

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 a.m. on January 20, 2010, in Room 785 of the Docking State Office Building.

All members were present.

Committee staff present:

Matt Sterling, Office of the Revisor of Statutes  
Mary Torrence, Office of the Revisor of Statutes  
Cindy Lash, Kansas Legislative Research Department  
Rena Hansen, Committee Assistant

Conferees appearing before the Committee:

Mid-West Energy, Ernie Lehman  
Westar, Hal Jensen & Kevin Heimiller  
KCPL, Steve Gilkey, Senior Director of Engineering and Planning  
Victory Electric, Terry Jansen, Manager & Harold Flax

Others attending:

Twenty-Six including the attached list.

Smart Grid and Smart Metering

Ernie Lehman, Mid-West Energy, (Attachment 1), spoke to the committee about their smart grid investment grant award. He noted that specifically it is the replacement of electro-mechanical relays at the Knoll substation. This will allow them to be able to tell where outages occur. He noted that they also put in for the advanced smart metering infrastructure grant money. Mid-West Energy will be putting in some of the meters as a pilot program to test the viability and benefit for the company.

Questions were asked and comments made by Representatives: Carl Holmes, Vern Swanson, and Forrest Knox.

Terry Jansen, Mgr. & Harold Flax, Victory Electric, (Attachment 2), presented information on the current status of the company's smart grid technology investment. He noted that one capability they have is to do a customer disconnect from the office but commented that they will need to have the KCC permission to be able to do this. Mr. Flax talked about the specific installed items they have and how they work for them.

Questions were asked and comments made by Representatives: Annie Kuether, Vern Swanson, and Tom Moxley.

Hal Jensen & Kevin Heimiller, Westar, (Attachment 3) presented information on the smart star program that they are implementing. Additionally (Attachment 4), they included the fact sheet that they are using to inform people of the benefits and abilities of this smart grid/ smart meter system. This beginning program is intended to identify and validate what is the appropriate usage of this system for their Kansas customers. This ultimately will help them shift when and where their peak load is located.

Questions were asked and comments made by Representatives: Mike Burgess, Tom Sloan, and Tom Moxley.

Steve Gilkey, SR Director of Engineering and Planning, KCPL, (Attachment 5), spoke to the committee on the smart grid demonstration grant that they are trying to win and then implement. The area they are working on is in the heart of Kansas City Missouri where current unemployment rates are around 35% and is generally considered a low income area. They hope to: reduce energy use, increase employment, improve housing conditions, advance environmental initiatives, and improve vacant lots. They will focus on demonstrating an end-to-end Smart Grid project that will serve as a model for the utility of the future.

Questions were asked and comments made by Representatives: Milack Talia, and Forrest Knox.

## CONTINUATION SHEET

Minutes of the House Energy and Utilities Committee at 9:00 a.m. on January 20, 2010, in Room 785 of the Docking State Office Building.

Black Hills Corporation, (Attachment 6), submitted information to the committee on the things they are doing to move forward in the area of Smart Grid and Smart Metering.

Mark Schreiber, Westar, announced that Westar has permission to build up to 500 megawatts of wind energy close to Spearville, Kansas. They are calling it the Ironwood Project.

Questions were asked and comments made by Representatives: Forrest Knox, and Carl Holmes.

Chairman Holmes reminded the committee of his future absence next week and that if there are any amendments to HB 2423 for tomorrow that they need to be worked through the revisors office.

The next meeting is scheduled for January 21, 2010.

The meeting was adjourned at 10:46 a.m.

# HOUSE ENERGY AND UTILITIES COMMITTEE GUEST LIST

DATE: January 20, 2010

NAME	REPRESENTING
Joe Dick	KCBPU
Dave Galletta	KEC
TOM DAY	KCC
Mari Tucker	Dept of Commerce
LOW STANTON	NORTHERN NATURAL GAS
ERIC KELLY	AARP KS
Wes Ashton	Black Hills Energy
GARRETT LOWERY	KEC
PHIL WAGES	KEPCO
Nelson Krueger	PAR Electric
Scott Jones	KCP
HAR JENSEN	Westar Energy
Mick Urban	ONEOK
DICK CARTER	JCCC
Chris Cardinal	Sierra Club
Michelle Peterson	Capitol Strategies
Taleson Lindsey	Herb Law
Jessica Brooks	Intern with Rep. Tom Sloan

# HOUSE ENERGY AND UTILITIES COMMITTEE GUEST LIST

DATE: January 20, 2010

NAME	REPRESENTING
ERIK SARTORIUS	City of Overland Park





Midwest Energy

HOUSE ENERGY AND UTILITIES

DATE: 1/20/2010

ATTACHMENT 1-1

# Smart Grid Initiatives at Midwest Energy

Earnie Lehman – January 20, 2010



# What is a “Smart Grid”



- Lots of definitions
- “deployment and integration of advanced digital systems to modernize the nation’s electric delivery network for enhanced interoperability and cyber-security”

*DOE DE-FOA-0000058 – Smart Grid Investment Grant Program*

- We commonly separate the discussion of the Smart Grid into customer metering infrastructure and “everything else”
- This requires some interpretation...

# Smart Grid Benefits

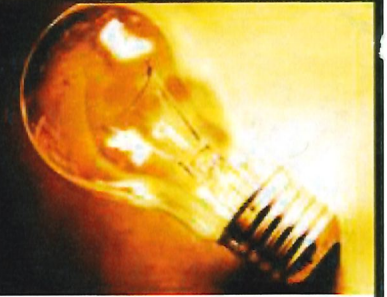


1-3

- Informed participation by consumers in the electricity markets
- Accommodation of renewables, distributed generation and storage technologies
- Optimization of asset utilization & efficiency throughout the power system
- Anticipating and responding to system disturbances
- Operating resiliently and reliably during attacks and natural disasters



# Midwest's first step



- Smart Grid Investment Grant (SGIG) Award
  - Replacement of electromechanical relays at Knoll Substation
    - Modernization of protection equipment & scheme
      - Reliable operation of transmission system
    - Deployment of Phasor Monitoring Units & Phasor Data Concentrators
      - Ability to anticipate and respond to system disturbances
    - Facilitation of transmission expansion in the area
      - Accommodation of the development of renewable energy

# SGIG Award



1-5

Transition from this...

To this...





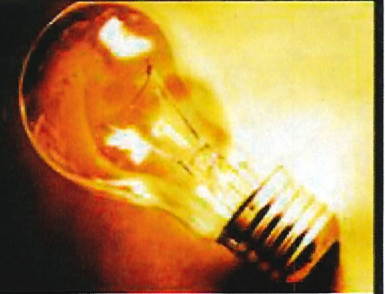
# SGIG Award



- The Difference...
  - Consolidation of multiple functions into a single device
  - Increased redundancy in protection functions
  - Distance to fault capability for quicker restoration
  - Enhanced inter-operability with SCADA, OMS and external diagnostic systems
  - Ease of repairs



# Midwest's second steps



1-7

- Advanced Metering Infrastructure
  - SGIG Application for 12,000 meter AMI project
    - Project was not selected for award
  - Development of a 400 – 1,300 meter pilot program for 2011
    - Hard / costly to read meters
    - Rural areas, difficult terrain, constrained read cycle
  - Evaluation of long term technological solutions
  - Possible additional 7,000 to 8,000 meters 2012-2014
  - Several barriers to complete system conversion
    - Disparity in customer density
    - Variability in communications infrastructure

# Midwest's next steps



- Finalize agreements with DOE for SGIG Award
  - Begin work mid-February
  - Complete 1<sup>st</sup> Quarter 2011
- Increased deployment of more sophisticated protection, similar to Knoll project
- Intelligent switching schemes at the distribution level
- Extension of AMI “beyond the meter”
- Development of innovative rates and demand response incentives






