





Enhancing the Ability to Meet Customer Needs

May 15, 2007

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Vice President – Innovation

IntelliGrid Vision

A new electric delivery infrastructure that integrates advances in communications, computing, and electronics to meet the energy needs of the digital society



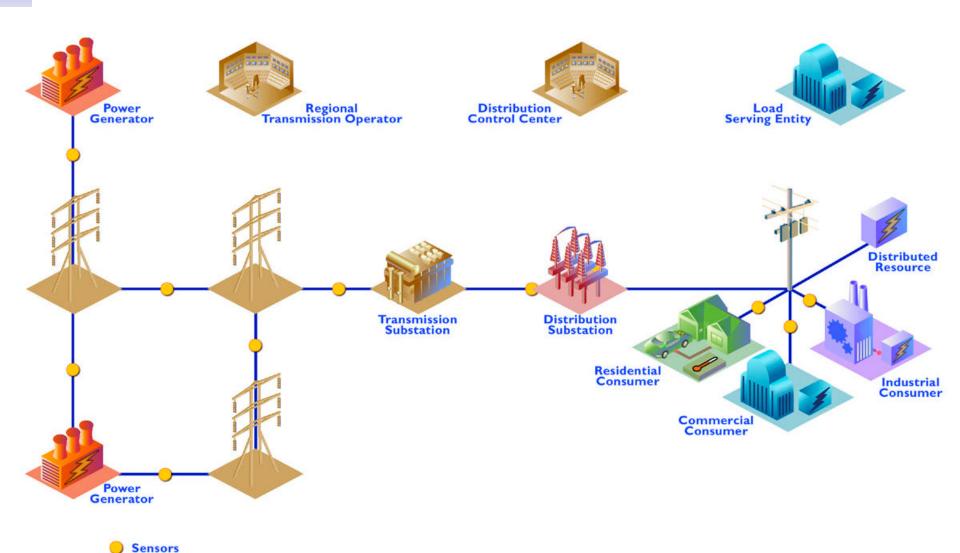
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Needed: An Interstate Electricity Communications Superhighway



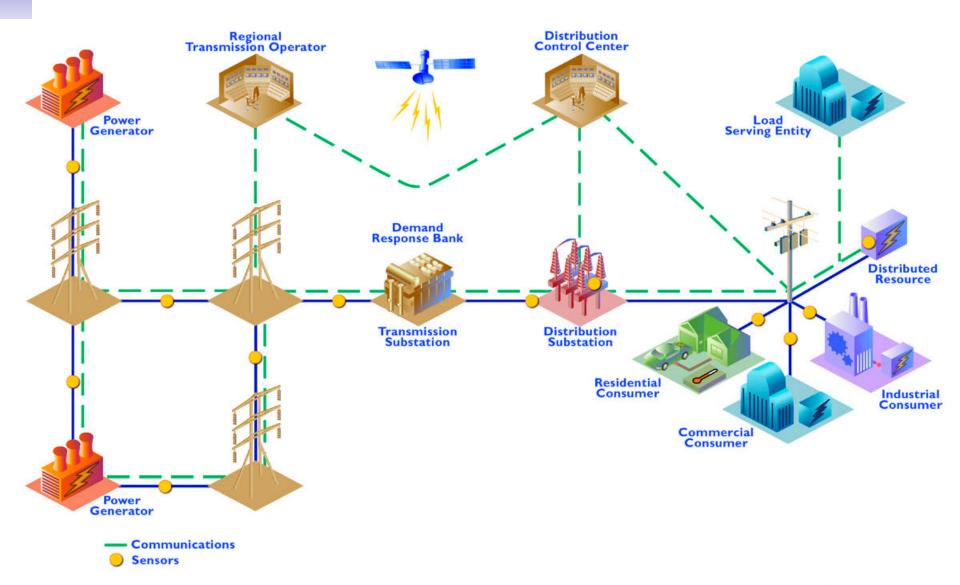
Deploy Sensors



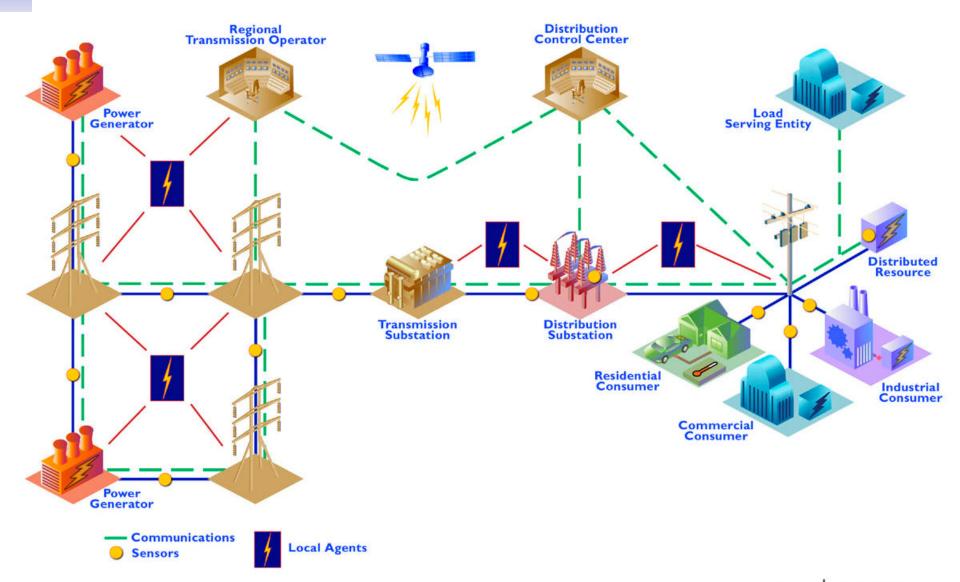




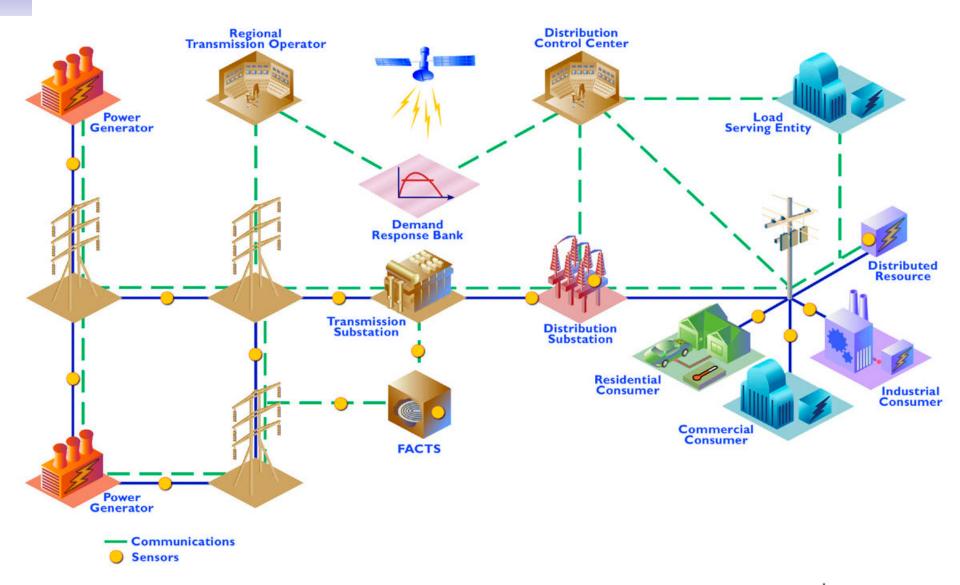
Integrated Electric & Communications Systems



