

#### ADVANCED METERING INFRASTRUCTURE PROJECT FREQUENTLY ASKED QUESTIONS

WSSC Water is modernizing its operations and technology infrastructure to improve our customers' experience. Part of this initiative is the Advanced Metering Infrastructure (AMI) project. With AMI, customers can better manage water usage and protect against high bills. Through a user-friendly portal, customers will have near real-time water usage information at their fingertips and receive leak alerts, thereby reducing bills and saving money.

### What is AMI?

AMI is technology that allows water meters to communicate encrypted water usage information wirelessly using radio or cellular technology. The system is commonly referred to as smart meters. The resulting data is used to optimize operations, administration and infrastructure management.

#### What specific parts comprise AMI?

AMI consists of a number of components:

- Water meter equipment that measures the water used at each location.
- Encoder register device attached to the meter that converts water usage into electronic data.
- Small radio or cellular transmitter typically mounted outside a building, this transmitter sends encrypted water usage data back to WSSC Water.

# How will AMI benefit customers?

With AMI, customers can better manage water usage and protect against high bills. Through a userfriendly portal, customers will have more control over their water use, thereby reducing bills and saving money.

# How will AMI benefit WSSC Water?

AMI provides frequent meter read data throughout WSSC Water's water distribution system. This data can be compared to water production data to help identify areas experiencing water loss, allowing WSSC Water to identify leaks and prevent larger water main breaks. AMI also provides WSSC Water the ability to install additional sensors throughout its system, which can enhance leak detection and water quality monitoring programs.

Additional benefits are environmental and economic:

• AMI will pay for itself in 11 years – six years after project completion in summer 2026.

- Over a 20-year period, AMI savings will exceed the cost by more than \$286 million, which will have a long-term positive impact on rate stabilization while significantly improving customer service.
- From an environmental perspective, AMI will mean fewer WSSC Water vehicles on the road, helping us reduce WSSC Water's carbon footprint by 130 metric tons per year.
- WSSC Water will achieve significant cost savings with more accurate meters and redeploy existing meter readers.

### Will implementation of AMI result in loss of jobs for meter readers?

No. All existing meter readers will be trained to fill new positions - so no jobs will be lost.

### How will customer information be protected?

Meter information and usage data is encrypted using industry standard processes before being transmitted to WSSC Water. Personal, identifiable information, such as name, address, bill account number, or credit/collection information, is not transmitted to or from the meter.

### Will AMI require new water meters for all residential customers?

To ensure consistency of AMI customer and operational benefits across our service jurisdiction, WSSC Water plans to replace all 492,000 meters during the AMI implementation.

# Is AMI technology safe?

AMI uses non-ionizing radio frequencies (RF) to communicate water usage information. Approved by the Federal Communications Commission (FCC), this type of RF is commonly used in cell phones, TV remotes, Wi-Fi, baby and medical monitors, garage-door openers and Bluetooth devices. RF also exists naturally in our environment due to the sun's interaction with our atmosphere.

Like many other utilities that have already implemented AMI technology, WSSC Water is relying on the analysis and research on the health effects of non-ionizing RF by leading scientific and government agencies, including the <u>Federal Communications Commission (FCC)</u>, <u>Environmental</u> <u>Defense Fund</u>, the <u>U.S. Food & Drug Administration</u>, the <u>California Council on Science & Technology</u> and the <u>National Cancer Institute</u>.

In February 2020, WSSC Water released a report that concludes that there are negligible health impacts of non-ionizing RF AMI technology. The author, Dr. Leeka Kheifets, professor of epidemiology at the UCLA Fielding School of Public Health, presented her findings to WSSC Water Commissioners and the public at a monthly Commission meeting in February. Kheifets is an epidemiologist with more than 30 years of experience in non-ionizing research. Her report concluded that, "The exposures to RF from smart meters are neither long enough nor strong enough to approach the safety standards set by the FCC and other bodies." A link to the study can be found <u>here</u>.

### What is the schedule for the project?

WSSC Water's AMI project is currently in the planning phase with meter installation starting winter 2022, and project completion expected summer 2026.

# How much will it cost to purchase/install AMI technology?

AMI installation is estimated to cost approximately \$208 million, a figure that is in line with comparably sized water utilities. This cost estimate is subject to change based on vendor bids, contract negotiations, market conditions, operational issues and other factors. The primary driver of this cost is the replacement of all 492,805 customer meters.

In a recently completed <u>cost-benefit analysis</u>, AMI will pay for itself in 11 years – six years after project completion in summer 2026. Over a 20-year period, AMI savings will exceed the cost by more than \$286 million, which will have a long-term positive impact on rate stabilization while significantly improving customer service.

WSSC Water originally budgeted \$102.5 million for the project for planning purposes only and fully expected this price to change as the project advanced to future phases. It is important to note that this estimate was based on the replacement of 152,186 meters.

# Are there other utilities in this region using AMI technology?

Yes. The Maryland Public Service Commission has approved AMI/smart meter technology for BGE, PEPCO, Delmarva Power and Light, SMECO and Choptank Electric Cooperative. Baltimore City and DC Water also use this technology.

# Will WSSC Water offer an Opt-Out Option?

The Maryland Public Service Commission (PSC) has ruled that gas and electric utilities that implement AMI must offer on opt-out option to their customers. The PSC has also ruled that utilities providing an opt-out option must assess a fee to comply with rate paying principles.

While no final opt-out decision has been made, at the October 21, 2020, Commission meeting, WSSC Water management recommended an opt-out option that would relocate the water meter from inside a customer's home/business to an outside, underground meter pit located at the property line for a one-time fee of \$300. This fee may be spread out over twelve months at \$25 per month. WSSC Water Commissioners are expected to vote on an opt-out option at their monthly meeting on November 18, 2020.

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