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National Grid Selects Itron and Cisco's Smart Grid Solution for Pilot Program

Secure multi-application smart grid solution leads to deployment of 15,000 meters

LIBERTY LAKE, Wash.--(BUSINESS WIRE)-- Itron, Inc. (NASDAQ:ITRI) announced today that National Grid, a supplier of electricity to approximately 3.4 million customers in the Northeast, has selected Itron's smart grid solution which uses Cisco's multi-application communications network for the utility's 10,000 meter Smart Grid Pilot Program in Worcester, Mass. This project adds to the successful 5,000 meter early field trial (EFT) that started in February 2012 in Worcester. National Grid will begin deploying the full pilot in early 2013.

The expanded Smart Grid Pilot Program will leverage and build upon the smart grid infrastructure from the EFT. National Grid will also expand the highly secure IPv6 communication network based on Cisco's GridBlocks™ architecture and Cisco Connected Grid routers. Back office applications, including Itron's meter data management, collection engine and reporting software, Cisco's Connected Grid Network Management System, and other third party application software will continue to be provided through Itron's cloud computing and Software as a Service (SaaS) offerings.

National Grid's Smart Grid Pilot will evaluate the integration of home automation, dynamic pricing and distribution automation as a mechanism to improve service reliability and save customers money through increased energy awareness. The pilot will provide customers access to detailed energy usage information, which customers can access online, with cell phone apps or through a variety of technologies installed in homes and businesses.

During the EFT, Itron, Cisco and National Grid collaborated to test and demonstrate the capabilities of the new IPv6 communication network. This included operating multiple applications simultaneously over the IPv6 network composed of advanced metering, home area networking and distribution automation. The field trial also successfully demonstrated remote and secure technology upgradability over the air, and network load balancing and monitoring. The smart grid communication network received high marks for end-to-end system reliability and resiliency where the network effectively recovered and rebalanced itself after simulated failures and outages. These capabilities were effectively utilized and further evaluated in supporting National Grid's efforts to restore power in the wake of Hurricane Sandy.

"We have been very pleased with the results of the early field trial. Our goal from the beginning has been to test and validate the smart grid solution before we fully deploy it to our customers. We look forward to working with Itron and Cisco on this next phase of implementing our Smart Grid Pilot Program," said Cheri Warren, vice president, Asset Management for National Grid.

"National Grid has taken a very thoughtful and innovative approach to deploying smart grid technologies, focusing on a comprehensive and scalable solution that will enable rapid scale-up in the future," said Russ Vanos, vice president of global smart grid and business development at Itron. "The results of this pilot will surely influence the industry as we look to evolve smart grid communications from proprietary systems to true multi-application networks built on open standards."

"National Grid's new, highly secure multi-application communications network will help transform its operations as well support programs that engage and empower customers to make informed choices about their energy use. Cisco is proud to be a part of such an innovative and exciting smart grid implementation," said Lionel Chocron, vice president and general manager of Cisco's Connected Energy Networks business unit.

About Itron

Itron is a global technology company. We build solutions that help utilities measure, manage and analyze energy and water. Our broad product portfolio includes electricity, gas, water and thermal energy measurement and control technology; communications systems; software; and professional services. With thousands of employees supporting nearly 8,000 utilities in more than 100 countries, Itron empowers utilities to responsibly and efficiently manage energy and water resources. Join us in creating a more resourceful world; start here: www.itron.com.

About Cisco

Cisco (NASDAQ: CSCO) is the worldwide leader in IT that helps companies seize the opportunities of tomorrow by proving that amazing things can happen when you connect the previously unconnected. To learn more about solutions for utilities, please

visit www.cisco.com/go/utilities. For ongoing news, please go to <http://thenetwork.cisco.com>.

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