HOUSE ENERGY AND UTILITIES

DATE: 1/20/2010

ATTACHMENT 2-1

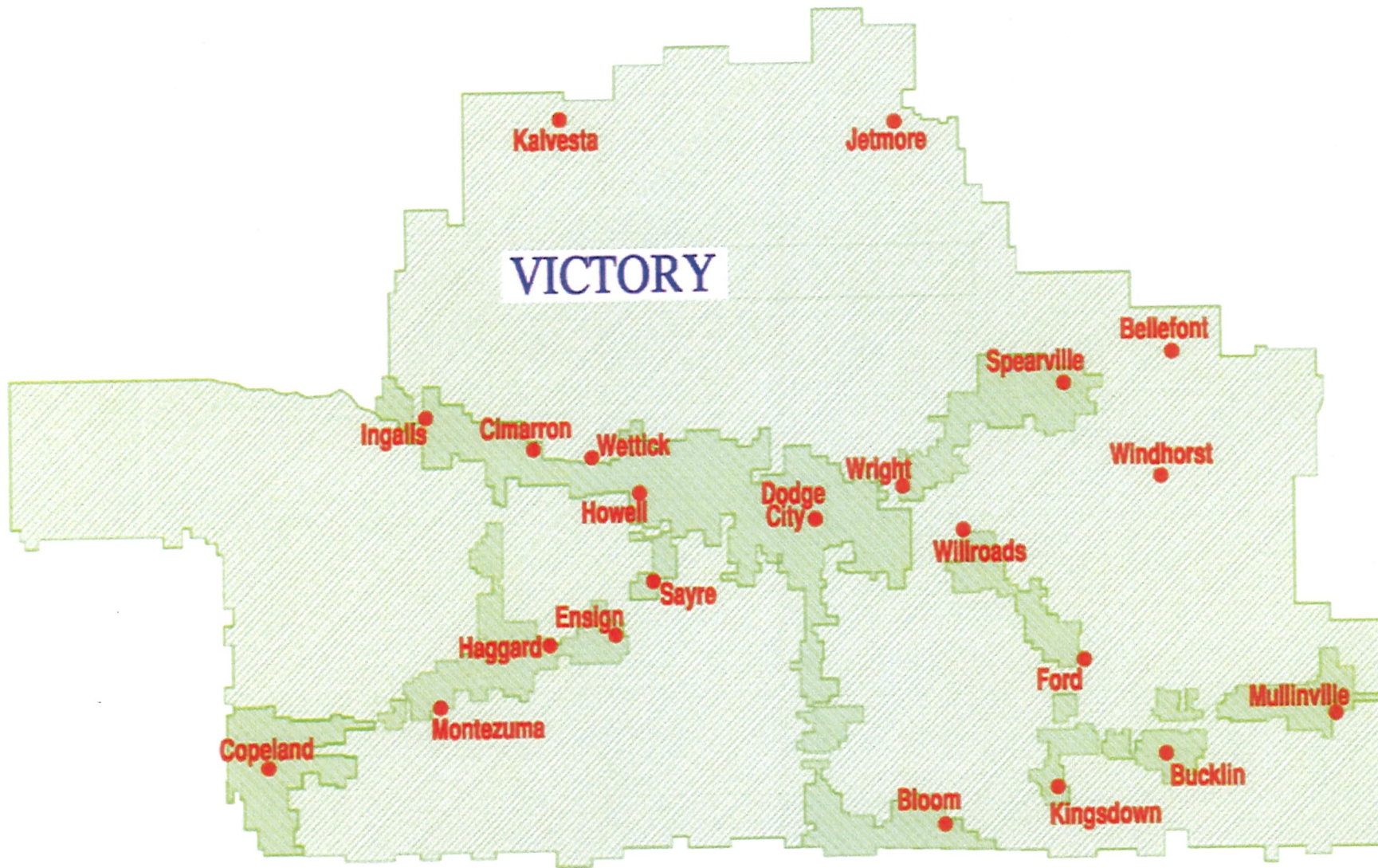


A Touchstone Energy® Cooperative 

## Victory Electric Cooperative AMI Smart Grid Project

1/20/10

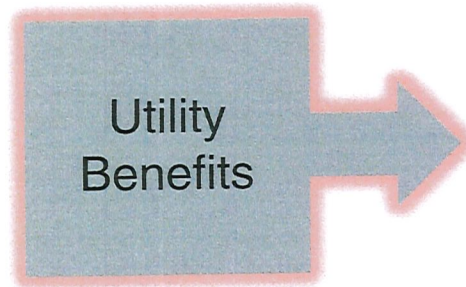




\* The dark green areas of the map represent the newly-acquired Aquila territory. The whole territory is roughly 80 miles wide and 50 miles tall.

# Smart Grid Benefits

Smart grid networks have the ability to revolutionize energy management and grid reliability across the globe



- Reduced costs
- Greater management control
- Regulatory compliance
- Improved customer service and satisfaction
- Holds customer accountable for their usage

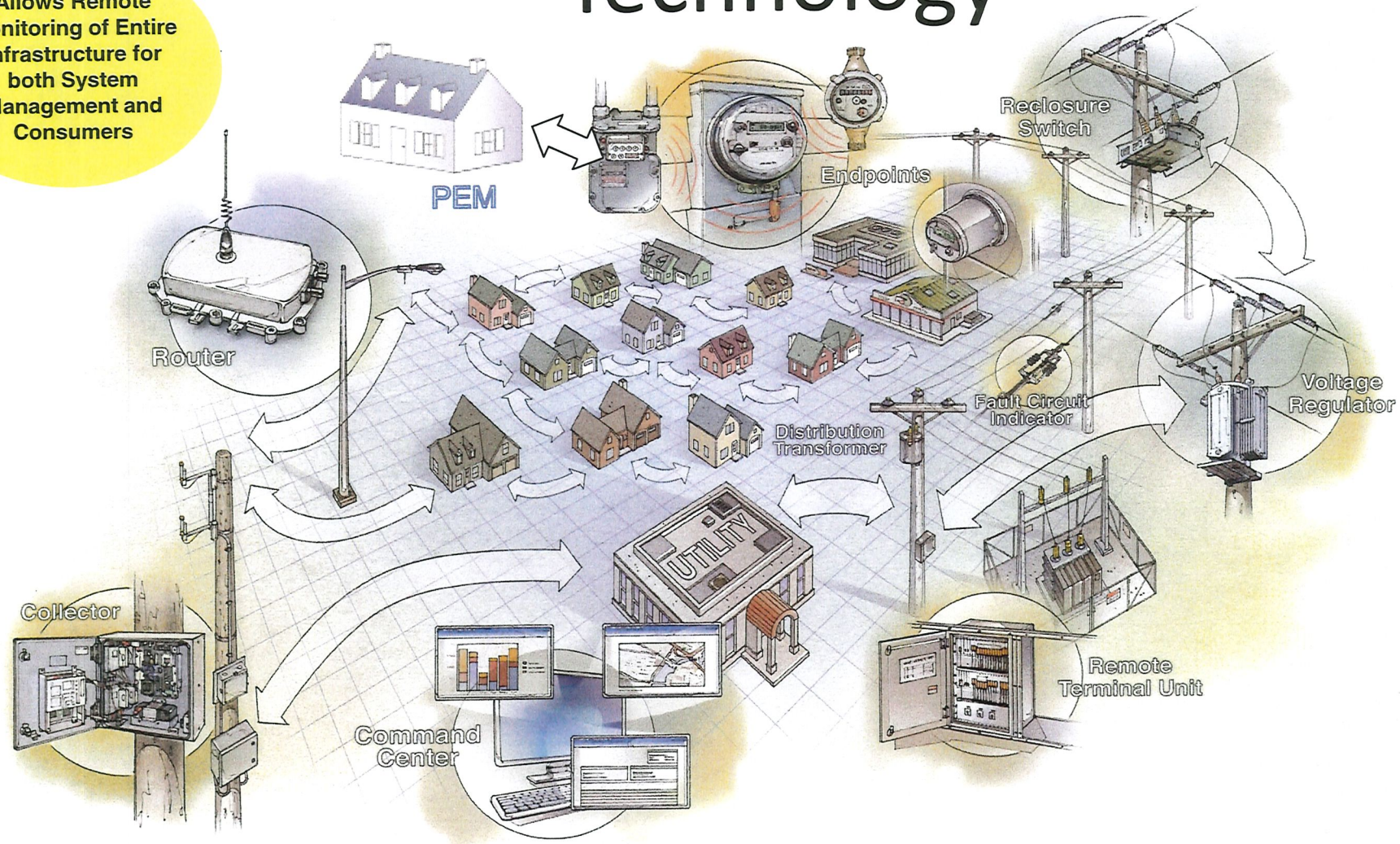


- Help to control energy cost
- Greater transparency
- Help make customer aware of carbon footprint
- Help to make consumer accountable for individual usage



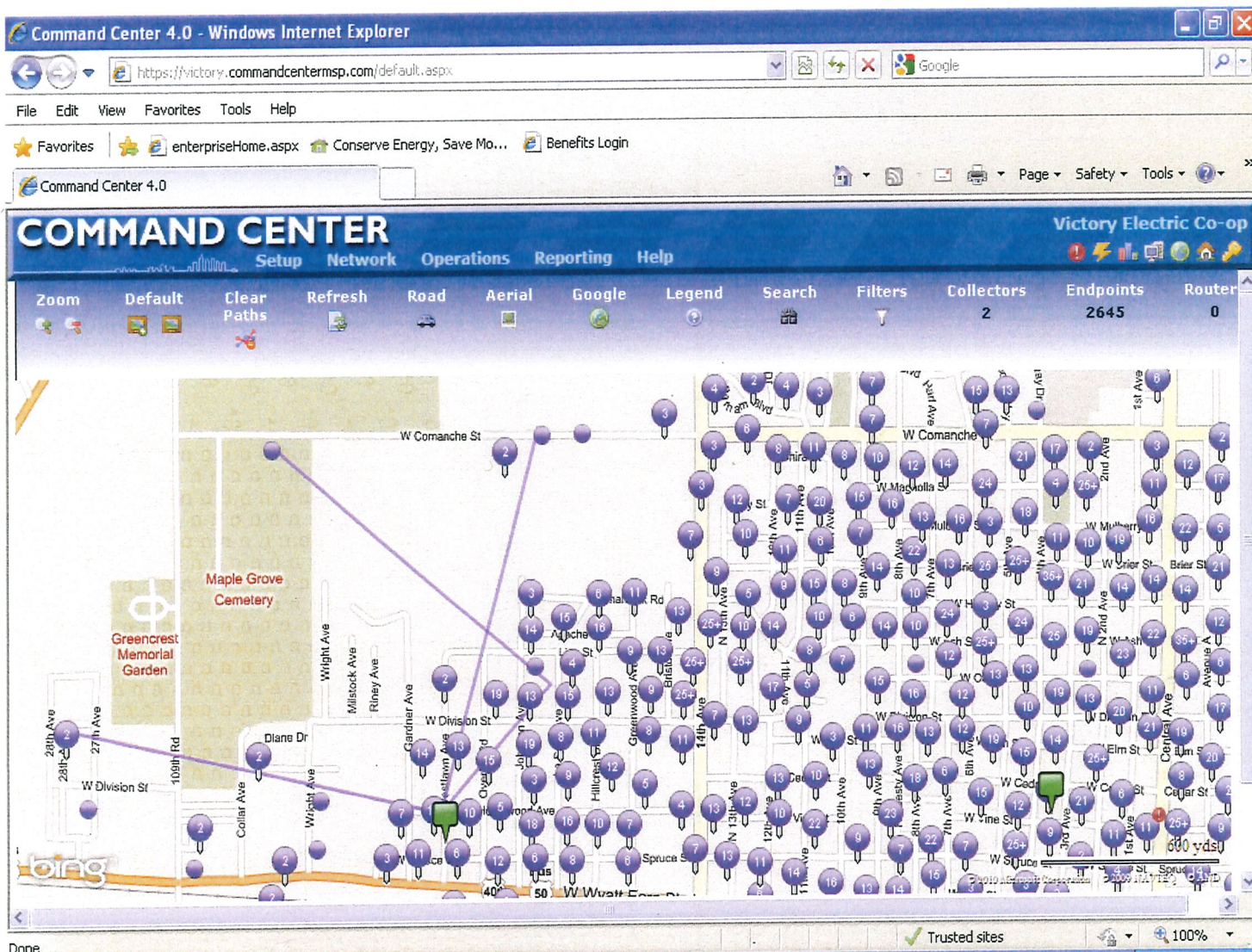
# The Smart Grid Technology

Allows Remote Monitoring of Entire Infrastructure for both System Management and Consumers





# Endpoint Communication Path





# Command Center

The screenshot displays the Command Center 4.0 web application. The browser window title is "Command Center 4.0 - Windows Internet Explorer". The address bar shows the URL "https://victory.commandcentermsp.com/default.aspx". The page header includes "COMMAND CENTER" and "Victory Electric Co-op".