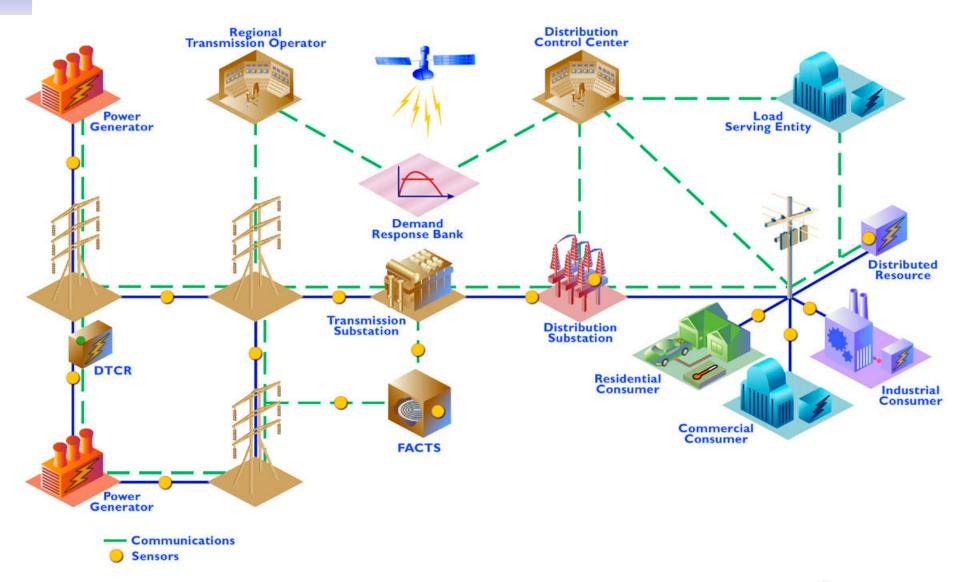
Deploy Local Computational Agents



Apply Power Flow Control

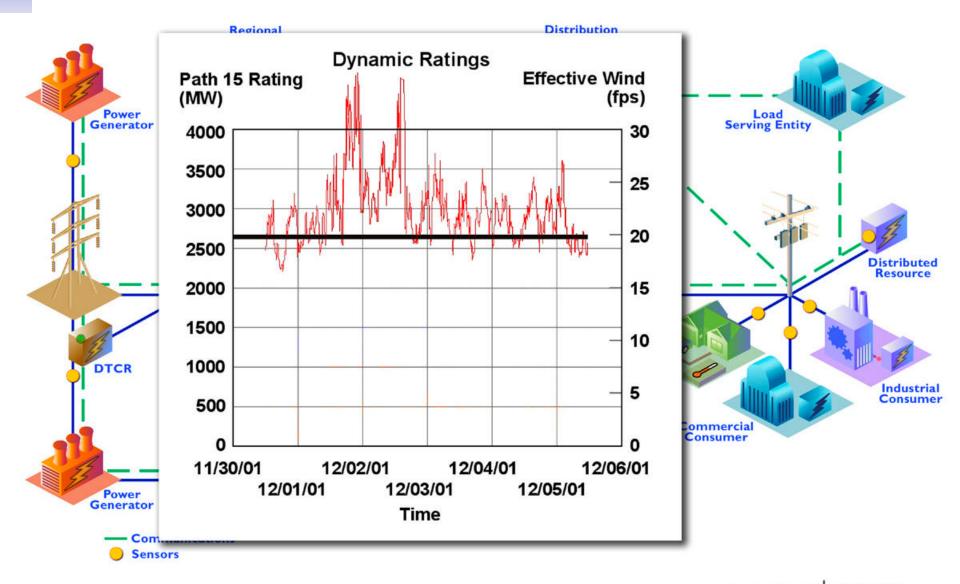


Apply Dynamic Thermal Circuit Rating (DTCR)

