

Enhancing The Value of Meter Data

By Martin Rosenberg

UTILITIES CAN GET smarter about their maintenance efforts by using sophisticated metering software, says Larry Nosbaum, CEO of Itron.

Itron is one of the partners working with Xcel Energy in its utility innovations initiative. Nosbaum became president of Itron in 2000 and chairman in 2002. Recently, Nosbaum discussed the project and its implications for Itron. His edited comments:

energybiz: What is the significance of the Xcel project to Itron?

NOSBAUM: We have been able to develop a number of new products here, such as distribution asset optimization and meter reading technology. We can go talk to other utilities and we can point to Xcel and say they are using it.

energybiz: What exactly is new, from a metering standpoint?

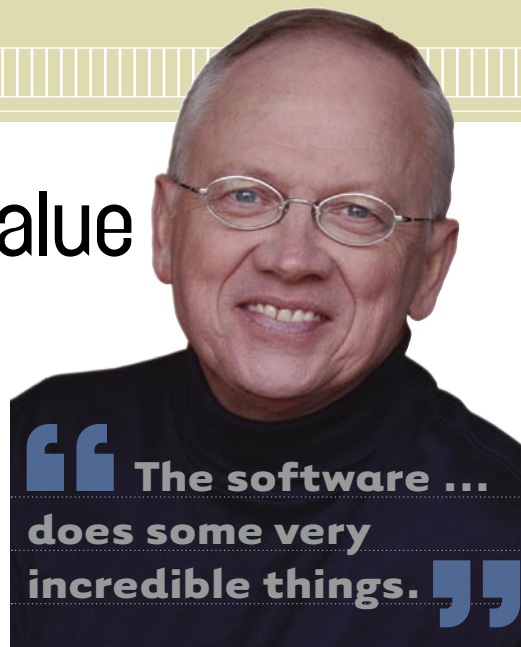
NOSBAUM: What's really new is some of the software and the information technology applications that are enabling us to take data that is coming from meters and the fixed network and do a whole host of other things with it. That is really some of the magic here in terms of product.

energybiz: For example?

NOSBAUM: For years, Itron has been collecting meter reading data and sending out bills to customers. You can do a whole host of things with that data such as distribution asset optimization. You can take that data and look at how heavily or lightly the distribution network is loaded. Once you have done that, you can begin to do predictive maintenance and analytics on the entire delivery system.

energybiz: What is the state of the meter industry right now?

NOSBAUM: If you look at the United States, the penetration rate of AMR technology is about 25 percent for electric, gas and water. It has been growing over the last five years time at about 18 percent, although last year the electric and gas group actually slowed down by 10 percent. That was coming off of utilities not spending capital dollars in 2004. It appears that that has turned around for us in 2005. The growth in AMR is headed back toward



perhaps 18 percent, a level that it has certainly been at for the last five years.

energybiz: What do you like about this business?

NOSBAUM: First of all, Itron is a utility-based business. We will always sell to utilities. There are nice growth rates in electric meters and in AMR and potentially nicer growth rates in software. One of the things we like about the software business is, while it is only about 10 percent of our total business today, it pulls together all the rest of it. The software is really what takes all that data that we create and gather and does some very incredible things.

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SOUTHERN KUDOS ON MERCURY

Southern Company efforts to reduce mercury emissions were recently singled out for special recognition by the Electric Power Research Institute, the power industry's research arm.

Hank Courtright, EPRI's vice president of generation, said, "...employees of Plant Yates are to be commended for offering their plant, their time and their skills to evaluate and improve not just one mercury control technology, but four."

Tested were technologies involving activated carbon injection, EPRI's patented plates designed to capture mercury, low-temperature oxidation catalysts and additives that could sequester the mercury captured by the SO₂ scrubber.

TRASH TO ENERGY

Global Energy Resources, of California, is proposing to invest \$50 million to produce energy out of garbage in Arizona.

A plasma arc converter will transform trash in a sealed chamber lacking oxygen to create electricity, fuels and water, according to an article in the *Arizona Daily Star*.

"This is a technology whose time has come," Wesley Bilson, CEO of Global Energy Resources, told the newspaper.