The main content area is divided into several sections:

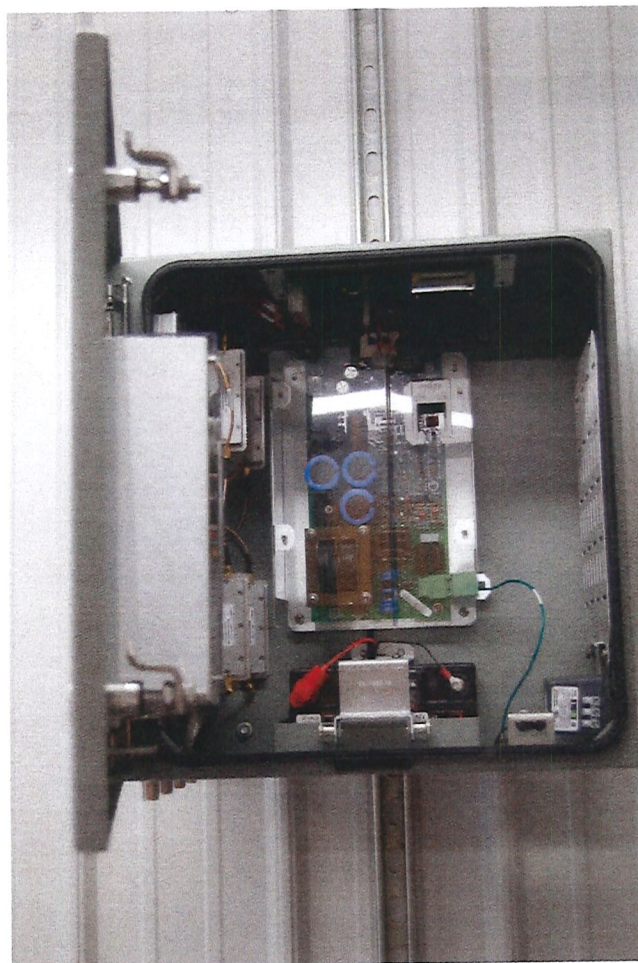
- Endpoint Status:** A table showing the status of endpoints. The "Total" column shows 6,638 endpoints. A sub-table shows "Days in Status" with values for 0-1, 2-3, 4-5, 6-10, 11+, and Total.
- Endpoint Alerts:** A list of alerts with counts. A red arrow points to the "Unassigned Billing Cycle" alert, which has a count of 30. A tooltip above it says "Endpoints with diagnostic errors reported today".

Endpoint type:	Total	Map
Find Pending	0	
Installed	15	
Discovered	31	
Find	0	
Normal	4,710	
Lost [Current Outages]	7	
Configure	19	
Health	0	
Failed	0	
Inventory	1,855	
Other		
Switched	0	
Planned Outage	1	
Maintenance	0	
Disconnected	0	
<b>Total Endpoints</b>	<b>6,638</b>	

Days in Status:	0-1	2-3	4-5	6-10	11+	Total
Not Logging	0	1	1	0	9	11

Alert	Count
Demand Reset Failures	0
RF Demand Reset Failures	0
AMR DCW Registration Error	0
Diagnostic Errors	0
Maximum Demand Error	0
Meter Display Alert	0
Multiple Endpoint Assignments	0
Scheduled Read Failures	0
Serial Number Mismatches	0
Unassigned Billing Cycle	30
Unexpected Usage	0
Tamper (Reverse Energy)	1
Temperature Alert	0
Meter Status Alert	0
Meter Health Alert	0
Outage Alert	0
Voltage Alert	0
Current Alert	0
Magnetic Alert	0
GPRS Low Signal Quality	0
Time Sync Alert	0
Validation Group Alerts	0
Momentary Interruptions Alert	0

# Gridstream RF Mesh Collector

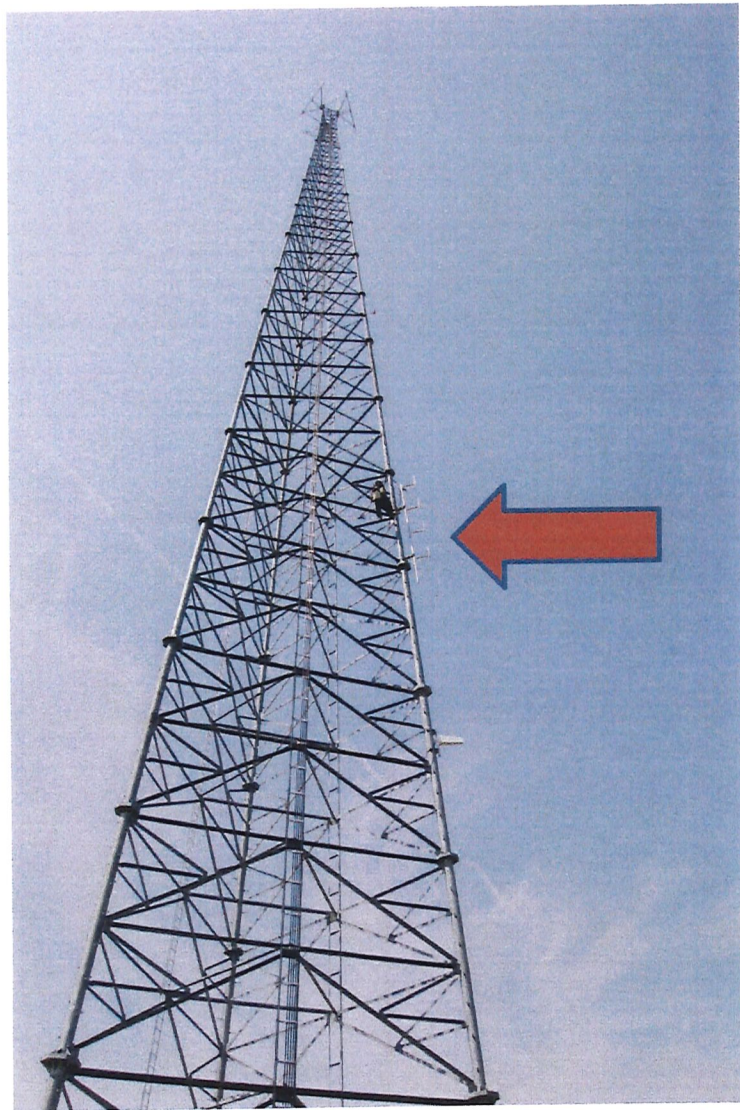




# Gridstream Collector Antenna's moving into position



# Collector Antenna's in position





# Gridstream Router





# Landis+Gyr Focus Gridstream AXR-SD meter

2-11



# Symbol handheld with GPS Receiver





## ecoMeter Features

- Consumption Awareness:
  - CO2
  - \$ Cost/Watts
  - kWh
- Trending Consumption:
  - Today
  - Yesterday
  - last 7 days
  - last 28 days
- Instant Demand Indication thru the LCD backlight: **RED, YELLOW, GREEN**
  - Easily read histogram side bar shows current demand
  - Customizable 'Home Energy Audit' feature allows user to set their own reference usage for future comparison

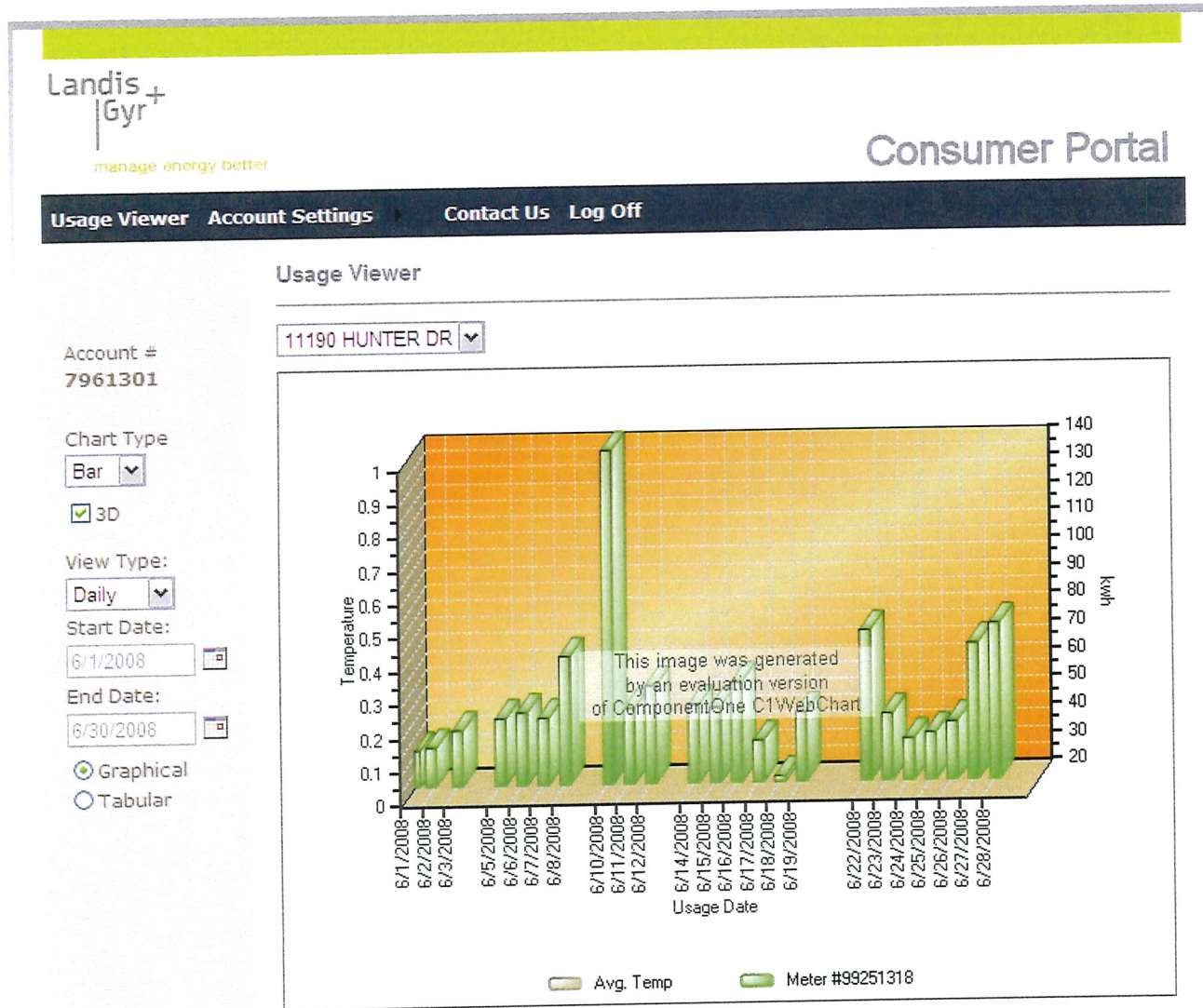


# ecoMeter Functionality





# Consumer Portal Usage Viewer



# Technology Terminology

- **AMI** Advanced Metering Infrastructure (Two-Way Smart Metering)
- **AMR** Automatic Meter Reading
- **LAN** Local Area Network (link from meter to collector/concentrator)
- **WAN** Wide Area Network (link from LAN to host)
- **HAN** Home Area Network (link from in-home-display or appliance to AMI)
- **MDM** Meter Data Management
- **PEM** Personal Energy Management
- **PLC** Power Line Carrier
- **BPL** Broadband over power line
- **DRI** Demand Response Infrastructure – customer response to time varying rates
- **SGI** Smart Grid Infrastructure





## The logo for Westar Energy SmartStar. It features a blue star with a white outline above the text "Westar Energy" in a black serif font. Below this, the word "SmartStar" is written in a large, bold, sans-serif font. The "Smart" part is in black, and the "Star" part is in a light gray color. A small green dot is positioned above the letter "a" in "Smart".