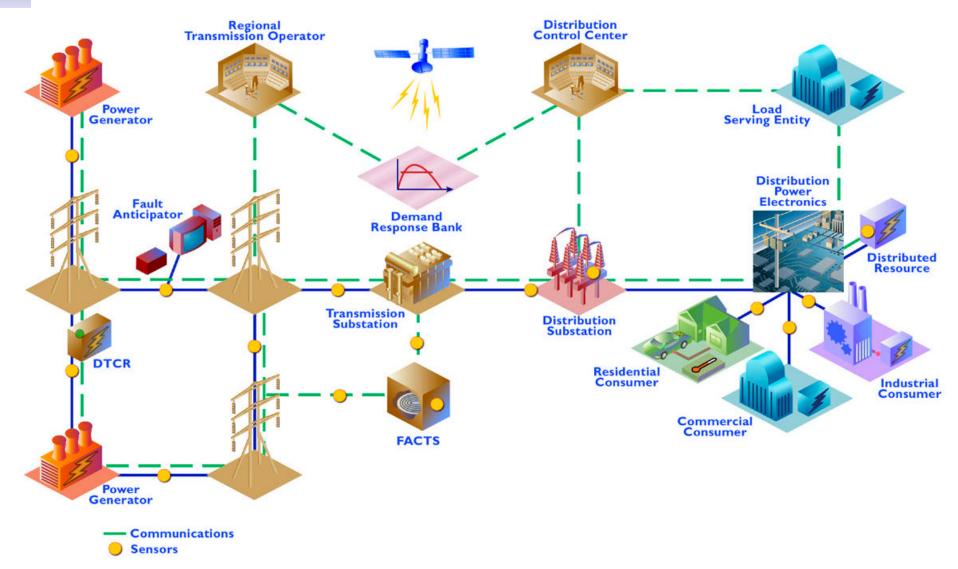




Apply Dynamic Thermal Circuit Rating

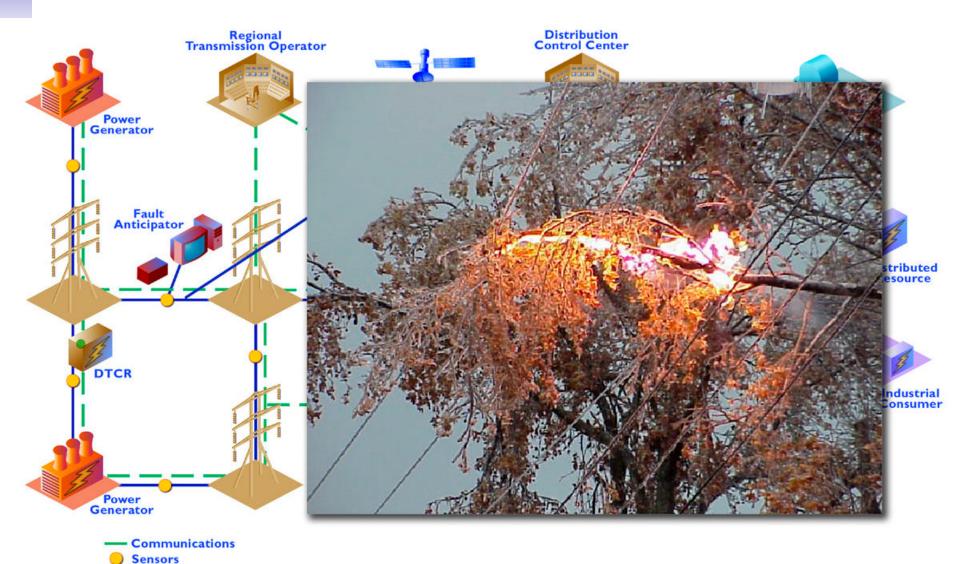


Apply Fault Anticipation & Distribution Electronics

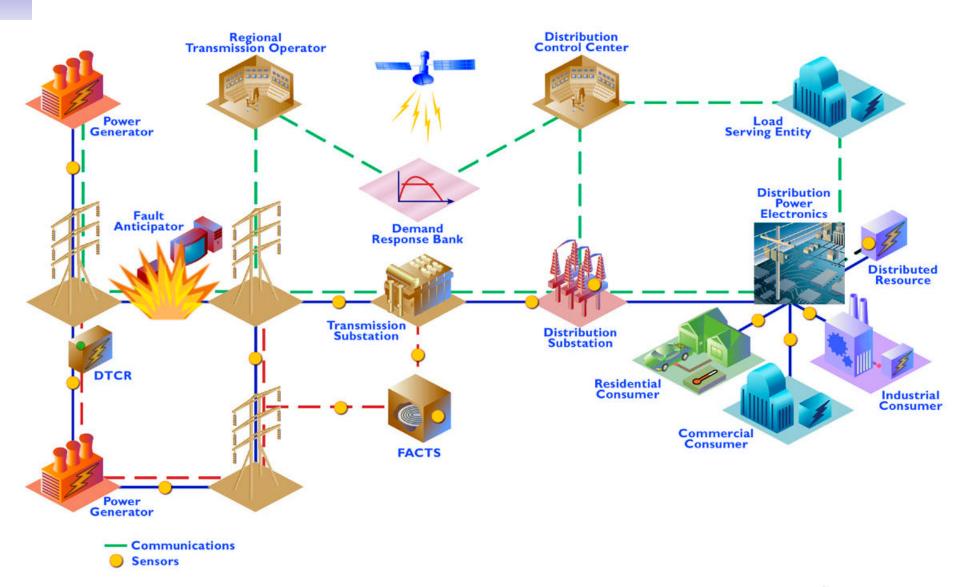


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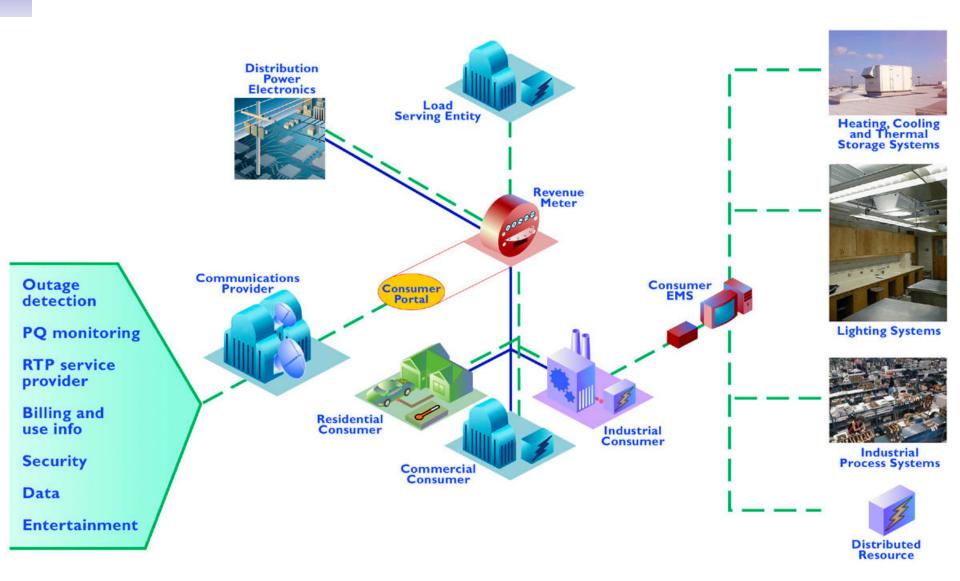
Apply Fault Anticipation



Enable A Self-Healing Power Delivery System



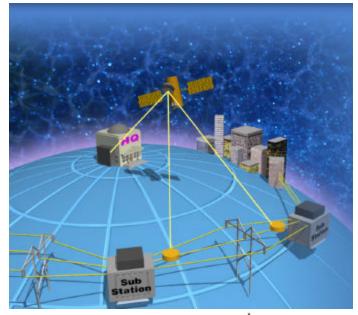
Consumer Portal



The IntelliGrid Vision Key Technologies

- Communications
- Monitoring
- Embedded computing
- Advanced components
 - Superconductors, power electronics, storage, etc.
- Advanced configurations
 - Looped circuits, microgrids, DC service

Data: collecting, moving and converting data into useful information





The Power Delivery System of the Future: Characteristics

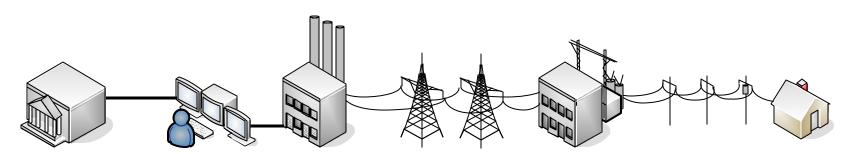
The power delivery system of the future will be:

