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Are smart meters spying on you?

As you may know by now, "smart meters" record consumption of electricity in intervals of an hour or less, communicate that information back to the utility for monitoring and billing purposes and enable two-way communication between the meter and the electric utility's central system through remote reporting.

They make it easier for consumers to monitor their energy consumption, thereby making it easier for them to save energy, carbon emissions and money. Smart meters have the potential to broadcast the current price for electricity to various appliances, which can be set to work only if the price is below a figure specified by the consumer.

According to the Institute for Electric Efficiency, a utility industry trade group, 36 million smart meters are now installed in the U.S., up from 27 million in September 2011. The organization said some 65 million households are expected to have the devices by 2015.

But worries about health effects, privacy and cost, have fueled opposition to these meters.

In one of the more colorful legislative debates this session, veteran legislator and privacy advocate Rep. Neal Kurk, R-Weare, proposed a floor amendment to a bill concerning smart meters that had passed the Senate and was recommended for passage in the House by an 11-4 majority of the House Science, Technology and Energy Committee.

The bill would prohibit electric utilities from installing and maintaining smart meter gateway devices without the customer's consent. Kurk wanted to take it a step further by requiring a utility to remove a smart meter if the customer requested it, at no charge.

Kurk claimed that the National Institute of Standards and Technology had raised issues about how smart meters could be used by insurance companies, marketers, law enforcement, private investigators, the press or criminals to provide data for what could be nefarious, or at least shamelessly commercial, purposes. In other words Big Brother could be watching you.

What ensued was a debate between two longstanding and influential Republicans.

Rep. James Garrity, R-Atkinson, chair of the committee, took the floor against the amendment and noted animatedly that his panel was not the "Science Fiction Committee."

Garrity called Kurk's speech in support of his amendment "conspiracy theory straight from the Internet."

He said there is no way for the utility company to know "if you're watching 'Hogan's Heroes' or 'Desperate Housewives'," and urged his colleagues to vote against this "bad, bad, bad, bad amendment."

The House eventually voted against the floor amendment, 211-78, and passed the Senate version of the bill. Subsequent gestures of civility by both Garrity and Kurk suggested that neither took this debate personally.

A big boost

But is there reason to be concerned about privacy or health effects related to smart meters? Vermont has taken an unusually aggressive stance by enacting legislation that would allow customers to say no to smart meters without paying anything extra, at least until more studies are completed on the real costs of not deploying the meters.

Other states -- including California, Maine, Nevada and Oregon -- allow opt-outs, though no state appears to allow consumers to skip smart meters for free. California imposes a \$75 fee up front plus \$10 a month for opting out.

In that state, Pacific Gas & Electric has reported that less than 1 percent of their residential customers has declined the devices -- this coming 18 months after residents were arrested for preventing smart meter installations.

Southern California Edison, the state's second-largest utility, noted recently that about 28,000 customers have asked for a delay of a smart meter installation out of 4.9 million customers.

Last fall, Connecticut delayed its decision on Northeast Utilities' proposal to install 1.2 million smart meters, saying it needed time to establish a state policy on the technology.

And in Maine, Supreme Court justices recently heard arguments on whether that state should allow a free opt-out, with one justice questioning a lawyer for the state Public Utilities Commission on why the agency hadn't done more to investigate the safety of smart meters before allowing them to be deployed.

Smart meters got a big boost in 2009, when the Obama administration devoted \$3.5 billion of its \$787 billion economic stimulus package to grants to help utilities install the new technology. The New Hampshire Electric Cooperative took advantage of this program and has installed over 50,000 new smart meters since June 2011.

NHEC is using this technology to conduct a two-year pilot program that studies the impact of time-based rates on members' energy usage. Starting June 1, about 400 Co-op member volunteers are being selected to switch to a new rate that charges more than the standard rate during on-peak hours (noon to 8 p.m. on summer weekdays) and off-peak rates that are lower than the standard rate during all other hours.

Meanwhile, the International Agency for Research on Cancer, a branch of the World Health Organization, last year called radio-frequency radiation, which is emitted by cell phones, smart meters and many other devices, a "possible carcinogen."

The Electric Power Research Institute, an industry-funded group, responded with an article citing several scientific studies that found the levels of radiation emitted by smart meters should not be a public health concern.

Some critics echo the concerns expressed by Representative Kurk, saying the devices will be able to tell when a utility customer is using various appliances and equipment in the home.

A representative of the Vermont chapter of the American Civil Liberties Union said recently that he wants to see assurances that police have to obtain a search warrant before accessing a utility customer's usage data.

In a report issued in January the U.S. Department of Energy's inspector general said that many companies deploying smart meters had not done enough to protect the systems from hackers who might be after customers' personal information or who might be looking to sabotage utility grids. Fiction or non-fiction, this debate is likely to continue for some time.

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