all parties. The terms of Option One should also not be approved until the cost basis for the one-time charge is clear.

I stand by those comments and offer the following, additional questions that I believe should be addressed for the WUB (and potentially, the Wisconsin Public Service Commission (PSC)) to evaluate this issue fully and impartially:

1. A standard installation costs \$18.81, while the "work change" associated with installing a meter outside rather than inside a customers' house costs an additional \$50.69. This implies that, after a worker has arrived at a house, the incremental costs for an installer simply to extend a wire from the inside to the outside of a house are 2.7 times greater (i.e.  $50.69/18.81 = 2.7$ ) than the costs necessary for the installer to arrive at the house, survey the premises, go downstairs, and install a meter. Does this seem plausible to WUB members?
2. Corix is in the business of installing smart meters for utilities. Having customers opt-out of smart meter installations or, more generally, question the merits of smart meters, is accordingly bad for its business. Doesn't Corix therefore have an incentive to charge opt-out customers an excessive rate, in order to undermine the opt-out movement and thereby prevent potential declines in its future revenues?
3. The PSC is required to approve tariffs that recover only the prudently incurred cost of service. Has Corix justified the necessary burden of demonstrating that it will incur \$50.69 of additional costs to mount a smart meter on the outside of a house, and that those costs reflect prudent, least cost operations on its part?

Not to put too fine a point on it, but Corix has interests in this proceeding. Those interests may conflict with the need to minimize the costs of MWU's opt-out provisions. The Water Utility Board – and the PSC – have a duty to *all* MWU customers to ensure that they are not paying excessive prices for their water services, including services that are metered with an outside, smart meter mount. The WUB therefore needs to investigate Corix's cost claims carefully.

With Best Regards,

Larry Kaufmann

George Orwell's 1984 was important in warning us about the power in controlling information. What has happened in the last 2 years is a carefully created and controlled advancement of pro-industry information. This has not been a fair playing field, when your side has all the power and media resources to get your message out, and those who challenge are not heard or their voice is greatly "reduced" with individual efforts to inform people by emails and tabling and then we are allowed a **measly** 3 minutes to voice our opinions and concerns, which is **never adequate**.

How many people in this city even now know about the opt-outs and more importantly know about this meeting and can even come to a meeting at 4:30 and give up an entire evening for 3 minutes?

You have followed all the minimal legal requirements of the law, but you have not encouraged an atmosphere with honest, meaningful and inclusive discussion with all information available! It should not be our responsibility, but instead it should be yours to be totally honest with the information and protect your constituents.

And even when citizens learn about this, they feel paralyzed by this totally undemocratic process, which is designed to wear us down and involves expensive legal expertise which is out of our reach. We are exhausted in these trying economic times and we become ridiculed and intimidated when speaking out, which seems to be the way policies are decided on today and which I probably don't need to remind all of you about. Except for one brave reporter-Jessica Van Egeren of the Capital Times, there has not been much of an investigative effort by the media to scrutinize this issue. .) The withholding of information is dangerous. One of my favorite quotes is from William Evjue, the founding editor & publisher of the Capital Times-"Let the people have the truth and the freedom to discuss it and all will go well." After reading Devra Davis- about the cover-ups by the industry of the great deal of scientific evidence of known biological damages from EMFs, I 'm so disappointed our public officials are not attempting to protect us from more EMF exposures. No one is against technology but we have every right to expect our public officials to actually looking out for our safety.

Besides Devra Davis' amazing book I just showed you lots of studies with evidence of biological damage, going as far back as the 1930's and 1940's with the US & UK's secret project with radar and the 1970's Navy paper documenting biological impacts.... We have every reason to ask that you do the right thing tonight and not impose any fees or charges to those of us who want to opt out and have the right to protect ourselves from this dangerous program. I'm quite angry that I have to research for myself to protect myself, my family and my neighbors. I thought and so do others in your community that that is your job to ensure that we are protected from unnecessary risks to our health. And at Monday's hearing, we asked and learned that fiber optic, which would be a more safe alternative, had not even been considered. Can you still say now with certainty that there are no risks?

The older I become, the more precious life and good health becomes. That should be the most important factor in this decision, not that you are able to bill more often and detect leaks!

Sincerely,

Anneliese Emerson, 5137 Whitcomb Drive, Madison, WI 53711