

NEW PLAN FOR SMART-METER ROLLOUTS

PSEGLI reveals update for 2019

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PSEG Long Island has submitted a new plan for rolling out smart meters and other system modernization moves, trimming costs aimed at saving the utility \$593 million over 20 years.

The updated plan, part of the company's so-called Utility 2.0 filing Friday to the state Department of Public Service, seeks to use green energy and cutting-edge tools to reduce the need for costly traditional electric grid upgrades. In one case, PSEG proposes installing a 2.5-megawatt storage battery in Miller Place.

Already, PSEG said, around 90,000 customers have smart meters, and about 40 percent of Long Island's energy moves through the devices, which send usage information wirelessly between customers and the utility.

Beginning in January, and pending LIPA approval, 21,000 new smart meters will be installed each month (250,000 a year), with all 1.1 million customers expected to have them by the end of 2022. The meters eliminate the need for meter reading and estimated bills, and allow customers to monitor and manage their use in real time.

PSEG's new plan for smart meters reduces the overall cost to LIPA to about \$250 million from a previous \$275 million, said Rick Walden, vice president of customer services. The plan also envisions a series of new time-of-use rates, which allow customers to cut costs by shifting their usage to discounted off-peak periods each day, to be widely rolled out next year and in 2020.

Smart meters alone, which cost about \$204 per home to buy and install, will save the

SMART METERS

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- **Allow customers to** monitor and manage usage in real time
- **Cost around** \$204 per home to buy and install
- **Pending LIPA approval.** 21,000 new smart meters will be installed each month starting in January
- **All 1.1 million customers** expected to have smart meters by the end of 2022
- **Projected to save** PSEG \$498 million over 20 years

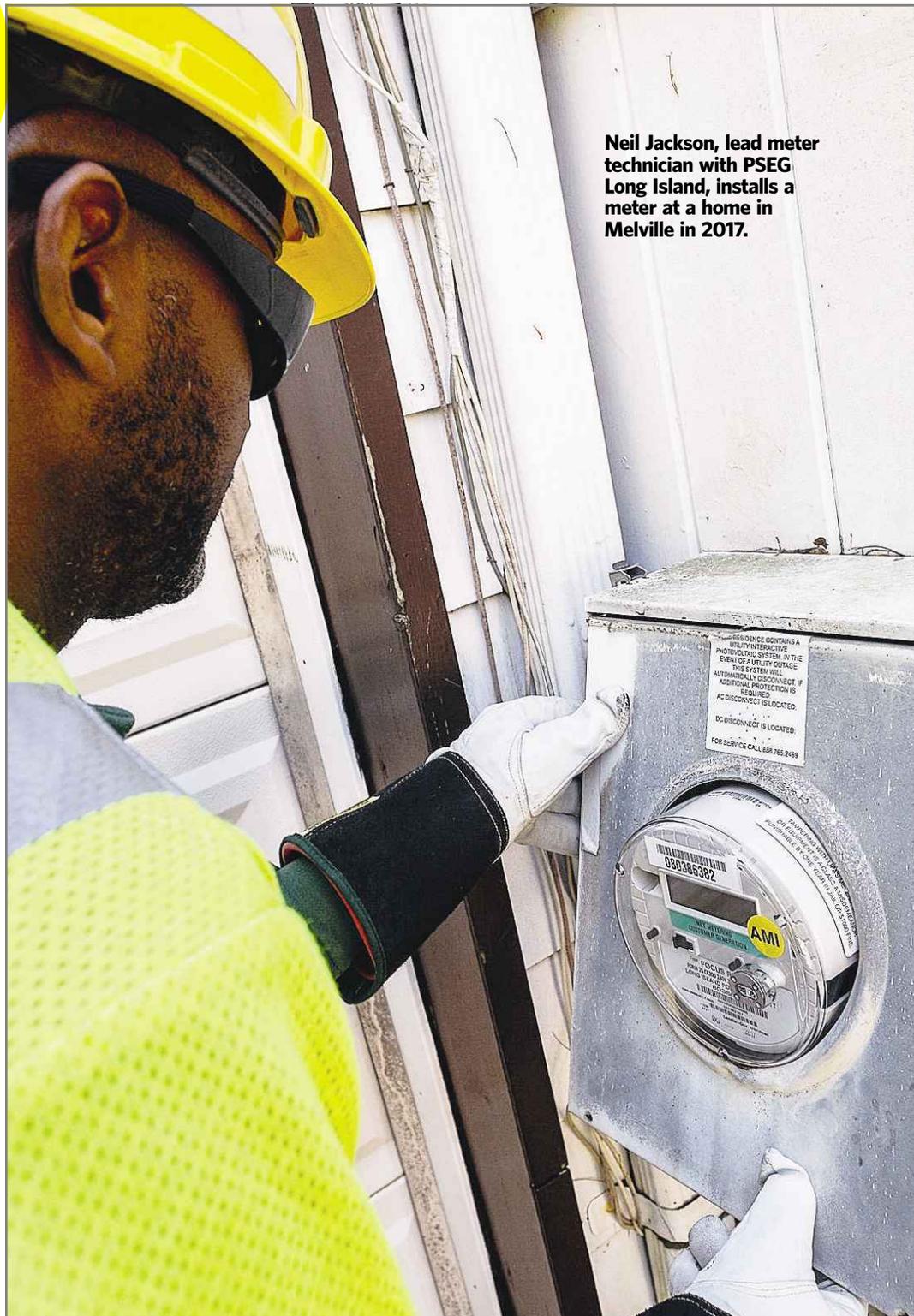
utility around \$498 million over 20 years.

PSEG's plan also would give customers with battery storage units up to hundreds of dollars a year for taking power from the units during certain high-peak summer demand times.

The filing also includes a proposal to offer \$500 for home customers who install electric-car chargers. They would be eligible for a special rate for charging their vehicle at certain nighttime hours, said Mike Voltz, director of energy efficiency and renewable programs for PSEG.

PSEG's plan also calls for expanding an energy-reduction program called Super Savers to a second geographic region: Patchogue. It's already being rolled out to about 10,500 customers in North Bellmore. If approved, about 4,500 Patchogue customers would have smart meters, regular energy-use reports and energy-saving tools, discounts of up to \$175 for smart thermostats, and special time-of-use rates. The program would roll out in early 2019.

Walden said the plan is expected to raise customer rates



Neil Jackson, lead meter technician with PSEG Long Island, installs a meter at a home in Melville in 2017.

about 63 cents a month next year, to raise around \$320 million to cover costs of all the programs. Over 20 years, PSEG expects the plan to save customers close to \$593 million, and actually begin to reduce rates starting in 2021. By 2038, PSEG predicted, the average customer bill will be reduced by around \$2.11 a month, Walden said.

Most of the cost savings from the plan comes from a reduction in the number of meter readers on PSEG's workforce. There are

currently around 142 meter readers and seven managers in the division. None is being laid off, Walden said. Rather, PSEG is offering them higher-skilled jobs at the company, and overall workforce reductions are coming from attrition.

Customers scheduled to receive smart meters will get letters two months before they are installed. Educational vans will set up and roam neighborhoods to educate customers on the benefits, which will include internet portals showing cus-

tomers how they can save money by monitoring usage and switching rate plans.

Planned time-of-use rates would lengthen from an existing rate the number of hours in the day when customers would be eligible for discounts by shifting their energy use to off-peak times. At present, there is a 12-hour window when the higher-cost peak rate applies. Under the new plan, on-peak pricing would be in place for shorter windows, say only from 2 to 7 p.m., Voltz said.