

## *Media Release*

For Immediate Release

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### **Next generation power and gas meter provincial installations begin following successful 16-month testing period**

SaskPower and SaskEnergy are moving forward with province-wide installation of smart meters and upgraded gas modules this fall following a successful series of tests that began in June 2012.

The plans for Advanced Metering Infrastructure (AMI), more commonly referred to as “smart” electric meters and advanced gas modules, were first announced to Saskatchewan residents in 2010. SaskPower is installing almost 500,000 smart meters, while SaskEnergy will make upgrades to nearly 370,000 natural gas meters. All work is scheduled for completion in 2015.

“Smart meter installation is a key part of SaskPower’s ongoing work to renew and improve the provincial electrical grid, and one that will bring real benefits to our customers,” said SaskPower President and CEO Robert Watson.

“AMI technology improves billing accuracy, which will assist our customers in better gauging their monthly energy consumption,” said Doug Kelln, SaskEnergy President and CEO. “AMI will also create significant savings in day-to-day operations for SaskEnergy over the next several years.”

Smart electricity meters use digital technology. SaskPower’s meters are installed on-site at a customer’s home, farm or business and replace the old meter, in exactly the same position. The installation results in a short, approximately 15-minute power outage. Residents will be personally notified prior to each installation.

SaskEnergy will upgrade its existing meters by installing a gas module on the current meter allowing it to send actual meter read information. There will be no interruption to the customer’s natural gas service.

The new meters will provide regular information on your electrical and natural gas consumption to SaskPower and SaskEnergy, using a secure two-way wireless communication system. This will enable both companies to use actual consumption information instead of generating estimates for billing purposes. As provincial installation of smart meters and gas modules moves forward, customers will begin to see these benefits phased in over time.

Additional information on AMI benefits and the installation process can be found at:

- [www.saskpower.com/smartmeters](http://www.saskpower.com/smartmeters)
- [www.saskenergy.com/residential/AMI](http://www.saskenergy.com/residential/AMI) for more information.

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## Advanced Metering Infrastructure Program Background

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SaskPower and SaskEnergy are planning to replace over 500,000 electricity meters and upgrade 370,000 natural gas meters in Saskatchewan with new metering technology as part of a joint Advanced Metering Infrastructure (AMI) program. SaskPower will replace its existing electricity meters with smart meters and SaskEnergy will install gas modules to upgrade its existing natural gas meters.

The province-wide implementation of the new electric meters and gas modules will begin in October 2013 and is the first part of an ongoing program to prepare our province's energy delivery system for the future.

### What is a smart meter?

Smart meters are different from the mechanical electricity meters of the past. They use digital technology with no moving parts.

Smart meters provide regular information on electricity consumption. They also provide valuable technical and operational data to SaskPower so we can run our network as efficiently as possible.

### What is a gas module?

SaskEnergy will be retrofitting its existing natural gas meters with an AMI gas module. The battery-operated, electronic modules will enhance gas meters so they can record usage on a daily basis, which will eventually replace estimate reads with actual reads for consumption billing purposes.

### How do the meters and modules work?

Smart electricity meters use digital technology. SaskPower's meters are installed on-site at your home, farm or business and replace the old meter, in exactly the same position. SaskEnergy will upgrade its existing meters by installing a gas module allowing it to send actual meter read information.

The new AMI technology will provide regular information on your electrical and natural gas consumption to SaskPower and SaskEnergy, using a secure two-way wireless communication system. This will enable both companies to use actual consumption information for billing purposes, instead of generating estimates.

### What are the benefits of this new technology?

Over the next few years, customers will be switched to new electricity and natural gas meter technology, which is the first step in a more modern, responsive energy system that will offer many

future benefits. Customers can look forward to these future enhancements phased in over the project's lifetime:

- Electricity and natural gas bills based on the amounts you actually use each month.
- Automatic meter readings that are securely transmitted through the new metering system.
- Faster electricity service connects and disconnects for tenancy changes.
- Another long-term benefit is faster identification and tracking of power outages in years to come once supporting systems are in place.

### **What's the timeline for this program?**

Our next phase of implementation is scheduled to begin October 2013; prior to that, we completed tests with customers in the following select areas to make sure the system works as planned: Balgonie, Craven, Cupar, Dysart, Fort Qu'Appelle, Hanley, Lumsden, Southey, Pense, Pilot Butte, Regina (select subdivisions), RM of Edgeley, and RM of Edenwold.

