

# CARROLL COUNTY NEWS

## Opponents in lawsuit directed to respond

Friday, September 16, 2011

By Kathryn Lucariello Carroll County News

CARROLL COUNTY -- The Arkansas Public Service Commission on Sept. 2 delivered an order to both sides to file briefs and replies in the complaint against Carroll Electric Cooperative Corporation by Dane Schumacher and Gordon Watkins as a class action on behalf of all Carroll Electric members.

The complaint was filed July 19 and names Carroll Electric and its board members and administration, along with the Public Service Commission itself as offending parties.

The core components of the complaint request declaratory and injunctive relief, seeking "increased transparency, more democratic governance, repayment of capital credits, a halt to the use of herbicides without the landowners' permission and more."

The complaint lists a number of specifics against Carroll Electric's practices, including its refusal of "free and unfettered access to the cooperative's financial, operational and managerial information" and its "unjust enrichment" of board members.

In its response to the complaint, Carroll Electric officials said the company intends to "vigorously defend" itself before the Arkansas Public Service Commission and is "confident the issues will be resolved in favor of the Cooperative."

It said more than 10,000 surveys returned before the annual board meeting rated Carroll Electric as "excellent in all categories surveyed."

Schumacher and Watkins retained the services of attorney Bill Ikard, assisted by Jordan Haedicke, of Ikard Wynne of Austin, Texas, as lead counsel and Randall Bynum of Little Rock as local counsel.

Carroll Electric announced recently it will install Smart meters on every electric account. Customers will not have a choice if they wish to continue to receive electric service.

The installation of Smart meters by electric companies has been a controversial issue, with opponents claiming deleterious health effects from wireless transmission and objections to the loss of privacy and consent.

Carroll Electric says on its website that its Smart meters do not use radio frequencies to take readings.

"The cooperative's computers communicate with equipment installed at the substation, which sends a signal over existing power lines to the smart meter. The meter responds by sending the meter reading back to the cooperative via the same path. The smart meters being installed by Carroll Electric do not use radio frequencies to communicate. All communication to and from the smart meter is transmitted on existing power lines by using a secure embedded digital signal."

David Smith of Carroll Electric confirmed that the meters measure the amount of electricity going into the main breaker of a house.

"It can't tell where or what parts of the house it's being used," he said in phone message. "It knows the peak demand, but where it's being used, it can't really tell."

Ikard said Monday that Smart meters, while not a specific point in the complaint against Carroll Electric, could be a matter of concern because of the way the program is being implemented, not giving members a voice or a choice.

"We feel that's one of the many different areas where the management has ignored the concerns of member participation," he said.

Both sides have until Sept. 30 to file opening briefs and until Oct. 21 to file replies to those briefs.

After that date, a hearing will be set.

The docket of the complaint can be viewed on the Public Service Commission website at [www.state.ar.us/psc/](http://www.state.ar.us/psc/). The docket number is 11-077-C.

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-- Posted by **Ozark Aggie** on Fri, Sep 16, 2011, at 9:25 AM 