HOUSE ENERGY AND UTILITIES

DATE: 1/20/2010

ATTACHMENT 3-1

## What is SmartStar?



- Westar's Smart Grid pilot program
- 48,000 "smart" meters installed in Lawrence area, associated infrastructure
- Includes Distribution Automation, OMS & IT infrastructure
- \$40 million project
  - Selected for DOE SGIG funding



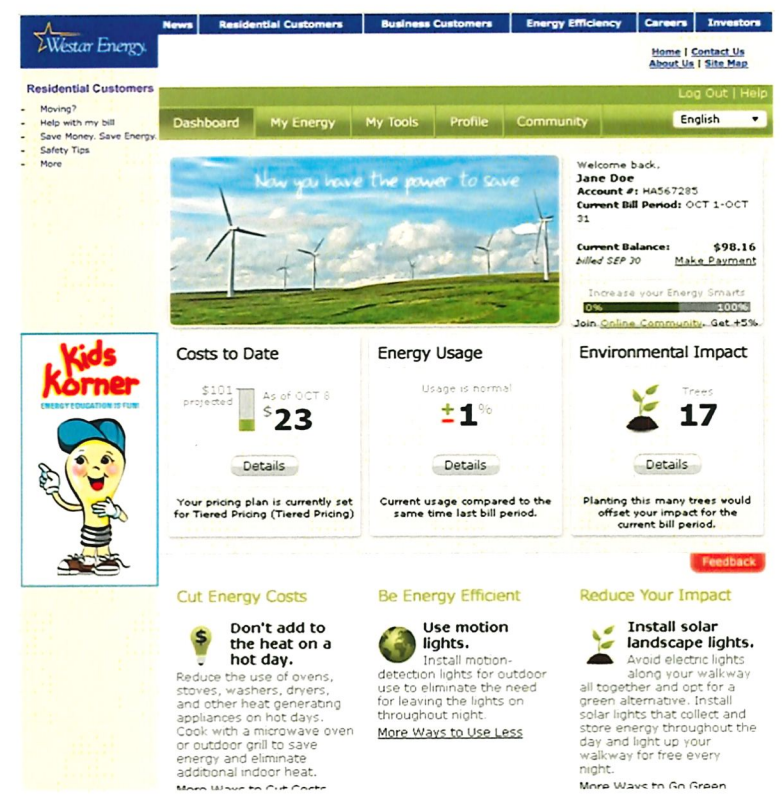
- **It's All About the Customer!**
- Robust web portal will be launched
- Multiple pilots for rates and hardware
- Multi-faceted communication approaches
- We will find out what works and – what doesn't



# Answering the Question What's in it for me?

3-4

- New website powered by the Smart Grid
- Customer's personal energy information online:
  - Daily energy usage/cost
  - Tips to reduce peak usage
  - Suggestions to save money
  - Reduce your impact on the environment
  - Alerts and notifications (email, text)
  - Community programs
- Better reliability, response to outages
- Sets the table to offer multiple new programs and services
- Supports emerging green technology



The screenshot shows the Westar Energy SmartStar website dashboard for a residential customer. The page features a navigation bar with links for News, Residential Customers, Business Customers, Energy Efficiency, Careers, and Investors. A user menu on the right includes Home, Contact Us, About Us, and Site Map. The main content area is divided into several sections:

- Residential Customers:** A sidebar menu with options like Moving?, Help with my bill, Save Money, Save Energy, Safety Tips, and More.
- Dashboard:** A central area with a banner for wind energy and a welcome message for Jane Doe. It displays account information (Account #: HA567285, Current Bill Period: OCT 1-OCT 31), a current balance of \$98.16, and a progress bar for energy savings (0% to 100%).
- Costs to Date:** A section showing a projected cost of \$23 as of OCT 8, with a 'Details' button.
- Energy Usage:** A section indicating 'Usage is normal' with a '+1' change and a 'Details' button.
- Environmental Impact:** A section showing '17 Trees' planted to offset the current bill period's impact, with a 'Details' button.
- Kids Korner:** A sidebar section featuring a cartoon character and the text 'ENERGY EDUCATION IS FUN!'.
- Energy Tips:** Three columns of advice: 'Cut Energy Costs' (Don't add to the heat on a hot day), 'Be Energy Efficient' (Use motion lights), and 'Reduce Your Impact' (Install solar landscape lights).



Westar Energy

[News](#) | [Residential Customers](#) | [Business Customers](#) | [Energy Efficiency](#) | [Careers](#) | [Investors](#)

[Home](#) | [Contact Us](#)  
[About Us](#) | [Site Map](#)

[Log Out](#) | [Help](#)

Dashboard
My Energy
My Tools
Profile
Community
English ▾

Cost
Usage
Impact

### Costs to Date

Total **\$23.46**

Details

### My Rates In Action

0-200 kWh	85% = \$20.02
200-400 kWh	15% = \$3.43
400+ kWh	0% = \$0.00

\*Rates are per kWh

Analyze My Rate

### Compare Cost

Average Your Neighbor Costs

Efficient Neighbor

Details

### My Cost Details

Zoom: 1 d 1 bp 12 bp Max

**Tiered New:** ■ \$0.10 (Tier 1) ■ \$0.11 (Tier 2) ■ \$0.12 (Tier 3)

Dollars (\$) 0.30 0.20 0.10

12am 2 4 6 8 10 12pm 2 4 6 8 10

OCT 7, 2009

## Kids Korner

ENERGY EDUCATION IS FUN!

5

[News](#)
[Residential Customers](#)
[Business Customers](#)
[Energy Efficiency](#)
[Careers](#)
[Investors](#)

[Home](#) | [Contact Us](#)  
[About Us](#) | [Site Map](#)

**Residential Customers**

- Moving?
- Help with my bill
- Save Money. Save Energy.
- Safety Tips
- More

Dashboard
My Energy
My Tools
Profile
Community

[Log Out](#) | [Help](#)  
English ▼

Alert Settings
Alert History
Remote Home

Savings Alerts
Summary Reports
Delivery Settings

### Alert Me When...

**My bill reaches my budgeted amount**  
 Enter a budget for your electrical bill and sign up to receive an alert when your bill reaches that amount

100

No dollar sign needed. Ex. 121.64

Email  
 Text Message

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**My energy usage hits a new high**  
 Sign up to receive alerts when your daily electrical use hits a recent new high

Email  
 Text Message

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**A Service Outage is scheduled**  
 Sign up to receive alerts when you will lose service due to a planned outage

Email  
 Text Message

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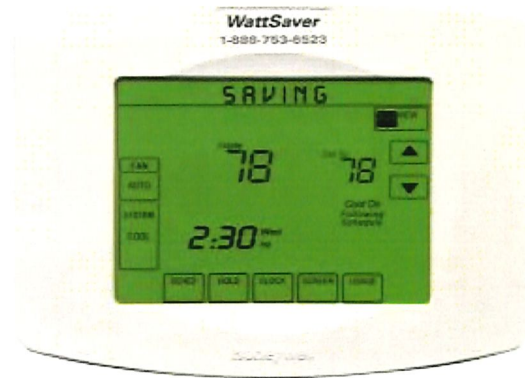
**A Critical Peak is scheduled**  
 Electricity costs much more on special days when we project high demand due to extreme weather. Sign up to receive alerts to save money.

Email  
 Text Message



# More energy options<sup>3-7</sup> with SmartStar

- Two-way, programmable thermostats
- New pricing programs:
  - Dynamic/time-of-use, prepay
- Emerging consumer products such as “smart” appliances, in-home energy management; “enabling technology”
- Pilot options for emerging products
  - Identify what works/what doesn't
- Feedback to refine future and services
- Ultimately, customers must buy in and shift load for the smart grid to reach its potential



- Comprehensive Communication Effort
- Grassroots campaign in Lawrence
- Multi-media approach will be utilized
- Key support efforts began Summer 2009
- Collaboration with KCC, KU Energy Council, KSU, WSU & Community Colleges
- Provide clear and easy process for customers to ask questions or place concerns



- Gauge customer participation, results and validate potential benefit from a system wide smart grid deployment
- Identify most effective customer products and services
- Confirm business requirements and processes necessary for smart grid operation
- Identify and/or confirm business partners for future deployment
- Confirm smart grid benefit assumptions prior to larger deployment
- Enable fact based decision making by 2012

- August, 2009 - DOE funding application
- October 27 – Westar Receives Notice of Selection
- November 19 - DOE Kick Off Meeting in Washington D.C.
- Jan – Mar, 2010 – Negotiations with DOE
- March – IT infrastructure work commences
- Fall/Winter – Meter installation begins, Web Portal Available
- All of 2010 - IT infrastructure installed
- May, 2011 - Finish installing meters





Thank you!



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The logo features a blue star with a white outline above the text "Westar Energy" in a blue serif font. Below this, the word "SmartStar" is written in a large, bold, black sans-serif font, with a small green dot above the letter 'a'.

## SMART GRID FUNDING APPLICATION AND PROJECT FACT SHEET



### Project Description

Westar Energy has been selected by the U.S. Department of Energy (DOE) for up to \$19.3 million in funding under the Smart Grid Investment Grant program.

The company's application calls for development of a smart grid concept town in Lawrence, Kansas. Called "SmartStar Lawrence," the project will include installation of "smart" meters, interactive Web access, technology enhancements and improved service in Lawrence. The project is estimated to cost a total of \$40 million and is contingent on the successful completion of negotiations with the DOE for funding.

The company chose Lawrence as the concept town for this technology due to its size and its wide range of customers, including many student residents, commercial and industrial customers and educational institutions. While Lawrence customers will be the first to receive smart meters, the systems and equipment the company plans to install will enable the same technology throughout Westar's service territory.

Customers with smart meters and internet access will be able to daily monitor how much electricity they use and how much it costs. Customers will also be able set personal preferences that will help them manage energy usage, such as alerts when predetermined bill thresholds are likely to be exceeded and/or when outages occur.

