DIRECT TESTIMONY OF SANDI MAURER

Served October 5, 2012 on behalf of
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APPENDIX: Statement of Qualifications
1. **Introduction and Summary**

Pursuant to Rule 13.8 of the California Public Utilities Commission (CPUC or Commission) Rules of Practice and Procedure, I submit this direct testimony on behalf of the EMF Safety Network (Network) in response to “Assigned Commissioner’s Ruling Amending Scope of Proceeding to Add a Second Phase” dated June 8, 2012. Administrative Law Judge Yip-Kikugawa’s September 10, 2012 email extended the deadline to submit testimony to October 5, 2012. Although I mainly discuss PG&E in this testimony I expect the Commission will apply decisions equally to all California investor-owned utilities (IOU’s). Furthermore, I urge the Commission to inform California privately-owned utilities (POU’s) of these important issues to assist them in making lawful policy choices for their customers.

In this testimony I will address policy issues surrounding Smart Meter\(^1\) opt-out costs and cost allocation from the perspective of the customer.

**All customers should be allowed to opt-out of Smart Meters at no cost. Smart Meter opt-out costs should be paid by utility shareholders and/or shifting of utility funds.** There should be no initial fees, no monthly fees and no exit fees. I believe that charging fees to opt out of a health and safety hazard is unlawful, and defeats the purpose of the opt out program which was to give utility customers a choice. Punitive opt out fees must be eliminated because they are unjust, unreasonable and in my opinion unlawful based on the Public Utilities Code.

The customer did not create this problem. The Commission, in concert with the utilities forced Smart Meters onto customers. They failed to fully vet the technical specifications prior to approval. They dismissed formal public opposition and continued to deploy Smart Meters and scrap analog meters.

Customer choice should be extended to commercial customers. Customers who have paid opt out fees should have their money refunded. Future costs of Smart Meter problems should be considered. Millions of Smart Meters are not working properly, and tens of thousands are failing and being replaced annually. Investigations on Smart Meter fires are currently taking place in three other states. The long term public health risk is a serious cost and liability issue, and health experts are advising against Smart Meters. A free opt out is an important step toward resolving these and other Smart Meter complaints.

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\(^1\)Smart Meter includes both electric and gas utility meters.
2. Should Individuals Be Charged Fees to Opt out?

All customers should be allowed to opt-out of Smart Meters at no cost. There should be no initial fees, no monthly fees and no exit fees.

Customers are willing to testify against PG&E, SCE and SDG&E for the health problems they have suffered as a result of the installation of Smart Meters on their homes or in their neighborhoods. Some of these customers have been forced to move because of the Smart Meter installations\(^2\). Smart Meters have been reported to cause interference, and fires\(^3\). I believe charging fees to opt out of a health and safety hazard is unlawful\(^4\). Smart Meter victims should not have to pay opt out.

Furthermore, charging individuals to pay to not have Smart Meters defeats the rationale for the program, which was to give customers a choice\(^5\). Electricity is an essential service, not a luxury; denial of gas and electric service can create substantial hardship. For many people the fees prohibit their participation in the opt out program, and therefore, eliminate their choice. Opt out fees are an unlawful penalty that are intimidating and discouraging customers from opting out.

According to PG&E 177,346 customers were on a delay list as of January 31, 2012\(^6\). The delay list was set up for people who did not want a Smart Meter installed, for whatever reason. By June of 2012, only 28,211 customers signed up to opt out.\(^7\) I believe customers declined to opt out because they believe the fees are unfair and unjust. PG&E has threatened to refuse utility service to customers if the fees are not paid. This is financial intimidation.

If you buy a product from the store and that product makes you sick, or causes a safety problem, you take it back to the store and get a refund, either from the store or the manufacturer, depending on their return policy. You don’t pay more not to have that product. The store

\(^2\) Declarations excerpts are available in Network Brief A-11-03-014 See pages 5-11 http://docs.cpuc.ca.gov/PublishedDocs/EFILE/BRIEF/171451.PDF

\(^3\) http://emfsafetynetwork.org/?page_id=1280

\(^4\) PUC §451,453(b)

\(^5\) Decision 12-02-014 Conclusion of Law# 1. “A residential customer should be allowed to opt out of a wireless SmartMeter for any reason, or for no reason”, and A.11-03-014 Assigned Commissioner's Ruling Amending Scope of Proceeding to Add a Second Phase June 8,2012 p. 3, “The purpose of these proceedings is to adopt an opt-out option for residential customers who do not wish to have a wireless smart meter. As stated in the Opt-Out Decisions, the opt-out option is available to all residential customers who wish to have an analog meter instead of a wireless meter.”

