

Utilities receive 'smart meter' stimulus funds

By JEREMY PELZER - Star-Tribune capital bureau | Posted: Wednesday, October 28, 2009 1:00 am |

CHEYENNE -- Two Wyoming electric utilities won multimillion-dollar federal grants on Tuesday to help modernize their infrastructures and set up automatic electric meters at customers' homes.

Cheyenne Light, Fuel and Power and Sundance-based Powder River Energy Corp. were awarded \$5 million and \$2.5 million, respectively, as part of a \$3.4 billion grant package announced Tuesday by President Barack Obama to update the nation's power grid.

The two Wyoming utilities were among 100 recipients of "smart grid investment" awards from the U.S. Department of Energy. The grants, which the White House called the largest single energy grid modernization investment in U.S. history, will be paid for under the government's economic stimulus package passed in January.

Under the terms of the grants, both Wyoming utilities would kick in matching funds toward the initiatives.

Cheyenne Light, Fuel and Power received the grant in order to install 38,000 "smart meters" within its southeast Wyoming coverage area. Smart meters would automatically send in power usage data wirelessly without needing a customer or company worker to read them.

Smart meters may also help utilities and customers save money by using energy more efficiently. According to the White House, the new technologies could reduce nationwide electricity use by more than 4 percent by 2030.

It's too early to say which Cheyenne Light, Fuel and Power customers -- if any -- would receive smart meters, because the utility is still evaluating whether to accept the grant money, said Jason Ketchum, a spokesman for parent company Black Hills Power.

If it accepts the money, the company would likely run a pilot program to test "smart meters" with local residential, commercial, and industrial power customers before moving ahead on the full program, Ketchum said.

That would take time, he said, as the utility would have to install communications towers and other infrastructure to collect and process the data sent by the meters.

"Just putting a meter in doesn't help if you don't have the whole system in place," Ketchum said.

Powder River Energy, a co-op that serves 25,000 customers in northeast Wyoming, will use its grant money primarily to construct a remote monitoring system for its power substations.

Because many of the co-op's customers are scattered across rural areas of northeast Wyoming, it can be difficult, costly and time-consuming to manually check on rural substations and miles of power lines or to pinpoint the cause of a power outage, spokeswoman Kristin Kelly said.

"What this technology does is it just makes everything so much faster," Kelly said. "It's like having another pair of eyes there all the time."

Powder River Energy hasn't yet decided on a plan to install smart meters for individual customers, she said.

Kelly said although the co-op has already been discussing automatic monitors, the grant will be "a really big step towards modernizing" its power system.

"We're really loading up on electricity with all these TVs and computers and technology. And our system just really wasn't made to handle it -- it's been an aging system," Kelly said. "These grants are really helping all the utilities and the co-ops improve that system."

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