



# Mitigating the Fear

How one energy provider turned around an anti-smart meter movement

BY JAMES KENT

**Despite the many benefits of smart meters, gaining acceptance from residential and commercial customers has proven to be a bumpy road.**

About 15 years ago, Holy Cross Energy (HCE) realized they were polarizing communities by their approach to implementing new projects. As an electric cooperative that serves more than 55,000 customers in Western Colorado, HCE had always used a traditional management approach, much like all the other energy companies.

Through trial and error, the company learned that introducing new projects into a community—without their customers' knowledge—was disruptive and counterproductive. So they shifted from the old model where projects were

implemented in a vacuum to one where they sought out customer engagement at the beginning and throughout the life of the project. Having this system in place was important when HCE decided to replace its 55,000 analog electric meters with enhanced metering systems known as smart meters.

## Smart Meters with Smart Benefits

Smart meters offer three important benefits for consumers, electric companies and the environment. The first is that they allow for electric energy to be measured in intervals of an hour or less. That meant HCE residential and commercial customers could manage their energy consumption to fit their use patterns, thus reducing their costs and helping to conserve energy.

The second advantage is customer responsiveness. Since meters can be read from a centralized command center, companies would know within 30 seconds if a home had lost its power and be able to correct it immediately. With the old system, a homeowner had to call HCE to report the outage. Depending on the how much of the community was impacted, it might take the repair personnel a day or so to fix the problem. Knowing about the problem in real time would enable HCE to quickly identify the scope of the problem and arrange for faster power restoration.

The opportunity to take 27 meter-reading trucks off the road was the third major benefit. Saving about 280,000 miles annually would significantly reduce the company's carbon footprint in these ecologically sensitive communities. By placing the meter reading personnel into other positions, HCE preserved their jobs and retirement benefits, along with the company's goodwill.

## An Anti-Meter Movement

Despite all of these benefits, conflicts surrounding smart meters had been gaining traction. In 2013, an anti-smart meter movement had been stoked by an organization that produced a national documentary called "Take Back Your Power." It was designed to radicalize citizens to oppose smart meters for a host of reasons, emphasizing the hazards of the electromagnetic field they produced. Communities in several states became so radicalized that they passed ordinances to ban smart meters within their communities. The relationship between the utilities and their customers soon became so fractured over smart meters that the various state Public Utility Commissions were forced to intervene, ordering utilities to allow customers to opt out without heavy penalties.

The underlying reason for this hostile reaction was traced to a mistake that other utility companies had made. Using an aggressive approach with their customers, several companies had insisted that smart meters were good for them, and if a customer wanted to opt out, they were charged costly

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penalties. The immediate backlash made it apparent—penalizing customers into accepting smart meters was the wrong approach. These companies experienced an enormous loss of goodwill, and the long-term impact only served to sour the public on all new projects introduced in their service areas.

**A New Plan Evolves**

Unfortunately, many companies still operate without a clear understanding of how the loss of goodwill from a particular project will affect other future projects. This is known as “issue loading,” and it is very difficult to overcome once goodwill has been damaged or lost completely.

To gain customer acceptance of smart meters, it was clear to HCE that an issue prevention approach was needed. This meant they had to be partners with the community from the beginning, working together for mutual benefit, and not as adversaries. HCE developed the following customer engagement approach.

**1** | Informal face-to-face communications would be used because citizens, companies and government staff function best in a safe environment where they can listen to each other and resolve issues.

**2** | Formal public meetings would not be held to explain smart meters, thus avoiding a platform for formal opposition groups to attract attention.

**3** | If opposition groups formed and had meetings, HCE would not fall into the trap of attending them to defend the smart meter rationale. This made it impossible for opponents to gain recognition or power.

**Putting the Plan into Motion**

With three counties and nine cities in the HCE service area, the first step was to meet with county and city managers and their public works departments to explain the technology first hand. Since personnel from these entities are in constant contact with each other, bringing them into the conversation at the front end gave them an opportunity to disseminate information throughout the service area. This helped increase the HCE staff communications exponentially. The company decided not to formally meet with the elected bodies unless meetings were specifically requested. They were not. Instead, HCE remained accessible in an advisory capacity to staff on smart meter questions on a 24/7 basis. This collaborative process worked extremely well and continues today on other projects.

A parallel system was set up to communicate informally through local gathering places such as coffee shops, restaurants and community events. While out in the community, HCE personnel would monitor any smart meter talk, and if a concern surfaced, corrective action would be taken immediately.

With past projects, HCE learned that if you respond quickly to an issue and give valid recognition to the person who has the issue, anger is less likely to be generated. Waiting a day or two to respond or ignoring the issue altogether can easily turn a disgruntled customer into a suspicious and resentful opponent. Comments like, “If they don’t care enough to call me back, they must be hiding something,” can spread rapidly. So HCE applies the 24-hour rule and responds quickly when an issue arises.

Beginning in the communities where there was no opposition, nearly 55,000 smart meters were installed in record time. The one area that had originally been against the smart meters was scheduled last. But by the time HCE began the installation four months later, the opposition had weakened. The reality is, time delays do not favor ideological groups, primarily because they operate on the emotion of the moment. When that moment has passed, it becomes difficult for them to maintain group interest. And while 200 customers opted out, once word began to spread from customers regarding smart meter benefits, more than 50 of those opted back in.

By employing a social risk management program, HCE saved time, money and increased their goodwill by engaging its customers up front and involving them as partners. Satisfied and engaged customers are the best advocates for management success. 🌟



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