\(^6\) PG&E Data Response EMF_001-02

\(^7\) PG&E Data Response EMF_001-03 Grand Total 28,211 opt out customers
manager does not stand in judgment for the reason for the return, and does not require a doctor’s note for the returned product. Furthermore, if enough people have a problem with that product, the product gets recalled.  

3. Are Opt Out Fees Reasonable and Fair?

PG&E states 65% of those requesting a Smart Meter opt out currently retain their analog meters and 35% require a new meter, however they did not differentiate between customers with Smart Meters and those with analog meters in their cost analysis. For customers who have retained the analog meter they are being double charged, first for the Smart Meter program and again not to have the Smart Meter. Not only should there be no charge to opt out, but customers should be provided with a credit, for saving the utilities the expense of a Smart Meter.

There are approximately 40 homes on my block in Sebastopol and most, if not all have retained the analog meters. If these customers paid a $75 flat fee plus $10 per month to opt out PG&E would receive $7,800 from this one neighborhood in the first year, to not have the Smart Meters. Considering the essential service has not changed these charges are both unjust and unreasonable. In this neighborhood, there would be no new costs incurred to PG&E. The 65% of opt out customers that have analog meters are essentially subsidizing the opt out program. I believe this is a violation of PUC §451, and PUC §453(c). PUC §451 states in relevant part, “All charges demanded or received by any public utility, or by any two or more public utilities, for any product or commodity furnished or to be furnished or any service rendered or to be rendered shall be just and reasonable. Every unjust or unreasonable charge demanded or received for such product or commodity or service is unlawful....” PUC §453(c). states, “No public utility shall establish or maintain any unreasonable difference as to rates, charges, service, facilities, or in any other respect, either as between localities or as between classes of service.”.

For customers whose homes are the locations for other people’s utility meters, or who live near banks of Smart Meters, a no cost opt out would significantly assist in providing these customers an ability to opt out. The alternative is this type of customer could be forced to move and that would be significant burden and hardship, and a litigious situation for the utility.

A no fee opt out would also resolve the problem of multiple meters on one property. For

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8For example, in August of 2012 General Electric (GE) recalled 1.3 million dishwashers. The recall was based on “15 reports of dishwasher heating element failures, including seven reports of fires, three of which caused extensive property damage.”. http://www.geappliances.com/products/recall/dishwasher_2012/faq.htm
9PG&E Data response 9/24/2012 EMF_002-03
example a PG&E customer has four analog electric meters on one property, one for his well and agricultural use, one for his shop, one for a detached office and one for his residence. Currently his cost to opt out would be $300 initial fees and $40 a month. Another customer who has a home that previously was a triplex still has three analog utility meters on her residence. She’s been charged $225 initial fees and $30 a month to retain the analog meters. These charges are unjust and unreasonable.

4. Is Health a Cost?

I have compiled hundreds of Smart Meter health complaints on the Network website\(^\text{10}\). In addition I have taken tens of declarations from customers who state their health and lives have been seriously affected by Smart Meters.\(^\text{11}\) In 2011 Network conducted an online survey to investigate the health and safety complaints of Smart Meters. The survey results were evaluated by Ed Halteman, PhD Statistics, of Survey Design and Analysis, who concluded, “Statistical testing shows the top health symptoms are positively associated with EMF Sensitivity and wireless meters on the home.” Top health issues since the wireless meters were installed on or near the home (318 people) included sleep problems (49%), stress (43%), headaches (40%), ringing in the ears (38%) and heart problems (26%).\(^\text{12}\)

I believe it is unlawful to charge people with medical conditions to opt out based on PUC 453(b) which states (in relevant part), “No public utility shall prejudice, disadvantage, or require different rates or deposit amounts from a person because of ancestry, medical condition, marital status or change in marital status, occupation, or any characteristic listed or defined in Section 11135 of the Government Code…”

The long term risks of exposure to pulsed radio frequency (RF) radiation is suspected to cause cancer. In May 2011, the International Association for the Research on Cancer, an arm of the World Health Organization classified RF radiation a 2b carcinogen in 2011. It is reasonable that anyone might prefer to avoid a potential carcinogen, for themselves, and especially for their children, if they believed it was a health risk. It is wrong to charge opt out customers for the failure of the CPUC and the IOU’s to fully vet this program, or offer customer a choice before

\(^\text{10}\) http://emfsafetynetwork.org/?page_id=2292
\(^\text{11}\) See footnote 2
forcing all customers to have RF transmitters on their home, or in their neighborhood.