Smart grid technology is a state-of-the-art approach to managing electricity systems. In the event of a power outage, for example, Westar will more easily determine the cause and restore power more quickly.



## PROJECT FACT SHEET

<p><b>Application Details</b></p>	<ul style="list-style-type: none"> <li>• American Recovery and Reinvestment Act – Smart Grid Investment Grant</li> <li>• Up to 50% match for selected projects</li> <li>• Filing made with DOE on August 5, 2009</li> <li>• Selection for negotiation received on October 27, 2009</li> <li>• Final determination expected by March 1, 2010</li> <li>• Once underway, project reporting will be available at <a href="http://www.recovery.gov">www.recovery.gov</a></li> </ul>
<p><b>SmartStar Lawrence Project Details</b></p>	<ul style="list-style-type: none"> <li>• \$40 million project in greater Lawrence area</li> <li>• Base smart grid deployment for Westar Energy</li> <li>• Equipment - 48,000 meters, automated distribution equipment, smart grid-enabled outage management system, significant internal information technology infrastructure work</li> <li>• 27-month installation, beginning 2010</li> </ul>
<p><b>Customer Benefits</b></p>	<ul style="list-style-type: none"> <li>• Enhanced service reliability and response to outages</li> <li>• Daily energy use and cost information available to the customer</li> <li>• Optional services such as text and email alerts for bill trends and outages</li> <li>• Robust web portal with energy savings tips, carbon footprint calculator, neighborhood comparative analysis information</li> <li>• Enables offering demand side programs such as two way thermostats and smart, time of using pricing option</li> <li>• Supportive of “behind the meter” emerging consumer products such as smart appliances, in home energy displays and personal home energy management applications.</li> </ul>
<p><b>Westar Benefits</b></p>	<ul style="list-style-type: none"> <li>• Improved ability to meet changing customer expectation</li> <li>• Increased reliability of the electric system</li> <li>• Advanced outage management tools</li> <li>• Better utilization of electric system</li> <li>• Operational efficiencies from automated meter reading, remote service switches, automated knowledge of outages and location</li> <li>• More detailed energy use information for customer service delivery</li> <li>• Confirms smart grid benefit assumptions prior to larger deployment</li> <li>• Identifies most effective customer products and services</li> <li>• Identifies required business process changes to support smart grid</li> </ul>
<p><b>Timeline</b></p>	<ul style="list-style-type: none"> <li>• August, 2009 - Westar Energy files DOE funding application</li> <li>• October, 2009 – DOE issues Notice of Selection to applicants</li> <li>• February, 2010 – DOE issues Notice of Funding to applicants</li> <li>• Winter, 2010/2011 – SmartStar Lawrence meter installation begins</li> </ul>
<p><b>Contact</b></p>	<p>Karla Olsen          Director, Corporate Communications          316-299-7463  <a href="mailto:karla.s.olsen@westarenergy.com">karla.s.olsen@westarenergy.com</a></p>

Updated 1/11/2010



# The Kansas City Power & Light Smart Grid Demonstration Project

Presentation to the Kansas House Energy & Utilities Committee

Steven Gilkey  
Senior Director – T&D Engineering & Planning  
Kansas City Power & Light

