## <u>Via U.S. Mail and Facsimile (509-891-3334)</u>

John W. Holleran Senior Vice President, General Counsel, and Corporate Secretary Itron, Inc. 2111 N Molter Road, Liberty Lake Washington 99019

Re: Itron, Inc.

Form 10-K for the Fiscal Year Ended December 31, 2007

Filed February 26, 2008

File No. 0-22418

Response Letter Dated January 8, 2009

Dear Mr. Holleran:

We have reviewed your response letter dated January 8, 2009, and we have the following comment. We welcome any questions you may have about our comment or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

## General

1. We note from your response letter that, through your acquisition of Actaris, you have an 8% equity interest in, and make sales and provide technical support to, Sherkate Kontorsazi Iran SKI. SKI is 70.5% owned by an investment company that is part of Bank Melli. As you may know, Bank Melli is included in the Specially Designated Nationals & Blocked persons List maintained by the Treasury Department's Office of Foreign Assets Control, and is subject to the sanctions program administered by OFAC. Pursuant to United States Executive Order 13382, all property and interests in property of Bank Melli, including its offices worldwide, are blocked, and all U.S. persons are prohibited from engaging in any transactions, directly or indirectly, with Bank Melli. Please specifically discuss in your materiality analysis the potential impact of these factors on your U.S. shareholders, and on your reputation and share value.

\* \* \* \* \*

Please respond to this comment within 10 business days or tell us when you will provide us with a response. Please submit your response letter on EDGAR.

Please understand that we may have additional comments after we review your response to our comment. Please contact Pradip Bhaumik, Special Counsel, at (202) 551-

John W. Holleran Itron, Inc. January 15, 2009 Page 2

3333 if you have any questions about the comment or our review. You may also contact me at (202) 551-3470.

Sincerely,

Cecilia Blye, Chief Office of Global Security Risk

cc: Peggy Fisher
Assistant Director
Division of Corporation Finance