5. Who Should Pay the Costs?

I recommend that 100% of Smart Meter opt-out costs should be paid by the utility shareholders and/or shifted from other utility funds. PG&E customers have already paid, or will pay $2.2 billion for the Smart Meter program in rate hikes. Customers are already paying for a majority of Smart Meter problems, including replacing the wired Smart Meters with wireless Smart Meters; replacements of failed meters; hiring public relations firm Edelman\(^\text{13}\); advertising costs\(^\text{14}\); snooping on anti-Smart Meter activists\(^\text{15}\); cost of lawsuits; costs of maintenance and repairs; and pay-outs for interference, electrical fires\(^\text{16}\), surges and damaged appliances.\(^\text{17}\)

Customers should not be further saddled with costs for the utilities failure to consider the customer and environmental impact of RF Smart Meters. Shareholders are ultimately responsible for management's failure to consult with the public in advance of the deployment. The cost of poor administrative choices should be be borne by shareholders as they are an essential determining factor in improving corporate performance.

PG&E has or will receive $341 million in depreciation from the useful life leftover in the analog meters they replaced.\(^\text{18}\) This benefit is many times more than their predicted opt out cost of $43 million.\(^\text{19}\) The predicted $43 million is small compared to the overall cost of the program already assigned to all customers.

Money for the opt out program could also come from fund shifting. Recently, in July 2012 in a letter to Brian Cherry, the CPUC Energy Division Director approved PG&E’s advice letter 3309-G/4068-E, which approved shifting funds from one project to another.

Funds from the $128.8 million “risk based allowance”, included in the original Smart Meter program could be utilized for the opt program. Decision 06-07-027, Conclusion of Law

\(^{13}\)PG&E data Response to CPSD Dec 2010 p. 20 of 410 PG&E hired Edelman January 2010
\(^{14}\)PG&E response EMF_002-09 PUC section 796(b) (the CPUC may allow a utility to recover from ratepayers expenses for advertising...) \(^{15}\)I.12-04-010 Order Instituting Investigation on the Commission’s Own Motion into the Operations and Practices of Pacific Gas & Electric Company regarding Anti-Smart Meter Consumer Groups.
\(^{16}\)EMF Safety Network has compiled reports of Smart Meters Fires and explosions (including PG&E meters): http://emfsafetynetwork.org/?page_id=1280
\(^{17}\)PG&E date Response EMF_002-06 “…the reasonable costs of meter reading, bill estimating and replacing faulty meters are recovered from ratepayers...”
\(^{18}\)PG&E data response to EMF_002-05GRC Decision11-05-018 authorized recovery of $341 million...
\(^{19}\)PG&E testimony p.1-9, Table1-2
#3, p. 65-66, states, “There is sufficient credible evidence to adopt as reasonable a project budget of $1.7394 billion, inclusive of a Risk Based Allowance, or contingency, of $128.8 million and $49 million for pre-deployment costs approved in D.05-09-044.”

6. Who Caused This Problem?

Charging fees to individuals who opt out blames the customer for the problem. This is wrong. The Commission, in concert with the utilities forced Smart Meters onto customers. There is no Federal or State Law that mandates all utility customers must be forced to have Smart Meters or pay not to have Smart Meters.

Decision 09-03-026 was silent on customer rights of choice; never fully vetted the technical specifications of the RF meters; failed to file a CEQA exemption; never held public participation hearings; never fully and honestly disclosed how the meters work; and ignored their no and low cost EMF policy, which included RF.

The utilities failed to comply with Decision 95-11-017 which were and the results of an investigation and expert testimony which ordered: “CACD [Commission Advisory and Compliance Division] shall hold informal cellular EMF and RF radiation workshops as additional health information becomes available and upon preparation of any updated EMF reports, and shall report the results of such workshops to the Commission through the resolution process.” D.09-03-026 did not consider the impact of Smart Meter RF deployment on the environment and human health and safety, which violated Public Utilities Code Sections 451 and 1002. No environmental evaluation was done prior to ubiquitous deployment of RF Smart Meters.