- Interactive with consumers and markets
- Self-Healing and Adaptive
- Optimized to make best use of resources and equipment
- Predictive rather than reactive, to prevent emergencies
- Accommodates a variety of generation options
- Integrated, merging monitoring, control, protection, maintenance, EMS, DMS, marketing, and IT
- More Secure from attack

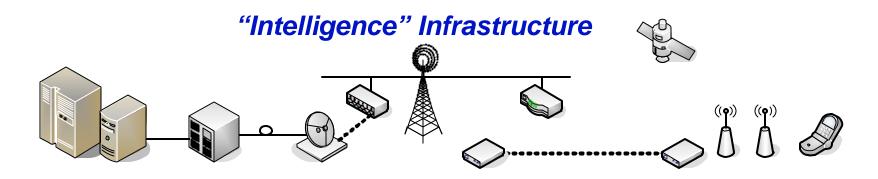




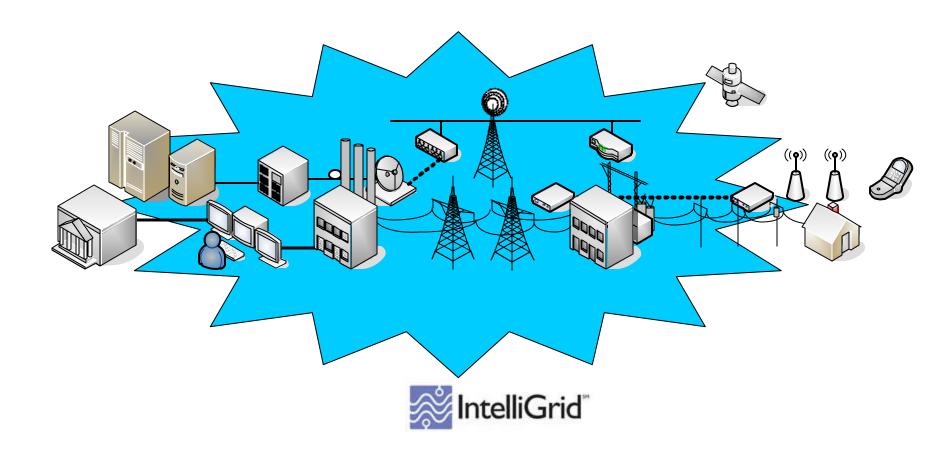
Achieving the Power Delivery System of the Future: Integrating Two Infrastructures



Electrical Infrastructure



The Intelligent Grid



IntelliGrid Program Developing the Technical Foundation

Communications:

Enable devices and controllers to "talk" to each other

- IntelliGrid Architecture: a framework consisting of principles for interoperability, tools, methodologies, recommendations for standards and technologies and best practices that are applied during the design and deployment of grid upgrades
- Consumer Portal: two-way communications gateway between consumers and service providers

Computing:

Software to run the smart grid must model and simulate the power system faster than real time

Fast Simulation and Modeling: high-performance look-ahead and optimization capability
of software for both the transmission and distribution system (Functional requirements
completed, prototypes in development)

Monitoring:

Measurement of parameters necessary for operating and maintaining an intelligent grid

Integrated Monitoring: defines data requirements – single measurements for multiple applications



IntelliGrid Partners Cut Across All Stakeholder Groups

U.S. Utilities

- Kansas City Power & Light
- Long Island Power Authority
- New York Power Authority
- Salt River Project
- TXU
- Public Service New Mexico
- Tri-State G&T
- Arkansas Electric Cooperative
- Great River Energy
- Richmond Power & Light
- Dairyland Power Cooperative
- Golden Valley Electric Assn.
- Hoosier Energy Rural Electric Cooperative
- Lincoln Electric
- Hetch Hetchy Water & Power

International Utilities

- Electricite de France
- Polish Power Grid Company
- Korea Electric Power

Public Agencies

- Association of State Energy Research and Technology Transfer Institutions
- International Brotherhood of Electrical Workers
- National Association of Regulatory Utility Commissioners
- National Association of State Energy Officials
- National Conference of State Legislatures
- National Governors Association
- State Energy Offices and Research Programs

Manufacturers

- ABB
- Hitachi



Applications of the IntelliGrid Architecture

- Southern California Edison applying the IntelliGrid Architecture \$1.5B AMI project
- TXU applying IntelliGrid Architecture to \$400M automated meter reading project
- Salt River Project applying IntelliGrid Architecture for substation data integration
- Alliant Energy applying IntelliGrid Architecture for distribution monitoring system
- Long Island Power Authority Utility and Consumer Device SCADA via Broadband over Power Line (BPL) and Wireless Communications
- Polish Power Grid Operator applying the IntelliGrid Architecture and Fast Simulation and Modeling for Volt/VAR control of the Polish Transmission Grid



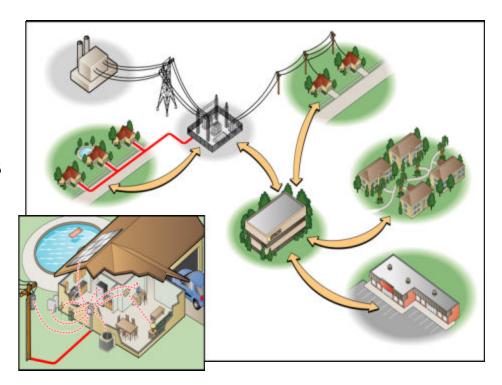


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How is Southern California Edison Using IntelliGrid Results?