The province has been divided into 10 distinct zones for meter and module installation purposes, with work in and around the following areas scheduled as follows (subject to change):

Zone 1	Regina	October 2013-March 2015
Zone 2	Saskatoon	January 2014-March 2015
Zone 3	Yorkton	June 2014-July 2014
Zone 4	Melfort	June 2014-July 2014
Zone 5	Swift Current	August 2014-September 2014
Zone 6	Kindersley	August 2014-September 2014
Zone 7	North Battleford	October 2014-November 2014
Zone 8	Meadow Lake	October 2014-November 2014
Zone 9	La Ronge and far north	December 2014-January 2015
Zone 10	Estevan	December 2014-January 2015

All SaskPower and SaskEnergy customers will receive notification approximately two weeks in advance, alerting them to the upcoming meter exchange and/or gas module upgrade.

### **Is this the same AMI/smart meter project that Saskatoon Light and Power are rolling out?**

Saskatoon Light & Power (SL&P) is investigating an AMI/smart meters project and does not have a program in place at this time. SL&P is replacing its existing mechanical electric meters in its service area with more efficient electronic meters as part of ongoing maintenance. The SL&P service area is within the 1958 city boundary.

For more information about the SLP project, visit

<http://www.saskatoon.ca/DEPARTMENTS/Utility%20Services/Saskatoon%20Light%20and%20Power/Pages/AdvancedMeteringInfrastructureSmartMeters.aspx>

### **What's the cost of AMI?**

The current estimated cost of AMI for SaskPower is \$190 million — about \$380 per electricity meter, all costs in. This cost is in line with the North American average.

AMI will conservatively generate \$470 million in benefits for SaskPower over a 20-year period, and the system will pay for itself in just over 11 years. The benefits will come from a variety of changes in our operations that AMI will allow us to undertake, including:

- Significantly reducing meter reading costs
- Deferring our annual program to ensure meter accuracy
- Reassigning labour historically dedicated to turning off or on services, as well as installing new meters
- Reducing meter repair costs
- Reducing losses in revenues due to meter failure and/or energy theft

The SaskEnergy portion of the AMI project will cost approximately \$39.6 million or about \$105 per natural gas meter, and is expected to result in immediate cost savings and efficiencies, with cost recovery projected within seven to 10 years.

### **How will you pay for this?**

The cost of the project will be part of our normal rate structure, and we've included this project in future capital budgets.

### **Will this cost me money?**

The cost of the meter upgrade and replacement will not result in additional surcharges on customer bills. The cost of the project is a normal part of doing business, and both Crown corporations have included this project in their future capital budgets.

### **Will my personal information be safe?**

Yes. Only secured electric meter and gas module readings, and meter identification numbers are transmitted wirelessly through the new AMI solution; the meter will not transmit or store any customer account information. Advanced meters and gas modules cannot monitor your minute-by-minute power or natural gas use, or monitor your use of particular appliances.

Your privacy is important to SaskPower and SaskEnergy. All data obtained by smart meters and gas modules will be governed by the same privacy protection standards as all other customer data we collect.

### **What about radio frequency?**

TV broadcasts, FM audio broadcasts, and cellular telephones are all common sources of radio frequency (RF).

Smart electricity meters and natural gas modules produce RF at extremely low levels that are well within Health Canada requirements. Health Canada published a report in December 2011 which stated that

“exposure to RF energy from smart meters does not pose a public health risk.” Visit the Smart Meters section at [www.hc-sc.gc.ca](http://www.hc-sc.gc.ca) for more information.

SaskPower and SaskEnergy conducted independent testing to verify the RF emissions from the electricity meter and gas module, to ensure they are the same as the vendor reports them to be. The results of this testing have shown that the RF emissions from the meter and gas modules are substantially below the Health Canada requirements.

### **Can I opt out of having a smart meter or gas module?**

If a customer indicates they do not want a smart meter or gas module, we will defer the installation until closer to the completion of provincial deployment. Both SaskPower and SaskEnergy are available to discuss customer concerns and provide information about smart meters and gas modules to inform each customer’s decision in the meantime. At the end of provincial deployment, SaskPower and SaskEnergy will revisit each customer that deferred a smart meter or gas module to discuss their concerns, and to determine what options may be available to the customer.

### **Where can I find more information?**

For more information, please visit: [saskpower.com/smartmeters](http://saskpower.com/smartmeters) or [saskenergy.com/residential/AMI](http://saskenergy.com/residential/AMI)