Department of Legislative Services

Maryland General Assembly 2018 Session

FISCAL AND POLICY NOTE First Reader

House Bill 56 Judiciary (Delegate Carr)

Criminal Procedure - Search Warrants - Utility Meters

This bill prohibits a law enforcement officer from obtaining utility data recorded by a "smart meter," in the course of an investigation, without a search warrant issued under § 1-203 of the Criminal Procedure Article.

Fiscal Summary

State Effect: The bill can be handled with existing budgeted resources.

Local Effect: The bill can be handled with existing local resources.

Small Business Effect: None.

Analysis

Bill Summary: The bill defines a "smart meter" as a digital meter that allows two-way communication between the premises of a utility customer and a water, gas, or electric utility company through a wireless network as a component of advanced metering infrastructure.

Current Law: A circuit court or District Court judge may issue a search warrant whenever it is made to appear to the judge that there is probable cause to believe that (1) a misdemeanor or felony is being committed by a person or in a building, apartment, premises, place, or thing within the jurisdiction of the judge or (2) property subject to seizure is on the person or in or on the building, apartment, premises, place, or thing.

An application for a search warrant must be in (1) writing; (2) signed, dated, and sworn to by the applicant; and (3) accompanied by an affidavit that sets forth the basis for probable cause and contains facts within the personal knowledge of the affiant that there is probable cause.

Background: The State has essentially completed the process of transitioning to smart meters as the major electric companies have mostly replaced traditional analog meters with smart meters under plans authorized by the Public Service Commission (PSC). PSC authorized Baltimore Gas and Electric Company to deploy smart meters in August 2010, authorized Pepco in September 2010, and authorized Delmarva Power and Light in May 2012. The Southern Maryland Electric Cooperative and the Choptank Electric Cooperative also have smart meter programs. Recent data on the deployment of smart meters is shown in **Exhibit 1**.

Exhibit 1 Smart Meter Deployment as of September 30, 2016 Major Electric Utilities

	<u>% Deployed</u>	Smart Meters Installed	% Opt-out
BGE	91%	1,235,623	3.90%
Pepco	100%	560,851	0.30%
DPL	100%	211,115	0.70%

BGE: Baltimore Gas and Electric Company DPL: Delmarva Power and Light Company

Source: Public Service Commission

Advanced metering infrastructure (AMI), which includes "smart meters" replacing traditional analog meters at customer residences, is seen as a key component for enabling smart grid technology. The deployment of AMI enables customers to see and respond to market-based pricing. Smart grid technology incorporating AMI can assist in increasing grid reliability, reducing blackout probabilities, and reducing forced outage rates, and can also help to restore power in shorter time periods.

However, there remains some concern about the widespread deployment of smart meters, particularly in relation to customer privacy and safety. Several bills have been introduced in recent years (all failed) to address some of these concerns through customer opt-outs

and various studies. PSC also allowed customers to decline smart meter installations in May 2012 and subsequently reaffirmed that decision in February 2014.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Kent, Montgomery, and Worcester counties; City of Westminster; Town of Leonardtown; Department of State Police; Public Service

Commission; Department of Legislative Services

Fiscal Note History: First Reader - January 12, 2018

nb/kdm

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