Advanced Metering Infrastructure

- Apply methods & tools to capture requirements
- Build on defined applications
- Apply approach for mapping requirements to technologies
- Apply recommendations for standards and technologies
- Contribute the results of their work to the industry





IntelliGrid Program Key Results To Date

Communications

- IntelliGrid Architecture volumes 1-4
- Guidelines for Implementing the IntelliGrid Architecture
- Case Studies on Implementations of the IntelliGrid Architecture
- Consumer Portal concepts, drivers and barriers to development
- Consumer Portal Telecommunications Assessment
- Consumer Portal Business Case

Computing

- Distributed Computing Conceptual framework and Computational Architecture
- Business Case

Monitoring

Requirements and Technology Assessment





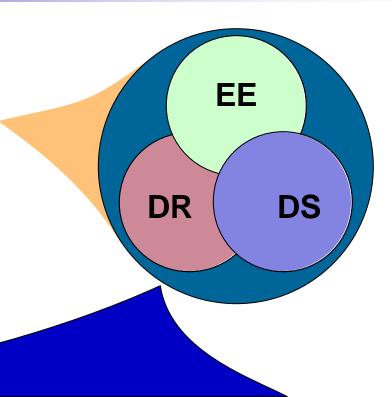


Energy Efficiency (EE) & Demand Response (DR)

Strategies for Efficient Use of Electricity

Three Interrelated Strategies

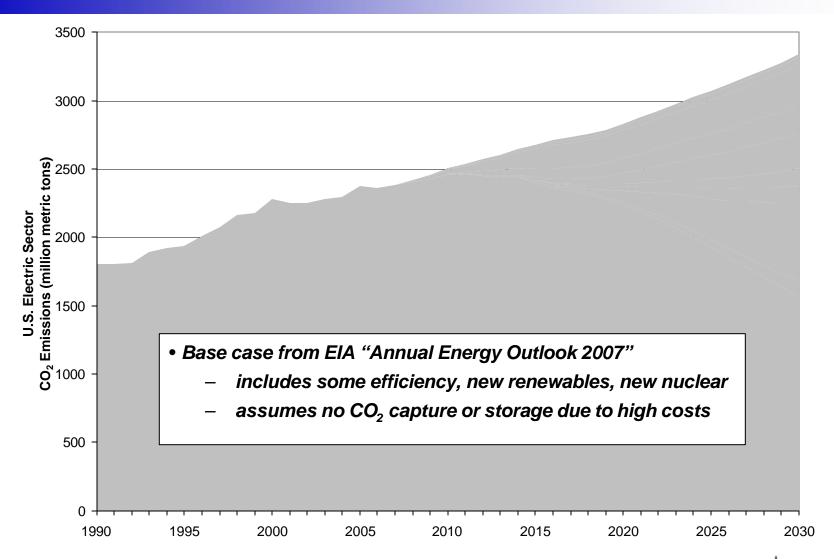
- Energy Efficiency (EE)
- Demand Response (DR)
- Dynamic Systems (DS)



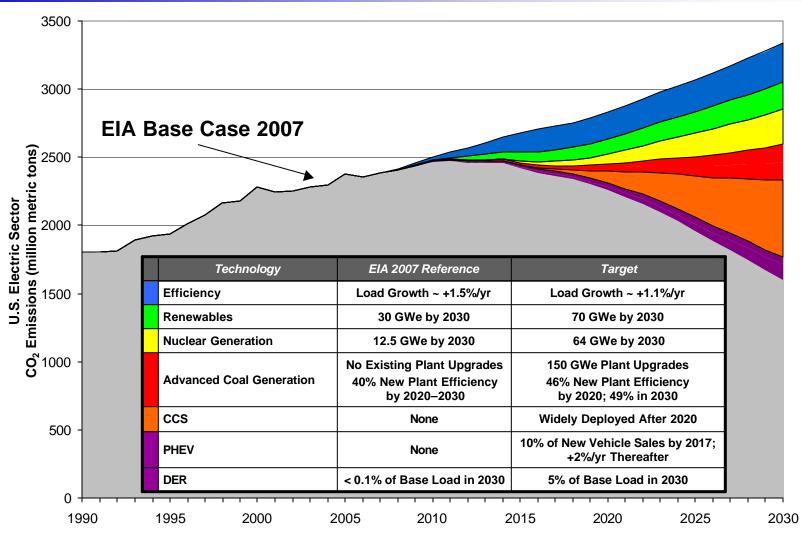
Implemented Through an Electricity Efficiency Infrastructure



U.S. Electricity Sector CO₂ Emissions



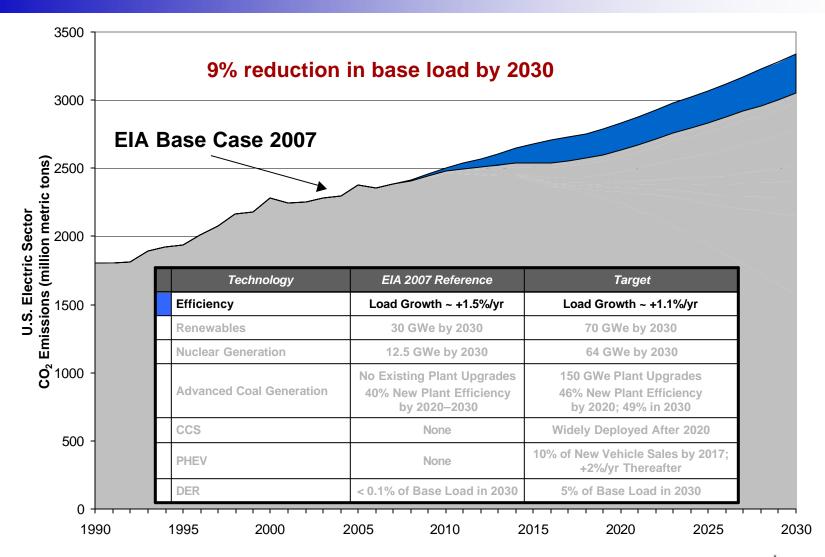
CO₂ Reductions ... Technical Potential*



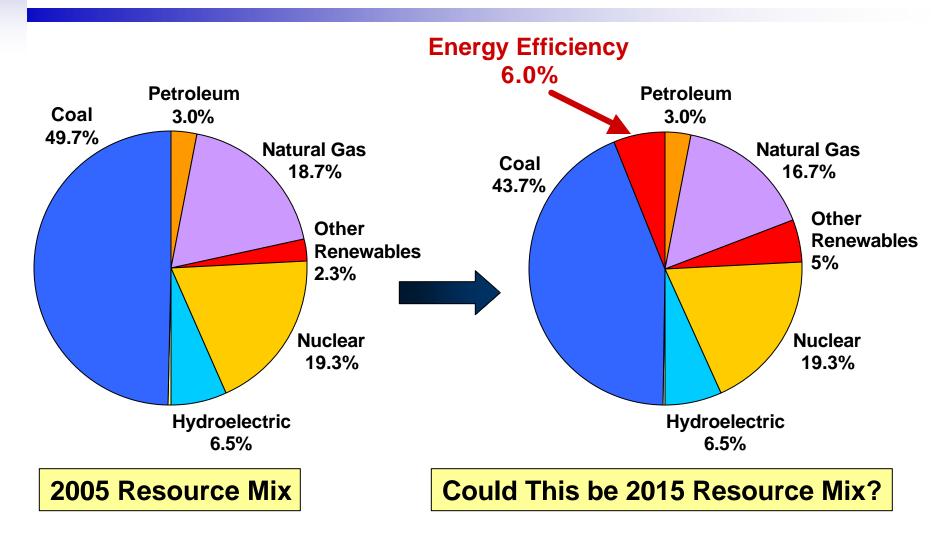
^{*} Achieving all targets is very aggressive, but potentially feasible.