In D.95-11-017, Appendix A, Section C, Issues for Future Consideration, Issue #3, Public Perception of the Problem, states in part, “…The Commission is clearly responsible for ensuring that the utilities it regulates are providing service and facilities that do not constitute a threat to

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20 PUC Actions Regarding EMFs:
http://www.cpuc.ca.gov/PUC/energy/Environment/ElectroMagnetic+Fields/action
21 D.95-11-017 Ordering paragraph 2
22 PUC §1002, “(a) The commission, as a basis for granting any certificate pursuant to Section 1001 shall give consideration to the following factors:(1) Community values.(2) Recreational and park areas.(3) Historical and aesthetic values. (4) Influence on environment, except that in the case of any line, plant, or system or extension thereof located in another state which will be subject to environmental impact review pursuant to the National Environmental Policy Act of 1969 (Chapter 55 (commencing with Section 4321) of Title 42 of the United States Code) or similar state laws in the other state, the commission shall not consider influence on the environment unless any emissions or discharges there from would have a significant influence on the environment of this state.”
the public or the environment. As mentioned earlier, the current research on the matter has left many questions unanswered and therefore difficult to conclude that a health and safety problem does or does not exist. Until clearer answers emerge, the Commission should consider the possibilities that a health hazard could exist and that careful monitoring as well as some interim measures would be appropriate.” The Commission explicitly adopted the language in this appendix. 

In 2009 PG&E received many billing complaints about Smart Meters. In early 2010 PG&E started receiving complaints about RF health and safety. In January of 2010 PG&E hired a public relations firm, Edelman, to try to improve the Smart Meter image online and in print media. They also trained the CPUC Consumer Affairs Branch how to respond to Smart Meter complaints. In November of 2010, the Senior Director of the Smart Meter program was caught spying on anti Smart Meter customers. Customers paid over $40 million for marketing Smart Meter programs that instead could have been used to fund an opt out program.

In April 2010, on behalf of the EMF Safety Network I filed a CPUC application on behalf of the EMF Safety Network requesting a moratorium, technical RF information and Smart Meter health and safety review. The CPUC dismissed the application and denied the appeal. They cite the decision as proof that they addressed the issue. However, in that proceeding A.10-04-018, no testimony was taken, and no hearings were held. The CPUC rubber stamped PG&E’s safety claims, deferred to the Federal Communications Commission, and accepted a declaration from one PG&E employee who was never cross examined.

Starting in April of 2010, thousands of emails were sent to the CPUC, with a clear message from customers who did not want a wireless meter and wanted to retain the analog meter. Tens of cities and counties called for a moratorium, safety studies, an opt out program, and/or made installation of the meters illegal. Despite tremendous opposition, PG&E continued to deploy millions of Smart Meters and scrap analog meters. These meters could have been kept in

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23 D.95-11-017, Ordering Paragraph 1.
24 See footnote 13
25 CPSD investigation pdf 78, p.281 of 410, p.282 of 410
26 See footnote 15
27 12th Semi Annual Report, (See footnote 20) p.11 PG&E spent 40.2 million on “SmartRate Marketing & Education and Customer Web Presentment”
28 Report to the Governor & Legislature on Smart Grid Plans and Recommendations December 2010, D. 10-12-001 “determined that PG&E’s SmartMeter technology complies with FCC requirements.”
29 PG&E Response to DRA data request DRA_003-07
service, or restored to customers upon request. Instead, PG&E gave them away for free to recyclers.

Problems that led to the opt out program could have been avoided if the public had been included in the planning, and if D.95-11-017 and PUC laws had been upheld. The IOU’s must now take responsibility for the problems with this deployment, and the shareholders pay for its problems in order to ensure more accountability in the future.

7. **Which Meter Should Be the Opt Out Choice?**

PG&E allows their customers to restore or retain the analog meters that emit no RF. All utilities should be mandated to offer an analog meter option that does not emit RF. It is unfair to utility customers to be forced to return to the previous meter that was installed if that meter also emitted RF, whether the RF was wireless or unintentional radiation on the electrical wiring. The meter should have no capacity for remote activation or modification. The analog meter should be the opt out meter choice for all IOU and POU utilities.

8. **What About Commercial Opt-Out Rights?**

Customer choice must also be extended to commercial customers. There are many reasons a commercial customer might not want Smart Meters on their business. The business owners, or their clientele could be EMF sensitive. Firefighters sleep at their business locations. There are health care businesses, alternative doctors offices, child care centers, health food stores and restaurants, health and wellness retreat centers, etc. Commercial customers should not have to pay fees to opt out of Smart Meters for all the same reasons residential customers should not be charged.

9. **Should Customers Receive Refunds?**

The CPUC never held hearings and never evaluated opt out costs prior to approval of the interim opt out charges. People are paying these charges to the utilities, even though details of the costs were not evaluated. I believe this is a violation of PUC §451 because the charges are unjust. Customers who have paid opt out fees to utilities should be 100% refunded.

