



ADVANCED METERS LESS ENERGY USE... LOWER ELECTRIC BILLS

Advanced Metering Systems (AMS) in Texas

Advanced metering systems open up a world of information to customers and enable them to have access to features such as real-time energy usage analyses, new innovative rate plans, such as those based on time-of-day usage, load control services, and services that are not envisioned today.

CenterPoint Energy and Oncor have both received approvals from the Public Utility Commission of Texas (PUC) to deploy advanced metering systems (AMS) across their respective service territories. The approved deployment plan for CenterPoint Energy calls for installation of advanced meters over five years beginning in March 2009 while Oncor's approved deployment plan initiated in late 2008 will have installation of advanced meters completed by the end of 2012. AEP Texas Central and AEP Texas North are expected to file advanced metering plans soon. The benefits to consumers are numerous and include:

Increased Control — Less Energy Use, Lower Electric Bills

Advanced metering systems will provide new ways for customers to manage their energy consumption and help lower their electric bills. Global research has shown that customers using advanced meters consumed 5-10% less energy. These meters will save customers money and help the environment at the same time.

Greater Automation — More Accurate Billing, Better Outage Response, Increased Reliability

In areas of the state where electric competition is allowed, these new systems will make it possible for retail electric providers (REPs) to offer their customers new products and innovative services allowing them to manage when they consume electricity. Advanced meters will allow for the automation of utility functions such as meter reading, resulting in more accurate billing and the ability to switch electric retailers faster and easier. They will also help the utilities (wires companies) address customer outages more efficiently, improving electric reliability and resulting in fewer visits from electric utility personnel - a benefit that promotes employee safety and the privacy of customers' premises, and, in the case of companies such as Oncor, will take over 400 vehicles off the road.

Innovative Upgrades — Sophisticated Energy Efficiency and Demand Response Programs

Advanced Metering Systems will foster the installation of "smart appliances," such as thermostats that can be programmed to adjust in response to the price of electricity, enabling sophisticated energy efficiency and demand response programs that will facilitate lowering peak demand and decrease the probability of "brown-out" conditions. Reducing or shifting power demands at peak times can also help delay the need for new power plants, resulting in fewer emissions into our air. Moreover, Advanced Metering Systems will help complete the link to emerging energy applications such as plug-in electric hybrid vehicles (PHEVs), large scale solar arrays, and in-home energy monitors. They will also facilitate customers adding distributed generation at their homes (solar panels, wind-mills, etc.).

More Energy Options — Increased Use of Alternative Sources Such as Wind Power

Texas is the largest producer of wind power in the United States, and the installation of advanced metering systems will enable us to install even more wind power. These meters can create a network that automatically links with wind generation. When the wind stops blowing, the advanced meters can reduce electric load to correspond with the lower amount of renewable energy available on the grid.

Check out www.TexasIsHot.org to learn more.