Benefit of Achieving Efficiency Target



Energy Efficiency – 5th Fuel

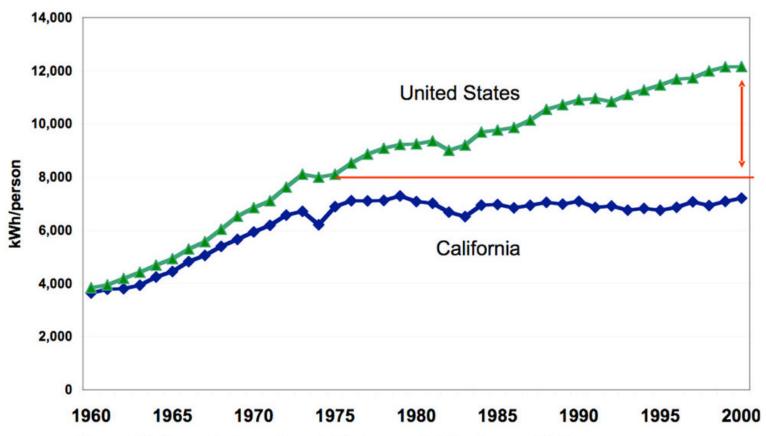


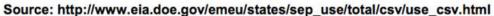
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Source: Energy Information Administration / Annual Energy Outlook 2006

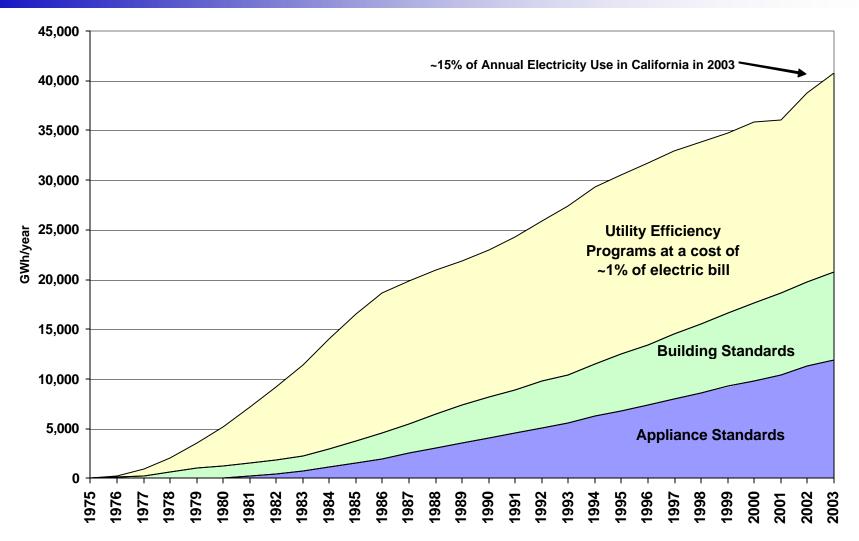


Per Capita Electricity Consumption



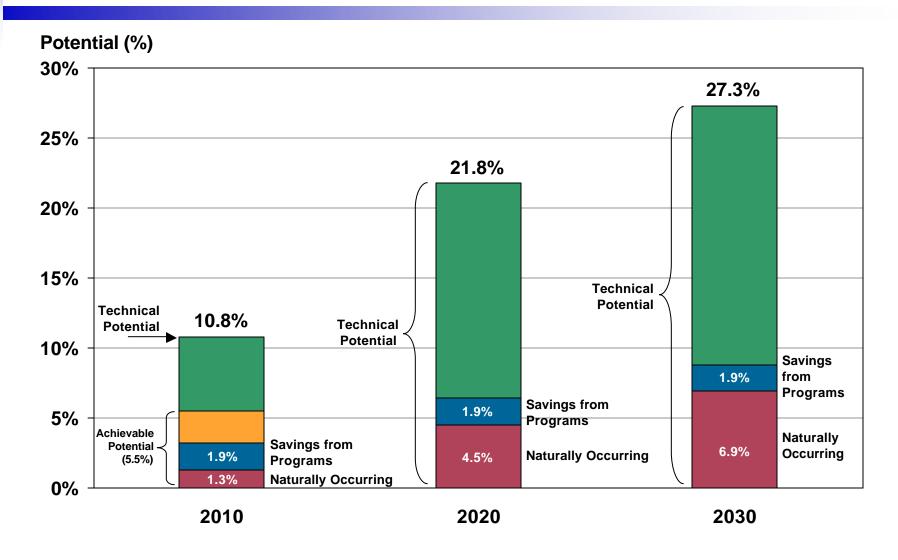


Annual Energy Savings from Efficiency Programs & Standards



Source: California Energy Commission

Energy Efficiency Potential Estimates



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Energy Savings Opportunities & Associated Levelized Costs

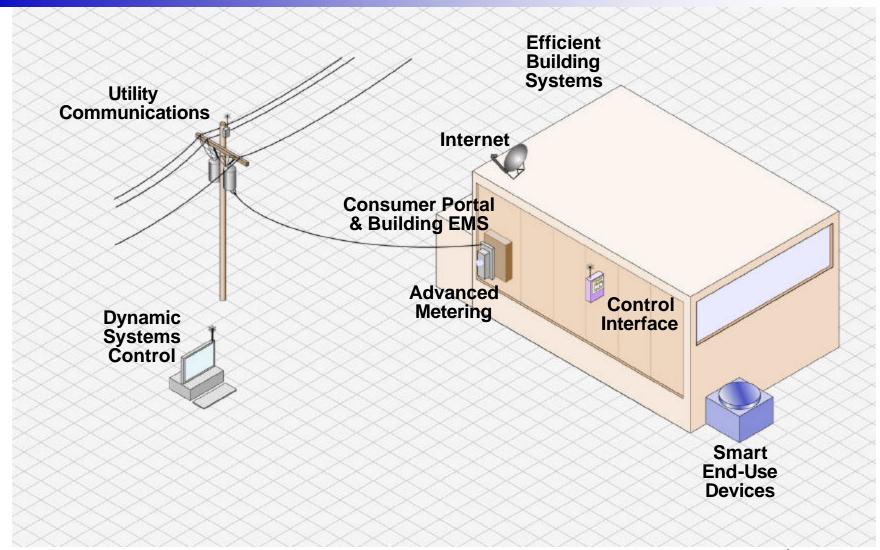
< 5 cents/kWh</p>

- Residential: appliance removal, audits, lighting, O&M, HVAC tune-up
- Commercial/Industrial: refrigeration
- 5-10 cents/kWh
 - Commercial: lighting, motors
 - Industrial: motors, compressed air systems, process
- 10-20 cents/kWh
 - Residential: Energy Star appliances
 - Commercial: audits, equipment tune-up, cooling, new construction
 - Industrial: lighting, cooling
- > 20 cents/KWh
 - Residential: HVAC, fans, new construction

