

Phone: (403) 625-4348  
1-888-565-5445  
Fax: (403) 625-3569

G.S.T. #881850168

P.O. Box 1657 • Claresholm, Alberta • T0L 0T0

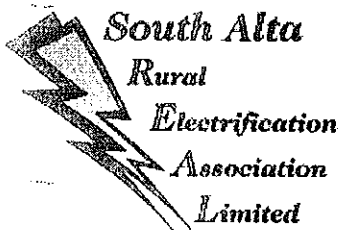
Mr. Bryce Jacobs- MLA Cardston, Taber, Warner  
Mr. Leonard Mitzel, MLA Cypress Medicine Hat  
Mr. Barry McFarland, MLA Little Bow  
Mr. Evan Berger, MLA, Livingstone MacLoed  
Honourable George Groeneveld, MLA Highwood, Minister of Agriculture

September 16, 2008

Dear Sirs:

The Department of Energy has recently distributed a paper entitled, "New Energy Efficiency Operations for Albertans Through New Metering Technologies". The paper discusses automatic meter reading for Albertans. It causes the South Alta REA grave concern for the following reasons.

- ✓ It becomes obvious that there are a lot of assumptions about the advantages of the new metering, but no real "facts". All of the "advantages" mentioned in the study are prefaced with the word "may"- as in "these *may* be advantages...."
- ✓ The bias becomes explicit on Page 18 when these words appear: "Alberta Energy has sought to establish that AMI is in the public interest." Note that it does *not* say that they sought to establish *whether or not* AMI is in the public interest; they sought to establish that it *is* in the public interest! No study can have any credibility when there is such an explicit bias!
- ✓ This type of metering was attempted in Oregon recently, with a conclusion that the amount of information was too overwhelming to handle.
- ✓ The study assumes many environmental advantages, and assumes that any environmental advantage is worth as many unspecified dollars as may be necessary to realize that advantage. In at least two places, in referring to the need for environmental conservation, they say that "a new societal agreement is in effect". Yet, we don't recall any plebiscites on the issue! Being "green" is currently the "in thing"; but that should not mean that government has a blanket mandate to force industry and consumers to throw dollars at unspecified environmental improvements.
- ✓ The study assumes that, with hourly meter reading, providers will charge higher rates in "peak" times and lower rates in "off peak" times- thus causing consumers to use their power at different times of the day, resulting in lower "peaks", and therefore less need for increased electrical generation. However, very few Albertans- especially very few farmers and residential customers- have the capability to adjust the times of the day that they use their power. Therefore, the whole exercise becomes meaningless. Yet, the Paper says that the cost of these new meters and the accompanying computer programs and administrative costs that go with them should be borne by all Albertans in the interests of "the environment"!



Phone: (403) 625-4348  
1-888-565-5445  
Fax: (403) 625-3569

C.S.T. #881850168

P.O. Box 1657 • Claresholm, Alberta • T0L 0T0

- ✓ The study is recommending that meters read at least hourly- or even more often- with data available to the system by 8:00 AM the following day. That will require a huge investment in equipment and in technology- especially burdensome for smaller providers like REA's. If the Government's intent is to promote competition in the market- place, then they cannot impose such huge new burdens on the players that will only have the effect of eliminating the smaller players; thus resulting in a monopoly and eliminating the very competition that they say they want to promote.
- ✓ In summary, there likely is an advantage to having meters that can be remotely read for billing purposes. However, to extend that argument to hourly readings, specific computer "languages" for the data, and significantly increased costs for the smaller providers in the market place- and for consumers- is huge "over kill".

We respectfully suggest that you use your influence to help us put the brakes on what may have originally been a good idea that has gone significantly awry in the bureaucracy at the Department of Energy. At the very least, we believe that rural agricultural users should be exempt from these AMI regulations, at the discretion of the wire-owner.

Yours truly,

Bill Van Rootselaar, Chairperson  
South Alta Rural Electrification Association

- c.c. – Honourable Mel Knight, Minister of Energy,  
- Honourable Ed Stelmach, Premier of Alberta  
- Merv Rockel, Alberta Federation of REA's