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Second Annual Itron Resourcefulness Index Explores the Tie Between National Resourcefulness and Economic Competitiveness

Report highlights a need for continued infrastructure modernization, an increasing dialog disconnect between utilities and consumers, and a growing need to address a changing utility landscape

LIBERTY LAKE, Wash.--(BUSINESS WIRE)-- Itron, Inc. (NASDAQ: ITRI) announced today the release of the second annual Itron Resourcefulness Index, a global survey and benchmark of the state of resourcefulness across energy and water. As with last year, Itron surveyed utility executives and informed consumers in key markets around the globe to gauge their outlook on the industry and priorities moving forward. The second year of survey research finds that utilities and informed consumers continue to recognize the need to tackle challenges facing the utility industry, with 83 percent of utility executives believing the industry needs transformation; however, the findings highlight the need for collaboration between government, utilities and consumers in order to make progress in modernizing infrastructure.

This year, to reflect a broader assessment of the relationship between resourcefulness and economic competitiveness, Itron compiled macroeconomic data from third-party sources to create two new indices—the Energy Resourcefulness Index and the Water Resourcefulness Index. In both indices, the findings show the top five performing countries achieving high levels of resourcefulness, which is defined as the ability to effectively manage the delivery and use of gas, water and electricity.

"Itron is pleased to present the second annual Itron Resourcefulness Index with expanded economic research and data. I feel strongly that this report will serve as an ongoing benchmark for the utility industry," said Philip Mezey, Itron president and CEO. "Based on the findings, we believe utilities have the opportunity to deploy technologies and solutions to reduce waste, revitalize infrastructure, enhance service reliability and engage with their customers—all of which will benefit the economy overall. Moving forward, success will be determined even more by how well countries are able to manage the resources available to them."

Key Findings from the Perception Survey

- **The Industry Must Continue to Modernize Infrastructure.** The need for transformation and infrastructure investment in the industry remains widely recognized, with 83 percent of utility executives agreeing that it is needed. Additionally, 55 percent of utility executives believe the industry is not running efficiently and 21 percent believe the state of the infrastructure will be worse in five years.
- **Technology and Software Tools are Key to Transformation.** Nearly one-third of utility executives reported that business intelligence and analytics would be at the top of their investment wish list. Technology is a key aspect of achieving resourcefulness, especially in countries that have well-established infrastructure and therefore stand to reap the most gains in resourcefulness through investments in technology.
- **Educating the Public Should be a Priority for Utility Executives.** Nearly half of informed consumers believe utilities should focus on educating consumers about consumption and conservation. However, utility executives surveyed put consumer education and conservation programs at the bottom of their investment wish list. In addition, more than half of utility executives believe that the changing workforce and knowledge sharing gap is a growing or urgent concern.
- **Utilities Should Begin Laying the Groundwork for a Future-Proof Business Model.** For example, more than 60 percent of consumers surveyed would like the utility industry to focus on renewable integration. Utility executives agree that integrating renewables is an unmet need of the industry today.
- **Barriers to Achieving Resourcefulness Remain.** As with last year, utility executives and consumers agree that new or potentially new government regulations are a concern. However, there was also a significant increase in barriers that are less frequently cited. Specifically, utility executives cited a lack of private funding as a barrier to infrastructure investment, rising 17 percent from last year, and the need for more time rose 14 percent.

Energy and Water Resourcefulness Indices Findings

The report's Energy Resourcefulness Index and Water Resourcefulness Index took a deeper look at the economic relevance of resourcefulness. We compiled macroeconomic data from third-party sources, including the World Bank, World Economic Forum and Global Water Intelligence, with survey findings to create a national resourcefulness ranking for the 16 countries we surveyed. In the Energy Index, the top five performing countries were Germany, the United Arab Emirates, Australia, Spain and

the United States. From high-quality electric supply to investment in innovation, these countries succeed by excelling within different areas of resourcefulness. The top five performing countries in the Water Index were Australia, Canada, Japan, the United Kingdom and Germany. These countries tended to have high levels of water meter penetration and low levels of non-revenue water.

Full survey findings are available in the Itron Resourcefulness Index at www.itron.com/index.

About Itron

Itron is a world-leading technology and services company dedicated to the resourceful use of energy and water. We provide comprehensive solutions that measure, manage and analyze energy and water. Our broad product portfolio includes electricity, gas, water and thermal energy measurement devices and control technology; communications systems; software; as well as managed and consulting services. With thousands of employees supporting nearly 8,000 customers in more than 100 countries, Itron applies knowledge and technology to better manage energy and water resources. Together, we can create a more resourceful world. Join us: www.itron.com.

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