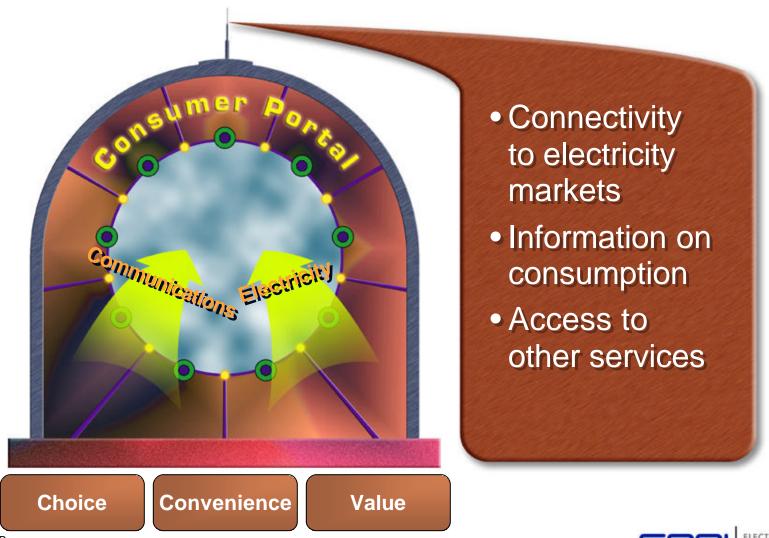




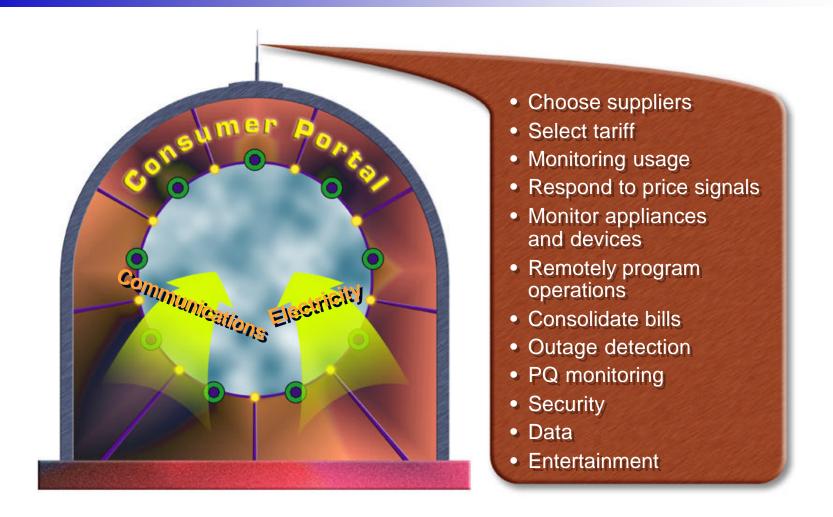
Dynamic Systems Infrastructure: Basics



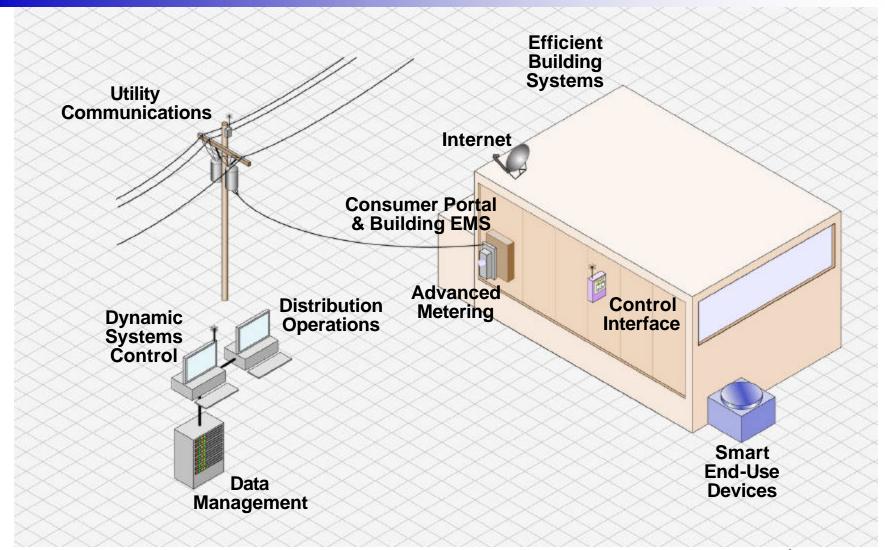
The Portal Empowers Consumers



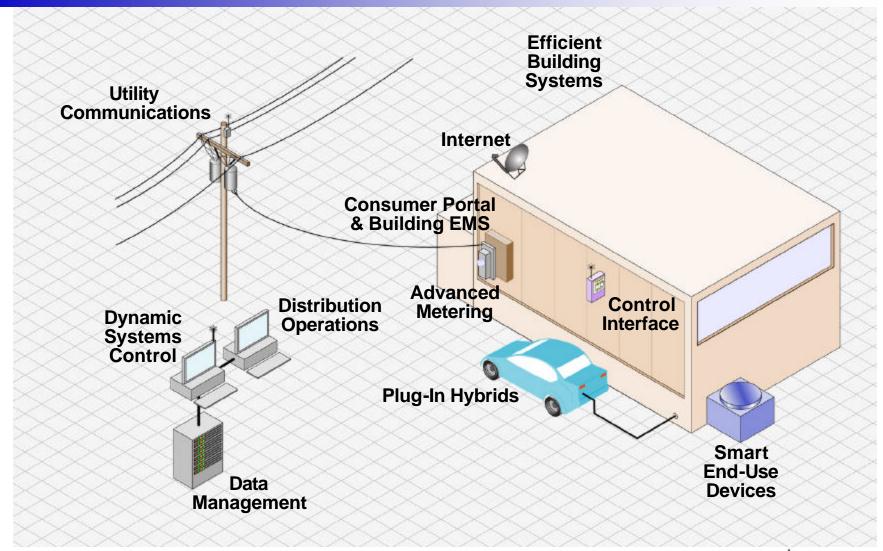
The Portal Empowers Consumers



Dynamic Systems Infrastructure: Utility Operations

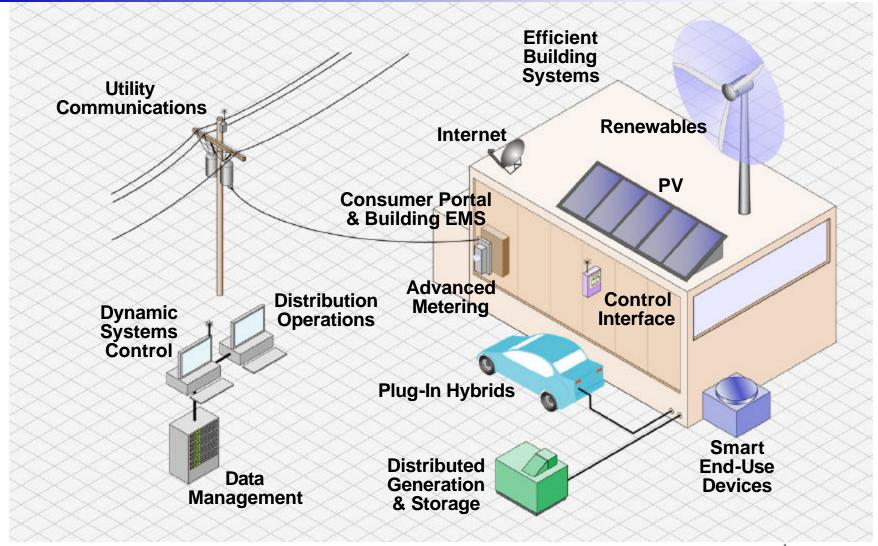


Dynamic Systems Infrastructure: Consumer Opportunities

