



House Industry, Business and Labor

HB1486

February 5, 2025

Representative Jonathan Warrey, Chairman

**Summary of Points:**

- The City of Bismarck **opposes** the legal requirement that service provided to those who opt-out will not be interrupted or hindered, as there are other reasons such as non-payment for services or water shortages or construction impacts where services may be interrupted.
- The City of Bismarck **opposes** operational burdens of maintaining opt-out procedures on Utility services that would increase costs to provide service.
- The City of Bismarck **opposes** to requirements of installation of “traditional legacy electromechanical meters” which may be technically impractical to obtain in the future.

Chairman Warrey and Members of the House Industry, Business and Labor Committee:

On behalf of the City of Bismarck, I am Michelle Klose, Director Utility Operations Bismarck Public Works and today I offer testimony in opposition to HB1486 and respectfully request a “**Do Not Pass**” recommendation. As a political subdivision of the state of ND, we have several concerns with the language in HB1486 and the negative affects it will have on operations of Utilities in North Dakota.

The language defining “Smart meter gateway device” adds confusion as it appears on one hand to only apply to electric utility meters controlling loads that have two-way communication to other devices in homes or business, while on the other hand in Section 2 (page 2, line 17) the language broadens to Utility Services including electricity, gas, water, or other service furnished by the utility. Request clarification on what is covered and not covered. Are any smart water meters or water control devices included as a smart meter gateway device?

The language (page 2, lines 22-23) legally requires utility service not to be interrupted or hindered for customers who opt out is concerning. A utility has situations where services to a customer are interrupted or hindered due to non-payment for services, water shortages, weather related damage to infrastructure, or construction related temporary restrictions. The language is not clear if exceptions for these situations is allowed. We would oppose legislation requiring a utility to supply unilaterally uninterrupted services to a customer.

Adding an opt out procedure within a Utility is impactful. In Bismarck we have approximately 23,000 service accounts. We have roughly 100 accounts each month where customers are moving out of the metered location and others are moving in. The requirements for disclosures for opting out seem to only apply to time of initial installation of the device. In Bismarck, the Utility fees cover repair and replacement of meters parts after the owner covers the initial cost of the meter. This language requiring a utility to replace an operating device with a different device if an owner chooses to opt out would allow the Utility to have this cost of replacement directly charged to the

customer making the request. Is there any concern with the Utility passing along the additional cost of service to the customers who opt out for installation of a replacement devices and cost to obtain and process the information differently from the other customer accounts?

The legislation requires the Utility to install a traditional legacy electromechanical meter. Using terms of traditional and legacy to describe meters in legislation is unclear. In Bismarck, our Utility has experienced changes in the availability of various meters as manufactures have phased out or changed what is available. This language does not provide options if “traditional legacy” meters are no longer manufactured or available.

The City of Bismarck encourages the committee to proceed with a “**Do Not Pass**” or provide for clarifications in the text of this bill. I am available at 701-355-1704 or [mklose@bismarcknd.gov](mailto:mklose@bismarcknd.gov) for any questions.

Respectfully,

*Michelle Klose*

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