10. **What About Future Costs?**

I continue to receive calls and emails from California utility customers who have connected their health problems to the installation of Smart Meters. The public health threat is
real and it is not going away. In addition, the long term public health risk is a serious issue, considering the ubiquitous coverage of the Smart Meter mesh network, the RF from Smart Meter SMPS and considering the public is increasingly exposed to RF from other devices, like cell phones, cordless phones, cell towers, wi-fi and more. Health experts are advising the public to reduce their exposure to RF radiation, and advising against Smart Meters. At the University of California-Berkeley School of Public Health, Joel Moskowitz, Ph.D., says studies have shown that the meters expose people to significantly higher radiation levels than cell phones and WiFi. “So, it seems to be highly problematic from a public health standpoint that we’re just rolling out millions and millions of these wireless meters, without fully understanding what are the potential health risks and figuring out how to reduce any potential harm.”

Approximately 9.4 million Smart Meters (5,176,000 electric and 4,222,000 gas meters) were deployed by the end of June, 2012 according to PG&E’s Twelfth Smart Meter Semi-Annual Report (Report) issued on October 1, 2012. Of those, 5,660,000 Smart Meters were “activated”, which means the data was transmitting properly from the meter to PG&E. However the remaining 3,738,000 meters are not “activated” therefore not working properly! PG&E also stated their predicted costs have now exceeded the CPUC authorized cost cap. (Report p.4)

Roughly 31,000 gas and electric Smart Meters were removed between July 2011 and June 2012 due to failures. Approximately twice as many failed between July 2010 to June 2011 (Report p. 21). Increasing Smart Meter upgrade costs are inevitable as more and more meters retire due to failures. What are these losses costing customers? Full disclosure and accounting by PG&E for the actual program costs and benefits must be evaluated and investigated.

Three state utility regulatory agencies in Pennsylvania, Maryland and Illinois are investigating Smart Meter fires. The utility PECO has admitted to 26 Smart Meter fires and Commonwealth Edison admitted to three Smart Meter fires. Fires related to Smart Meters are

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30The Switching Mode Power Supply in the Smart Meter emits “unintentional radiation”.
34Meter failure figures for 2010 and 2011 were assessed by review of both current and previous PG&E Semi-Annual Reports.
reported in California, Florida, Georgia, Illinois, Maine, Pennsylvania, Texas, Australia, and Canada. PG&E to date has publicly denied their Smart Meters explode or cause fires, even though media, fire departments and customers have reported them. This issue should be investigated in California.

A free opt out is the first step toward resolving customer Smart Meter complaints. In the long run what we need is a product recall and a return to analog meters. It’s time to stop wasting customer money on an unreliable program that is hazardous and destined to fail.

This concludes the testimony of Sandi Maurer.
APPENDIX

Statement of Qualifications: I am a founding member and director of the EMF Safety Network, which began in October 2009 with the launch of our website emfsafetynetwork.org. Network evolved out of a successful, 2007 campaign that opposed installation of wireless internet service (Wi-Fi) in the city of Sebastopol. Network is a coalition of business and property owners, and utility customers in California. We provide public education on health, environmental, and safety impacts associated with EMF and RF, and offer resources for community advocates in support of public policy change. We do not have a formal membership, however we have a database of approximately 4,000 people who have contacted us.

On behalf of the EMF Safety Network I have participated in the three CPUC proceedings. In April of 2010 I filed the Application of EMF Safety Network for Modification of D.06-07-027 and D.09-03-026 (A.10-04-018). Processing the application included filing of six more documents: a response; two ex-parte notices; comments on the proposed decision; reply comments; and a rehearing request.

In A.11-03-014, the PG&E Smart Meter opt out proceeding: I have filed more than ten pleadings on behalf of the EMF Safety Network. I also issued several discovery requests to PG&E, SDG&E and SCE. In Investigation 12-04-010, I have participated fully on behalf of EMF Safety Network.

In 2006 I discovered I am EMF sensitive. To maintain my health and well-being I practice prudent avoidance of EMF’s and RF. I do not use a cell phone and my computer and phone are wired and corded. I often keep the electricity turned off at the breaker box at my home for health reasons.

Prior to the EMF Safety Network, I owned an art business for 18 years. I earned a Bachelors of Arts degree form Sonoma State University in 1984. I have been a Sebastopol resident, and PG&E customer since 1988.
CERTIFICATE OF SERVICE

I certify that I have by electronic mail this day served a true copy of the original attached "DIRECT TESTIMONY OF SANDI MAURER” on all parties of record in this proceeding or their attorneys of record. I will mail paper copies of the testimony to Assigned Commissioner Michael Peevey and Administrative Law Judge Amy Yip-Kikugawa.

Dated October 5, 2012, at Sebastopol, California.

/s/

Sandi Maurer