

**DATE:** May 6, 2021  
**TO:** Environmental Services Commission  
**FROM:** Todd Dahlberg, Utilities Business Services Manager  
**SUBJECT:** Non-Communicating Water Meter Service Program

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## **ACTION REQUIRED**

Staff is seeking the Commission's recommendation on Utilities' proposed non-communicating water meter service.

## **BACKGROUND / ANALYSIS**

The Utilities' Smart Water Meters project will exchange approximately 40,000 non-communicating water meters with new meters and communicating transmitters. Council approved funding for this capital investment project, which not only upgrades the meters to leverage operational efficiencies, but also enhances the City's ability to improve customer service.

Technology upgrades such as this one typically require changes in standards, processes and procedures for utility staff and customers. As a part to this project, the City will be upgrading to a new water meter standard consisting of a new digital meter that will be connected to a cellular transmitter. This new meter standard allows the City to automatically transmit meter reads without sending meter readers into the field to conduct manual reads.

A small number of single-family residential customers have requested the City not install transmitters for relaying water consumption at their premises. Doing so would result in a non-communicating meter service. Allowing a non-communicating meter service would be a deviation from the new automated meter reading standard, and would eliminate the considerable benefits customers will receive from a smart water meter. Those benefits include customer near real-time access to water consumption information, alerts for early leak detection, and coverage under Utilities Leak Adjustment Policy.

Utilities has published information about a possible non-communicating meter service exception over the last two years. To date, less than 25 single-family customers have expressed interest in learning more about this option.

When the non-communicating meter service was first contemplated several years ago, Utilities expected to build and maintain a communication network necessary to receive radio signals from the meters. A recent change in technology has eliminated the need for building such a communication network, and Utilities will instead be using cellular transmitters that communicate over existing cellular networks, such as Verizon, T-Mobile, and AT&T, to gather the meter data.

Given the customer service enhancements that the new Smart Water Meter standard offers, Utilities' goal is to not have a non-communicating meter service exception in the long term. However, a few current customers have expressed health and/or privacy concerns about transmitting meters, and while Utilities does not expect

any additional risk to customer health or privacy from the new meter standard, we are willing to proceed with a non-communicating meter service option for the small number of current single-family customers who want it as a transitional exception. All customers will receive a new digital meter, but these customers would not receive the communicating transmitter. Going forward, new customers would not have the option of a non-communicating meter.

Staff have developed an approach to working with single-family customers requesting non-communicating meter service which involves a discussion of the benefits customers would give up, and the continuation of manual meter reads at their property for customers requesting this service. Customers also would be required to pay related fees for application processing, equipment removal/reinstallation, and manual meter reading at the property. These fees would allow Utilities to recoup the costs for providing non-communicating meter service from customers seeking this service. Additionally, customers choosing the non-communicating meter service would not be eligible for water leak adjustments since these customers are opting to forgo the available tools for early leak detection.

On May 6, staff will brief the Commission on the proposed program and the associated customer fees for non-communicating meter service, and will seek the Commission's recommendation about whether to proceed with the program.

#### **POLICY ISSUES**

Utilities Leak Adjustment Policy: The City provides a one-time bill adjustment for qualified customers experiencing a leak in their buried domestic and/or fire service line.

#### **FISCAL IMPACT**

There is no net fiscal impact for the proposed non-communicating meter service. The costs for this service are proposed to be recouped from program participants.

#### **ATTACHMENTS & AVAILABLE DOCUMENTS**

None.