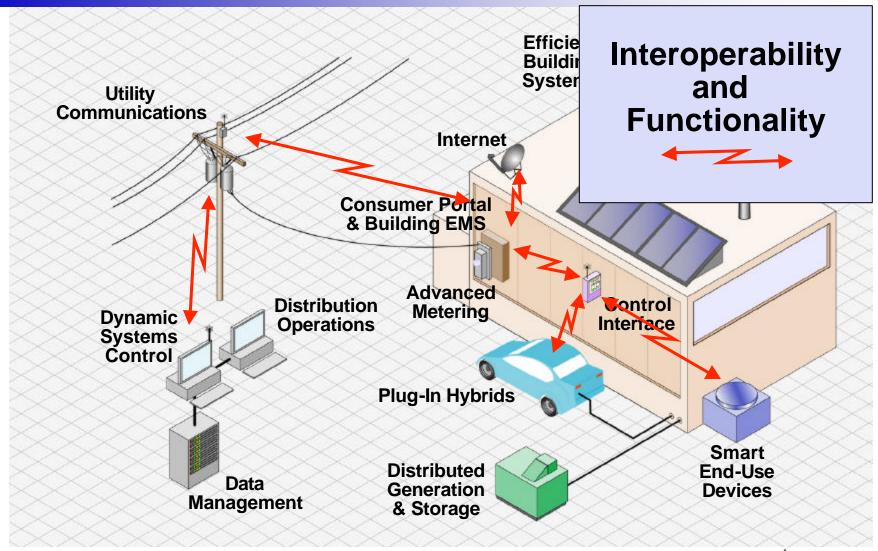


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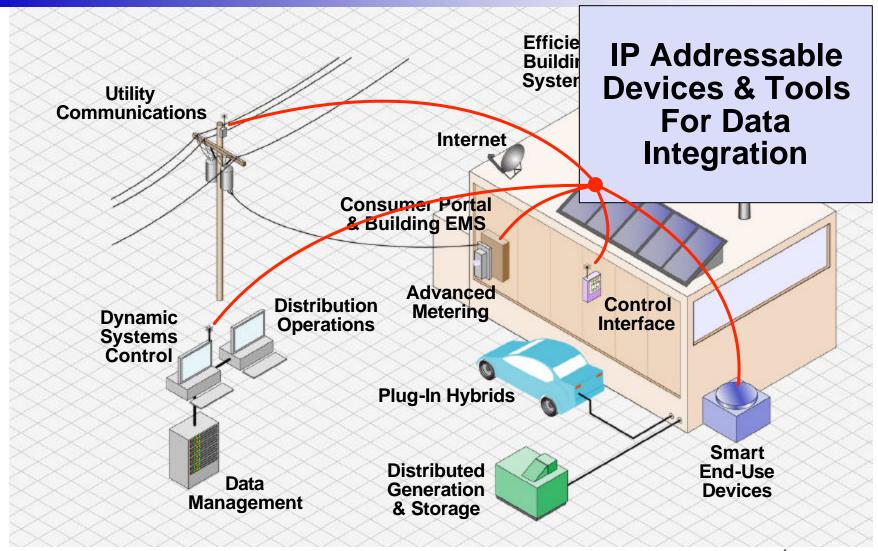
Dynamic Systems Infrastructure: Consumer Opportunities



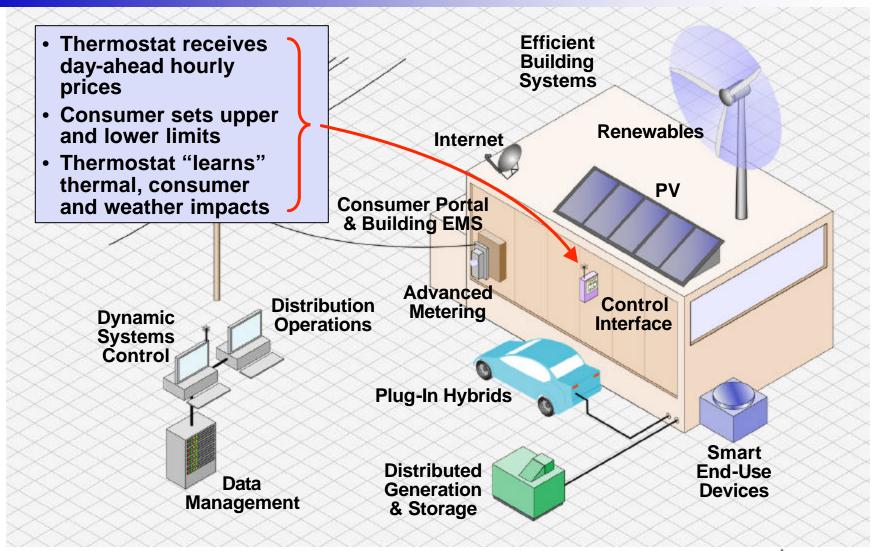
Dynamic Systems Infrastructure



Dynamic Systems Infrastructure



Dynamic Systems Infrastructure – Example



Dynamic Systems Infrastructure – Example

