

OOCUR – 2nd Annual Conference

Independent and Transparent Utility Regulation in the Caribbean



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Where is the Energy Industry Going?

- Growing demand
- Demand outstripping supply
- Cost of producing, distributing and supplying energy is going up
- The cost of the raw material is going up
- Pressure for reliability
- Rise of distributed generation
- Increasing wholesale pricing
- Disenfranchised consumers
“we expect you to fix this”





Traditional View on Meter Data

The Meter is the cash register of the utility...

Data is used to:

- > Prepare bills*
- > Determine Cost of Service*
- > Answer inquiries*





Analogy: from cash registers to scanners. . .

Originally: *Cash registers were simple devices for manual input*

Reasons for new technology: *Improve efficiency and data accuracy*

Additional value from scanners:

- *Supply chain management*
- *Inventory management*
- *Customer relationship management*



Result: Business process transformation through enterprise-wide application of point-of-purchase data





Analogy: Cell phones as a type of meter . . .

- Accurately captures point-of-purchase data
- Instantaneous data collection & customer connection
- Sophisticated software to calculate bills and track demand
- Time-sensitive pricing
- Technology-enabled business model



Question: Does your wireless provider send a person to your office or home every month to read your cell phone?



Utility Perspective. . .

The reality...

Compared to some other industries, the energy industry operates with less knowledge of how, when, and where customers use their product.

The vision...

New technologies for collecting, managing and analyzing energy usage data create opportunities to improve efficiency and meet industry and regulatory objectives.





What can we learn?

Energy usage data represents an untapped source of value to meet key issues:

- Reliability
- Customer service
- Cost control
- Theft and loss
- Delivery system efficiency
- Retail competition and liberalisation of energy markets
- Resource conservation/environmental protection
- Public service





Utility of the future. . .

Where Does it Start

- Timely, accurate meter data collection and billing
- Data Storage and retrieval
- Consolidation of usage data in single repository
- Enterprise-wide application of metering-based data
- Knowledge applications to take advantage of the data
- Internet data presentment
- Load profiling
- Forecasting
- Loss Reduction
- Distribution asset optimization
- Enable customer choice





Envisioning the future. . .

The utility of the future

- Data is shared across organizational boundaries
- Regulatory and compliance reporting improved
- Reliability, customer service, costs are optimized
- Utilities meet needs of all parties
 - Customers
 - Regulators
 - Stakeholders





Itron can Help. . .

Itron Technology

- Over 25 Years in Business
- Over 3,000 Customers Worldwide
- Over 30 Million AMR Modules Sold
- Over 250 Million Meters Read with Itron Technology
- 2003 Revenue: Over \$315 million (USD)



➤ **2002 – 2004** Acquired technology companies for energy data management, load forecasting, distribution design, workforce management and Schlumberger metering

➤ **Early 1990's** – Introduced Automatic Meter Reading (AMR) solutions to U.S. market.

Acquired AMR technology for Commercial/Industrial Customers

➤ **Early 1980's** – Introduced handheld meter reading systems to U.S. market and expanded to international markets (late 1980's)

➤ **Founded in 1977** in Spokane by utility executives and engineers





Itron is a True Leader in the Industry

World's largest provider of AMR systems

3,000 customers in
63 countries

Sold over 40 million
AMR endpoints



Over 275 million
meters are read using
Itron products

International offices in
Canada, England,
Netherlands, France,
Taiwan, Mexico
and Australia

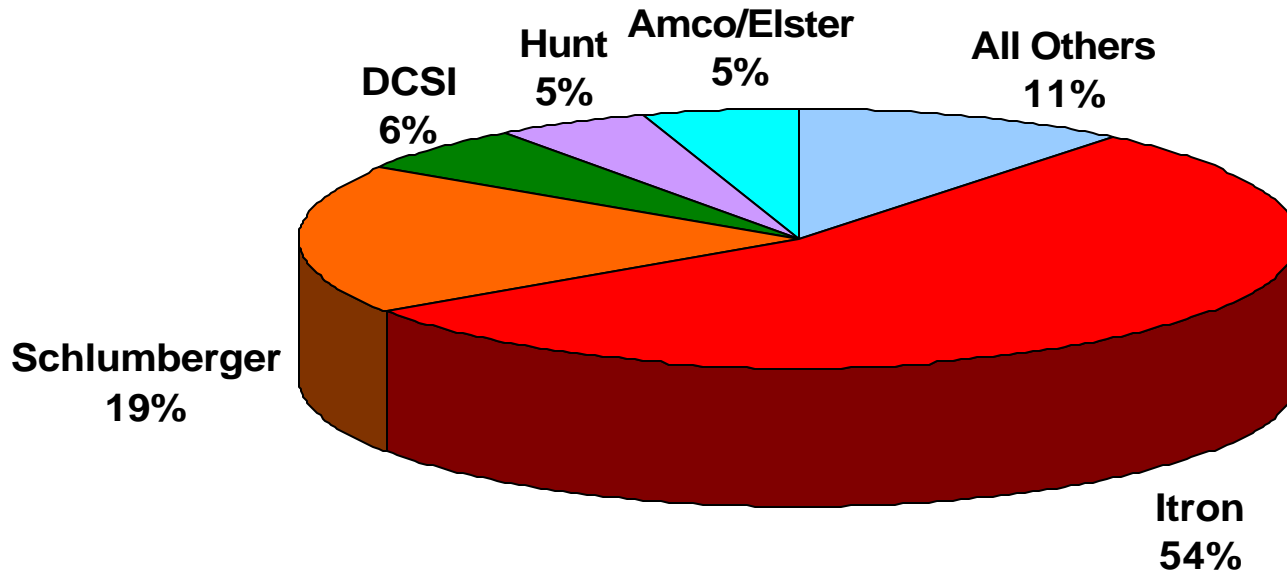
Partnerships with Elster, General Electric, Invensys,
Landis+Gyr, Neptune, and Schlumberger



Cumulative Market Share

- *Handheld Systems* **83% of All Utilities (Itron Market Share is 75%)**

- *AMR Systems* **17% of All Meters in U.S. & Canada have AMR
(81% is Radio Based)**



Source: Scott Report on AMR Deployments - Seventh Edition – December 31, 2002
By Technology Ownership





Regional Itron AMR Activity

- Bahamas Electricity Corporation – Islands Wide AMR Deployment
- Caribbean Utility Company – Cayman Island - Island Wide AMR Deployment by Q1 2005
- Trinidad and Tobago – Large AMR Project – researching next steps
- Antigua Public Utilities – Actively engaged in an AMR tests
- Grand Bahamas Power Company – Engaged in an AMR test
- National Water Commission – AMR Concept Trial Completed
Expression of Interest Requested
- Grand Turk – AMR on all Electric Meters





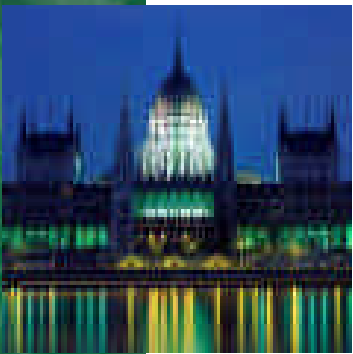
With the right tools, meter data can improve operations throughout the enterprise





The opportunity for regulators. . .

- Understand how energy information technology can help achieve regulatory objectives
- Educate consumers
- Shape policy in a manner that provides greater clarity and incentive for energy providers to make the investments needed to achieve these critical, common objectives





Thank You

For Questions - Visit our Booth

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