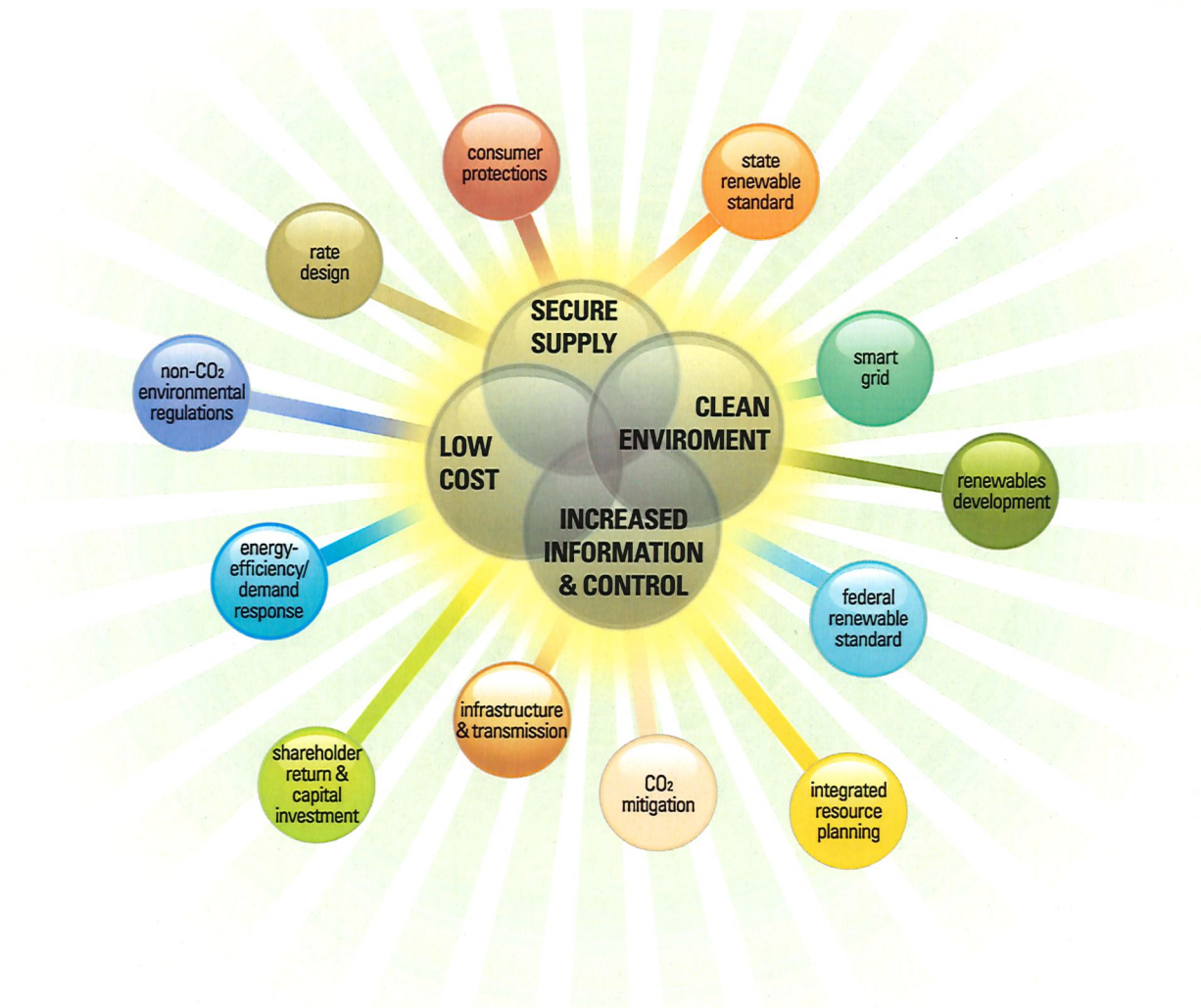
January 20, 2010



1/20/10



# Many Forces Are Influencing Electric Utility Planning

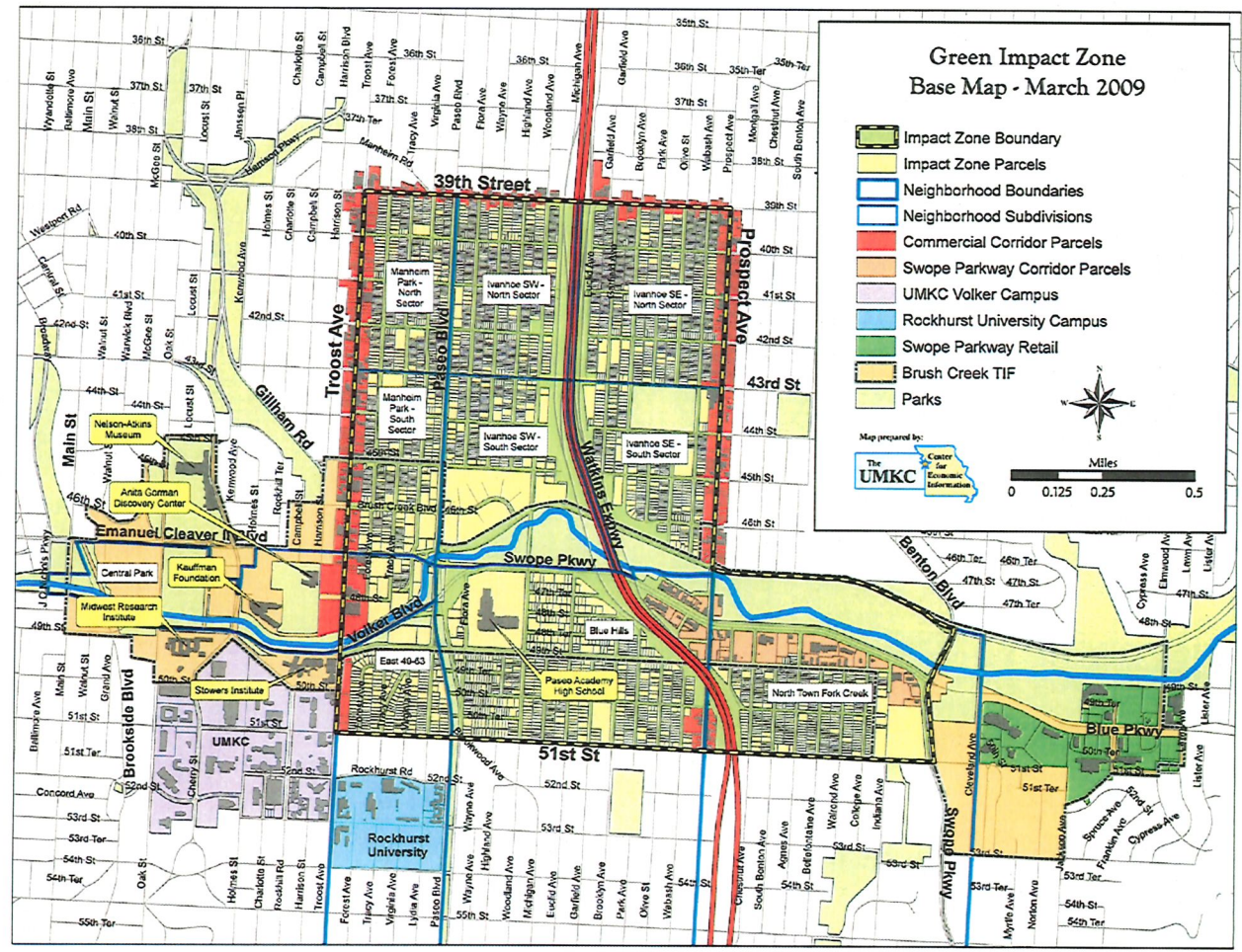




# The Green Impact Zone is joint public-private urban renewable collaboration

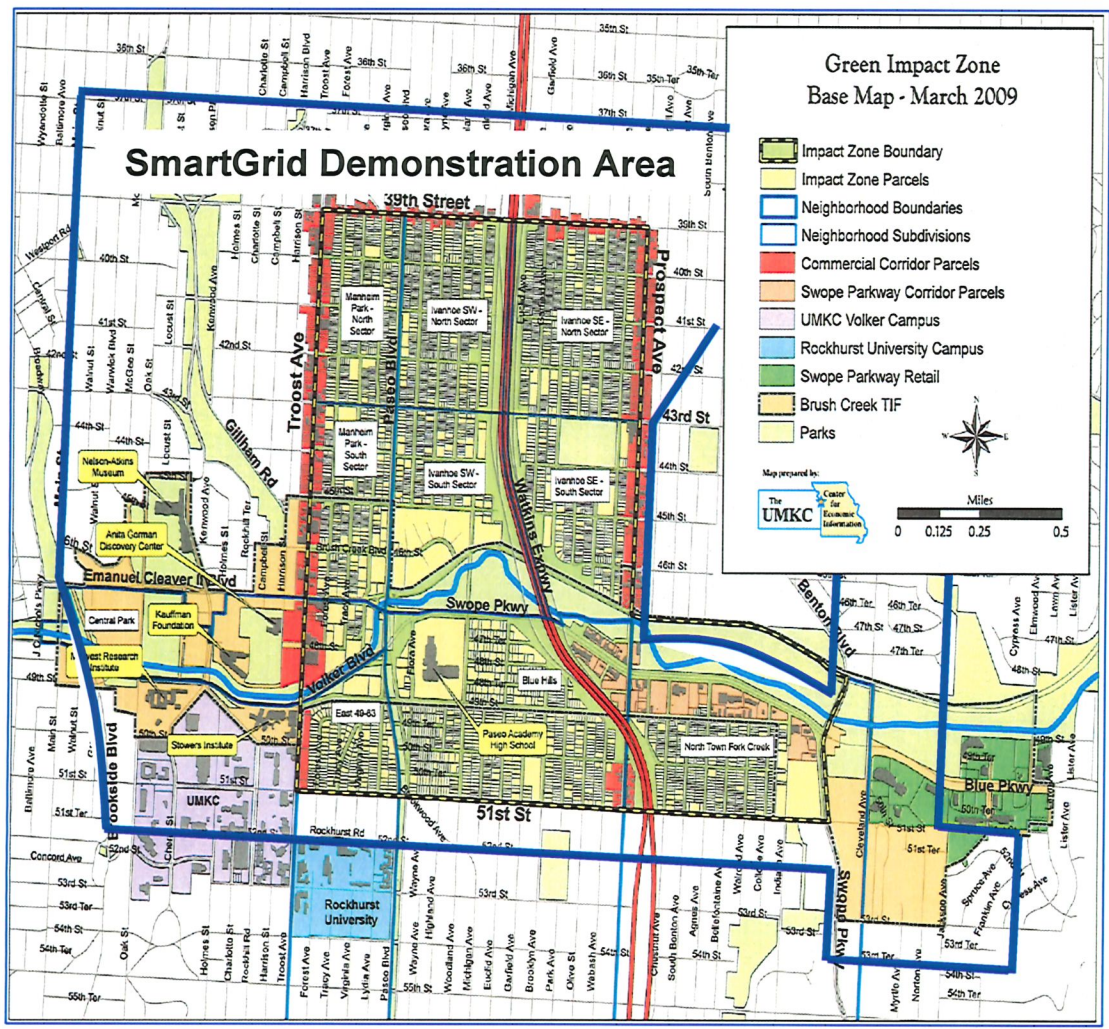
## Goals for the project:

- Reduction of energy use
- Increased employment
- Improved housing conditions
- Advancement of environmental initiatives
- Improvement of vacant lots





# The KCP&L Smart Grid demonstration area is focused on the Midtown Substation and will include the Green Impact Zone as well other local circuits



- ### Demonstration Area
- Expands footprint beyond the Green Impact Zone to optimize solution benefits while providing intended Green Zone project impact
  - Large commercial customers (e.g. UMKC, MRI) provide unique testing sites for distributed generation and demand response options
  - Larger service area provides additional opportunities for all efficiency programs
  - More circuit variety provides differentiated loads for customer analysis and other testing opportunities



# KCP&L's role will focus on demonstrating an end-to-end Smart Grid project that will serve as a model for the Utility of the Future

**Smart Generation:** Develop and advance sustainable business models where utility-owned distributed generation and storage resources are integrated with Smart Grid infrastructure

- Understand and document the performance of new distributed generation technologies (solar, wind, battery storage, etc.)
- Evaluate impact on consumer energy usage behavior

**Smart Distribution:** Upgrade the local distribution system to improve reliability and productivity

- Install distributed automation technologies to optimize energy use and improve reliability
  - Smart Substation
  - IP/RF 2-way Field Area Network (FAN)
  - Distribution Management System (DMS)
- Build the foundation to support next generation customer side renewable and energy efficient end-use solutions

**Smart End Use:** Provide advanced tools and programs to enable innovative programs and empower customers to better understand, manage, and optimize their energy usage



- Customer/Community Benefits:**
- Lower utility bills
  - Increased environmental stewardship
  - Improved energy information
  - Increased local energy sector jobs
  - Increased reliability
  - Regional economic development



- KCP&L Benefits:**
- New business model development
  - Reduced costs
  - Greater asset utilization
  - Environmental
  - Customer satisfaction



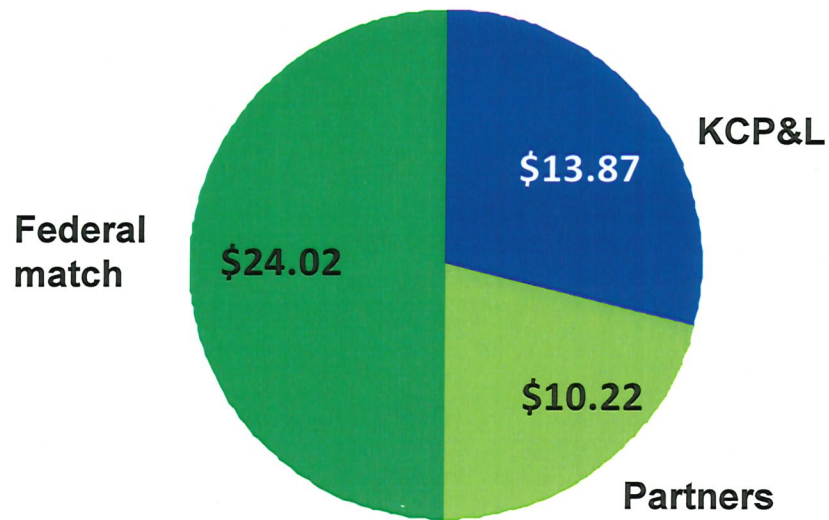
5-6

## KCP&L will partner with leading players in the Smart Grid space

Components	Partner
Automated Metering Infrastructure	<b>Landis+Gyr</b>
AMI Field Area Network (FAN)	
AMI Meters	
Distribution Automation FAN	
Distributed Energy Resource Mgt.	<b>OATI</b>
Distribution Management System	<b>Siemens</b>
DCADA Smart Sub-Station	
Residential Energy Management Sys.	<b>GridPoint</b>
Home Area Network	
Automated Residential Thermostat	<b>Honeywell</b>
Commercial Energy Management Sys.	
Grid-Scale Battery	<b>Kokam America (Dow Kokam)</b>
Solar	tbd

# The demonstration is estimated at \$48.1 million with a mix of contributions from KCP&L, SmartGrid partners and ARRA funds

Total project value (\$mm) = \$48.1mm



## Methodology to calculate funding breakdown (\$mm)

1. Estimate total project cost \$48.1mm
2. Apply Federal Match at 50% of total project cost \$24.02mm
3. Apply partner contribution per negotiations \$10.22mm

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4. Remainder = KCP&L required contribution \$13.87mm

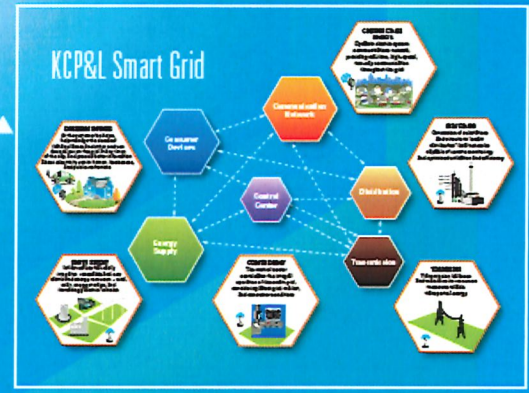


# SmartGrid Demonstration Project Phases

<p><b>Phase 1</b></p>	<p><b>Project Definition and Compliance</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Ensure project definition, scope and objectives, and implementation methodology are aligned with the Department of Energy objectives</li> <li><input type="checkbox"/> Install advanced communication infrastructure, smart metering and measurement devices in the demonstration area</li> <li><input type="checkbox"/> Begin public outreach and education plan</li> <li><input type="checkbox"/> Increase awareness and adoption of KCP&amp;L's portfolio of energy-efficiency programs</li> </ul>	<p><b>(2010)</b></p>
<p><b>Phase 2</b></p>	<p><b>Project Performance Baseline</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Detail technology requirements and system design</li> <li><input type="checkbox"/> Compile historical consumer usage data to create baseline</li> <li><input type="checkbox"/> Develop Smart End-Use program models that allow customers access to data</li> </ul>	<p><b>(2010-2011)</b></p>
<p><b>Phase 3</b></p>	<p><b>SmartGrid Infrastructure Deployment</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Upgrade Smart Substation technology (substation network, control and distribution system and electronic relays)</li> <li><input type="checkbox"/> Upgrade Smart Distribution grid automation to proactively manage energy flow and communications with substation</li> <li><input type="checkbox"/> Implement Distribution Management System to allow grid managers to monitor system and make decisions</li> </ul>	<p><b>(2011-2012)</b></p>
<p><b>Phase 4</b></p>	<p><b>Distributed Energy Resource Deployment</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Implement Smart End-Use technology (in-home displays, demand-response thermostats, home energy portal)</li> <li><input type="checkbox"/> Implement Smart Generation technologies (roof-top solar, grid-connected battery and plug-in electric vehicle charging)</li> <li><input type="checkbox"/> Implement Distributed Resource Management System to optimize and manage power system</li> <li><input type="checkbox"/> Implement pilot pricing structures to allow customers to better manage usage</li> </ul>	<p><b>(2011-2012)</b></p>
<p><b>Phase 5</b></p>	<p><b>Data Collection, Reporting &amp; Project Conclusion</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Evaluate operation of integrated demonstration systems</li> <li><input type="checkbox"/> Collect performance and end-use consumption data</li> <li><input type="checkbox"/> Analyze grid efficiency and performance improvements</li> <li><input type="checkbox"/> Evaluate new enterprise business models</li> </ul>	<p><b>(2012-2014)</b></p>

