

SMART METER MANUFACTURERS AGREE TO DEVELOP COMMUNICATION STANDARDS FOR THE UK

STAFFORD, England, July 22, 2010 -- Today Elster, Landis+Gyr and Secure reached an agreement to work together to develop common approaches for the development of smart communication standards necessary for the interoperability of equipment for the UK market.

The solutions will be based on open standards and available specifications for Smart Meter technologies and will help to dramatically accelerate the roll out of gas and electricity Smart Meters in the UK. Under the initiative, energy suppliers will be able to access a range of Smart Meters and in-home displays that comply with the Supplier's Requirements for Smart Metering (SRSM) specifications, can operate on today's low-cost GPRS networks and are upgradeable in the field to accommodate other communication standards as they emerge.

Recent announcements from the Department of Energy and Climate Change (DECC) and Ofgem have led the companies to believe there is industry-wide benefit in coordinating technology standards to speed the adoption of Smart Meter technologies in the UK.

The three manufacturers will work to develop and demonstrate a roadmap for interchangeable and interoperable command sets to support smart Home Area Networks (HANs) based on Zigbee's Smart Energy Profile (SEP) and Wide Area Networks (WANs) based on DLMS protocols, ultimately ensuring that any smart product from any of the three can be installed as part of any given household's smart system. The three companies will continue to compete in all other aspects of meter production, including cost of supply, capability, reliability and durability.

UK consumers will benefit as a result because competition in the supply of meter systems will be accelerated, as one of the fundamental barriers to the development and delivery of meter systems has been significantly reduced. It is anticipated that this will, in turn, help to speed the adoption of Smart Meters and, at the same time, reduce the cost of the UK's roll-out. The consumer benefits of Smart Metering include accurate bills, improved industry processes and the ability to reduce consumption. Smart Meters are an integral component of the Government's Low Carbon Transition plan for 2020.

The roadmap will comprise a number of complementary steps, the first four milestones being:

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| • Head end system (HES) interchangeability | Oct | 2010 |
| • Base level SEP interoperability | Feb | 2011 |
| • Base level DLMS interoperability | May | 2011 |
| • Prepayment interoperability | Sep | 2011 |

To ensure the approach to openness is maintained, the manufacturers will ensure that the proceedings are conducted in full compliance with competition regulations and any resulting specifications will be made available to industry.



"Smart Metering in the UK is a huge technical and logistical project. Interim solutions jointly developed by industry leaders can only ease the transition to open standards and enable an earlier adoption of Smart Metering solutions," said Frank Hyldmar of Elster.

"We are fully supportive of this initiative and believe it will provide the market with workable solutions far more quickly than current processes and provide a bridge to an enduring interoperable market," said Babu Babel of Secure.

"The UK's model for smart energy is amongst the most advanced in the world. UK consumers will benefit significantly from accelerated adoption of open standards and a collaborative approach to mass roll-out," said John Stretch of Landis+Gyr.

About Elster

Elster is one of the world's largest electricity, gas and water measurement and control providers. Our offerings include distribution monitoring and control, advanced smart metering, demand response, networking and software solutions, and numerous related communications and services – key components for enabling consumer choice, operational efficiency and conservation. Our products and solutions are widely used by utilities in the traditional and emerging Smart Grid markets.

Elster has one of the most extensive installed revenue measurement bases in the world, with more than 200 million metering devices deployed over the course of the last 10 years. It sells its products and services in more than 130 countries across electricity, gas, water and multi-utility applications for residential, commercial and industrial, and transmission and distribution applications.

With a heritage of more than 170 years of providing utility solutions, Elster enjoys a reputation as a leading innovator and has played, and continues to play, an important role in shaping industry standards with respect to performance, reliability, accuracy and functionality.

Elster was acquired by funds advised by CVC Capital Partners in September 2005.

For more information about Elster, please visit www.elster.com.

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