

Honduras' ENEE wins Utility Planning Network's (UPN) 2007 Metering Program Award for AMR Initiative - International

Raleigh, North Carolina, 03 October 2007. Elster Electricity, part of Elster Group, the world's leading manufacturer and supplier of highly accurate, high quality, integrated metering and utilization solutions, announces that Empresa Nacional de Energia Electrica (ENEE) was selected as winner of Utility Planning Network's (UPN) 2007 Metering Award Program for AMR Initiative – International.

Annually, AMRA partners with the Utility Planning Network to sponsor *The Metering Awards Program* which recognizes utilities for excellence in metering initiatives worldwide. These awards programs represent an unprecedented collaborative effort by all types of utilities working together to recognize utility colleagues for excellence.

ENEE is being recognized by UPN for the 2007 AMR Initiative – International Award based on its execution of an aggressive revenue protection program using advanced metering technology (AMI) to prevent financial collapse. On May 11, 2007, ENEE officially launched the EnergyAxis® System in San Pedro Sula, Honduras by opening a dedicated facility where ENEE uses Elster's EnergyAxis System to analyze meter data and actively pursue reductions in non-technical losses.

Ronald B. Via, vice president of Elster Electricity, stated, "The EnergyAxis System is a standards-based advanced metering infrastructure with the power and flexibility to help address non-technical losses, a problem faced by utilities all over the world. ENEE's ability to recover revenue and begin preventing non-technical losses in such a short time demonstrates the value Elster's AMI solutions deliver to utilities. It is no surprise that its international peers in the energy industry selected ENEE for this award. The financial results and return on investment ENEE has seen in this project is phenomenal. "

From system launch to the first week of September, ENEE has a total savings of approximately 14.5M USD through recovery of lost revenue and operational savings. Reductions in non-technical losses nationwide account for 12M USD of the total savings. Another 1.2M USD was saved on site checks done previous to meter deployments. ENEE also collected 368,000 USD from customers that were tampering with meters and the tampering activity was detected through EnergyAxis metering automation server (MAS) alarms. ENEE has performed about 3096 service disconnections and 3016 service connections remotely from its facility in San Pedro Sula. The remote connect and disconnect operations account for approximately 1M USD in operational savings, collections, and connection fees.

The EnergyAxis System enables users to monitor service points for anomalies in energy usage patterns which could indicate non-technical losses or tampering. On service points that have an optional service control switch, service can be remotely disconnected or connected from the monitoring facility.

- Ends.

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About Elster Electricity

Elster Electricity is a leading provider of electricity metering products and services throughout the world. Located in Raleigh, North Carolina, Elster Electricity offers integrated, cost-effective solutions including smart meters, communication solutions, and metering automation systems for residential, commercial, and industrial applications. Elster Electricity serves customers through a global sales force. For additional information, visit www.elsterelectricity.com.

About Elster Group

Elster Group is the world's leading manufacturer and supplier of highly accurate, high quality, integrated metering and utilization solutions to the gas, electricity, and water industries. In addition, through its subsidiary Ipsen International, it is the leading global manufacturer of high level thermo-chemical treatment equipment.

The group has over 8,500 staff, operations in 38 countries and serves over 115 markets around the world. Elster's high quality products and systems reflect the wealth of knowledge and experience gained from over 170 years of dedication to measuring precious resources and energy. For more information, visit www.elster.com.