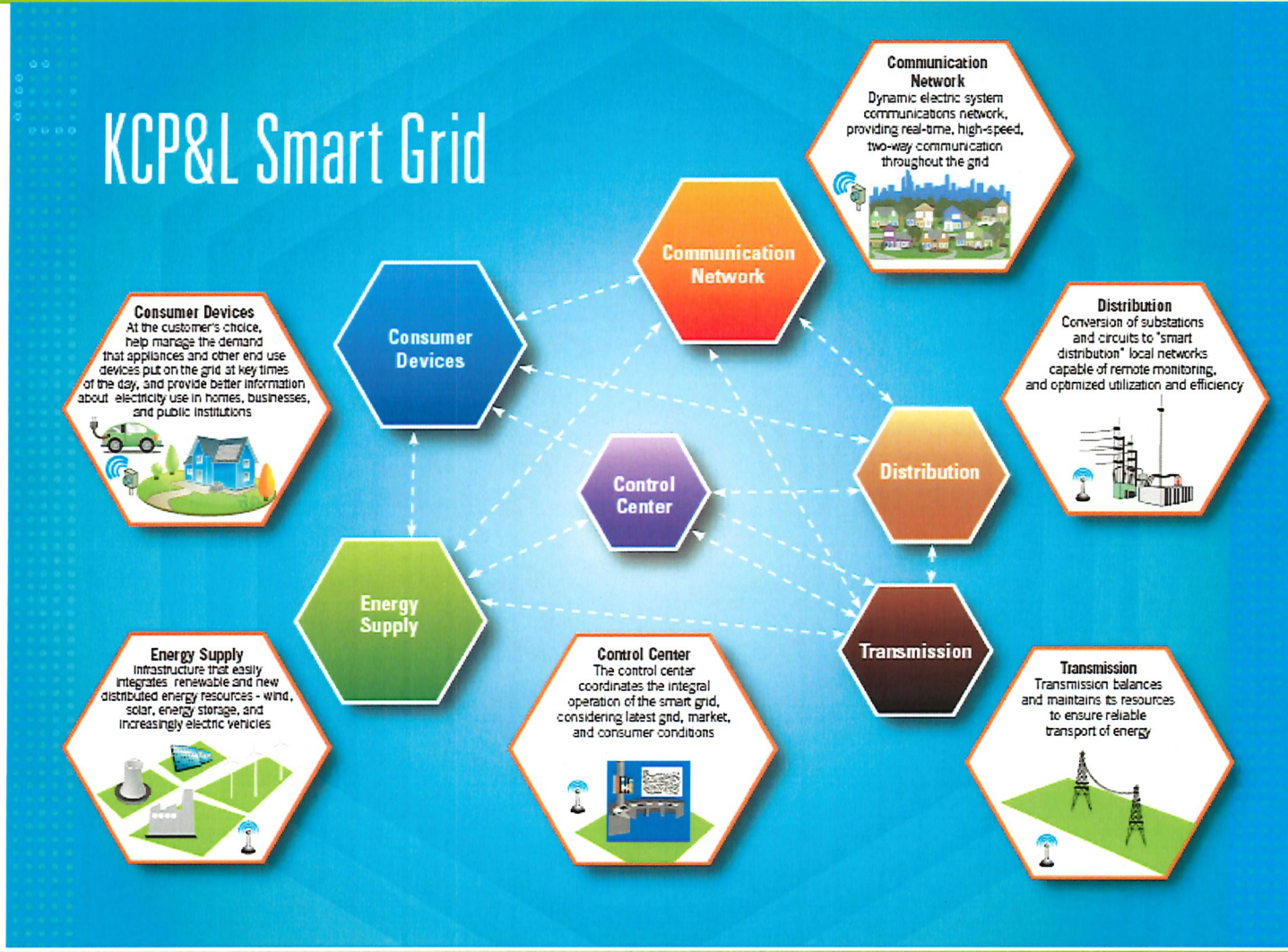
# A Comprehensive Energy Policy Can Transform The Industry

Today





# KCP&L Smart Grid Vision





## My Bill

[Change Widget](#)

My Bill
My Usage
My Report Card
My kW and Me
Device Usage

Year: 2009

Billing Cycle: Sep 1 - Sep 30

C
**Your Conservation Grade**  
Click here to find out more

### Your Bill:

From Last Month:	Due Date:	Amount Due:
\$19.31	10/31/2009	\$89.32

Summary	Usage	Charges
Amount of your last bill:		\$108.63
Amount we received:		\$108.63 CR
Balance Forward:		\$0.00
Usage Total:		\$79.05
Amount Due:		\$89.32

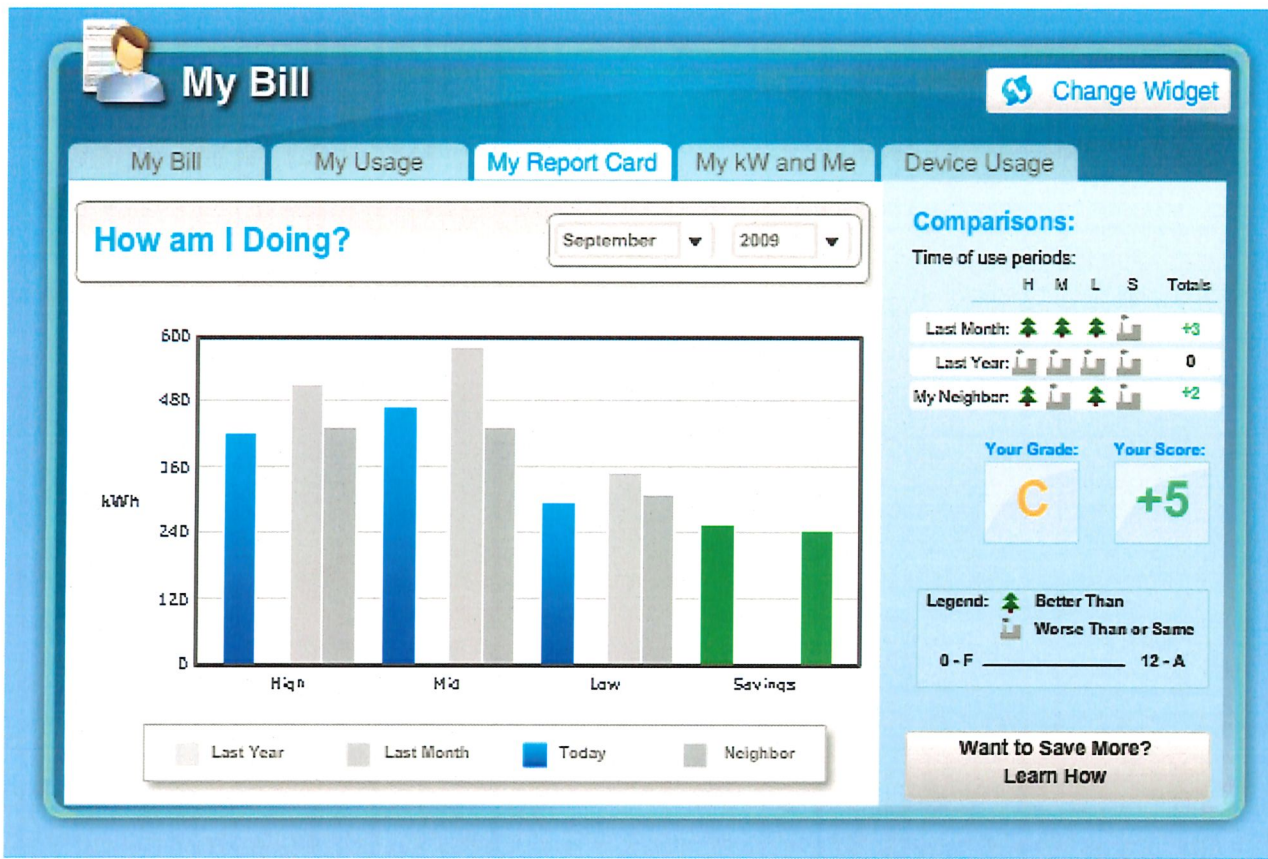
Pay My Bill

Reconnect Service

### Your Consumption:

Off Peak	\$8.89
296 kWh @ 0.0300 c	
Mid	\$33.12
473 kWh @ 0.0700 c	
Peak	\$37.03
426 kWh @ 0.0870 c	







# Black Hills Corporation Smart Grid and Stimulus Funding

Wes Ashton, Manager  
Governmental Affairs

1/15/10

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## Backbone of Smart Grid

### Hardware

Meters (digital) at customer premises

AMI: Advanced Metering Infrastructure

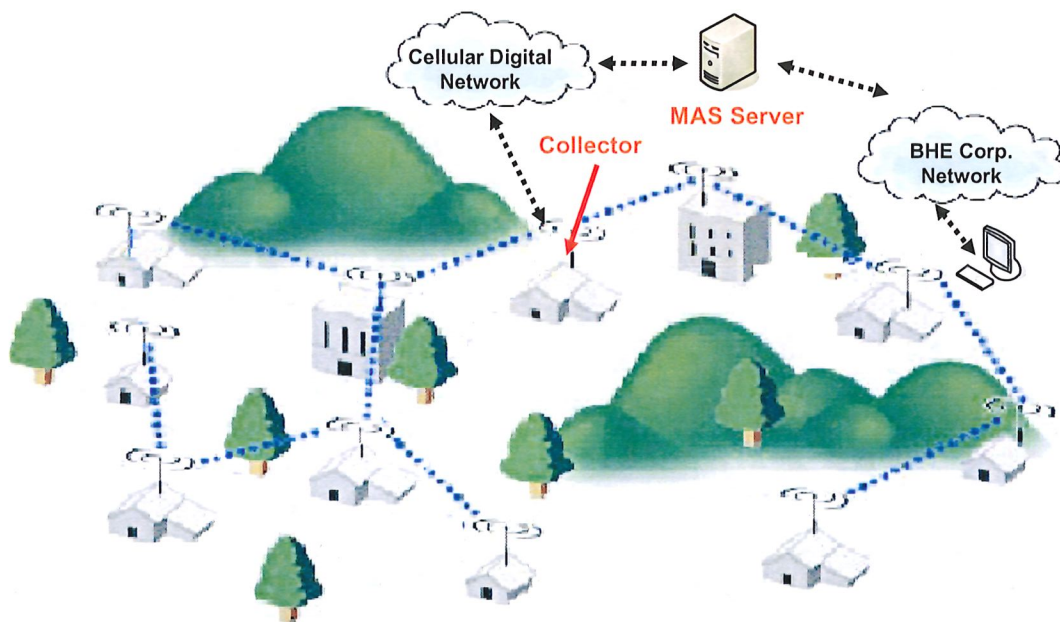
### Software

System (IT) to store, retrieve, protect data

MDMS: Meter Data Management System



# Technology Overview



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## Black Hills and ARRA (Stimulus) Funding

Colo.	<ul style="list-style-type: none"> <li>• Add 42,000 AMI meters and MDMS</li> <li>• Stimulus matching grant is \$6 MM (DOE)</li> <li>• 100% territory coverage by mid-2011</li> </ul>
Wyo.	<ul style="list-style-type: none"> <li>• Install 38,000 AMI meters and MDMS</li> <li>• Stimulus matching grant is \$5 MM (DOE)</li> <li>• 100% territory coverage by late 2010</li> </ul>
SD & Wyo.	<ul style="list-style-type: none"> <li>• Install 69,000 AMI meters and MDMS</li> <li>• Stimulus matching grant is \$6 MM (DOE)</li> <li>• 100% territory coverage by late 2011</li> </ul>

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# Black Hills: AMI, Installations Planned

## High Density, Urban

Pueblo, Colorado (pilot installed 2009)

Cheyenne, Wyoming

Rapid City, South Dakota

## Rural Areas

Colorado

Wyoming

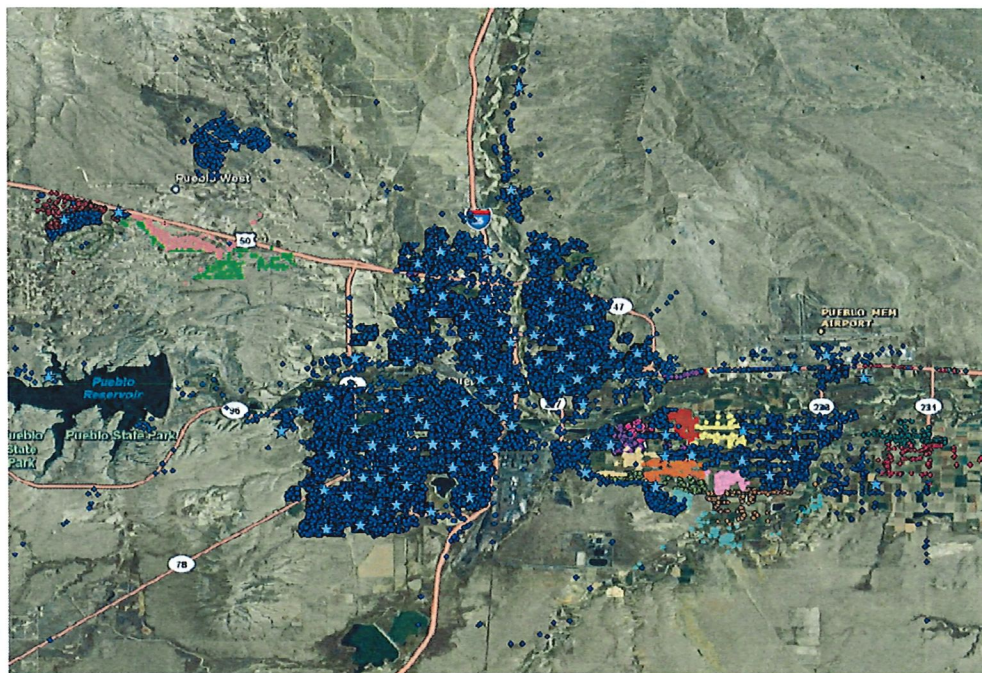
South Dakota

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## CO: AMI Installed (56,000 meters)



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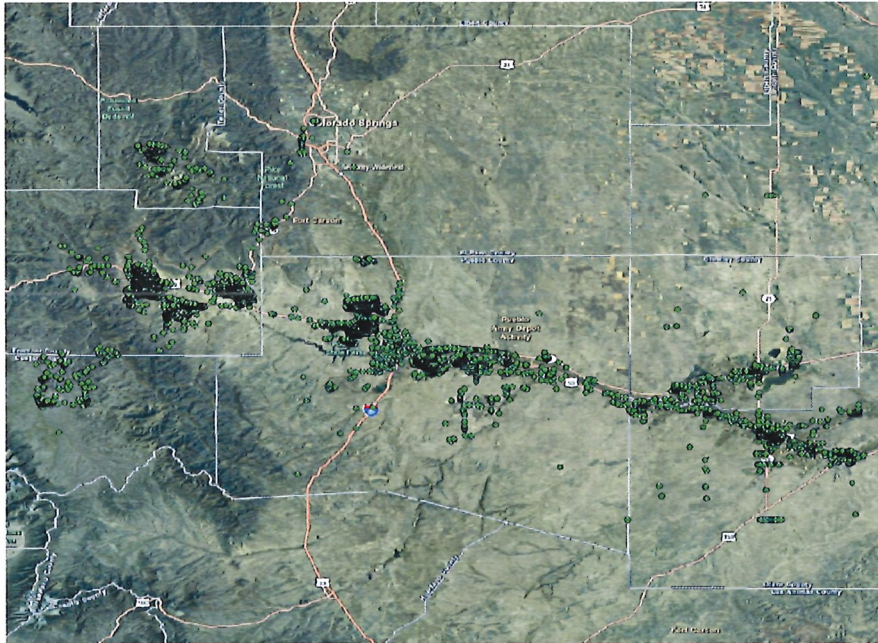


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6-3



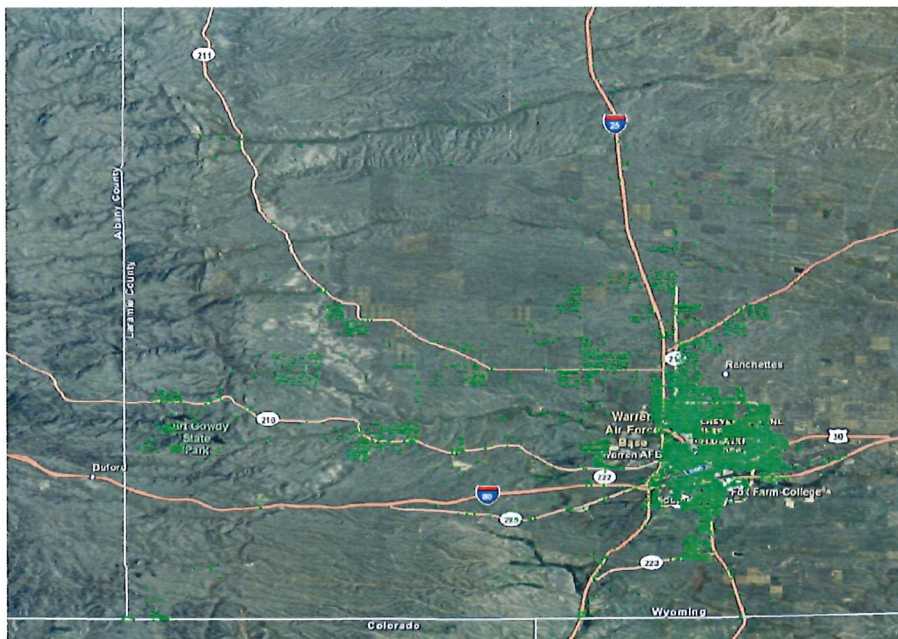
# CO: AMI Additions (42,000 meters)



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# WY (CLF&P): AMI Planned

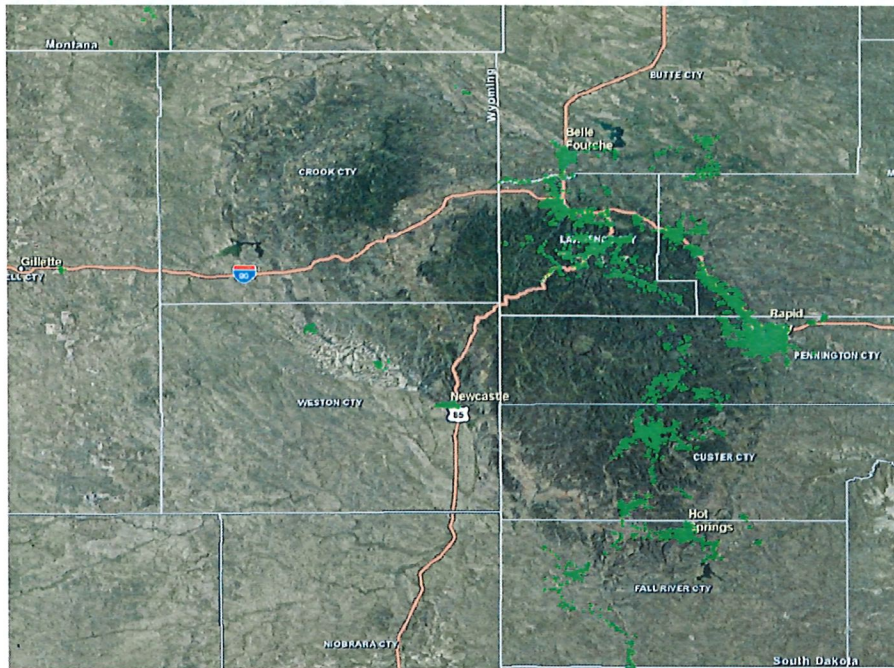


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# SD & WY (BHP): AMI Planned



## Black Hills: AMI, Learned So Far

- **Colorado pilot completed in 2009**
- **56,000 AMI meters installed in Pueblo area**
- **AMI meters polled (“read”) for customer billings**
- **99.7% AMI meters read daily on average**
- **1,600 off-cycle meter reads per month**
- **135 remote Connect/Disconnects per month**

6-5



# Black Hills: AMI, Expected Benefits

- **O&M expense savings.**
- **Customer interface for DSM programs.**
- **Outage detection, mapping, restoration.**
- **Service theft reduction.**
- **Power quality monitoring (surge, sags).**
- **Residential data for load forecasting.**

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