

eMeter offers strategy for winning public approval of AMI



Software maker eMeter, of San Mateo, Calif, believes it has a good way to win consumers' hearts and minds over to acceptance of the smart grid: get them involved early. To avoid PR debacles over AMI such as those unfolding in California (SGT, [Mar-17](#)) and Texas (SGT, [Mar-31](#)), eMeter and its utility customers make a point of showing consumers the benefits of the smart grid even before smart meters are installed, chief marketing officer Sam Klepper told us last week. A deal with Kansas IOU Westar Energy, set for announcement this week, is a good example, Klepper said.

"Westar is using a blueprint for success to avoid some of the problems we've seen in the marketplace with customer interaction and getting to scale," he said. "They have a lot of foresight. Their philosophy is around involving the customer, notifying the customer of what's happening, explaining and showing the benefits early on in the deployment."

In a deal of undisclosed value, privately held eMeter is selling three pieces of software to Westar that the utility plans to use in a 700,000-meter installation covering its entire service area. One is the EnergyIP, a "platform" that supports programs, and the others are the Energy Engage web-presentation program and eMeter's Smart Meter-to-Cash program. All three run in a utility's data center, using data gathered by any method from many vendors' meters -- even electro-mechanical ones.

EnergyIP runs on IBM's Power7 servers and under Red Hat's Linux (SGT, [Feb-10](#)). It lets utilities add various vendors' smart meters with varying data formats, adapts to new regulatory schemes and can accommodate the later addition of [PEVs](#), Klepper said. It integrates with systems automating the management of the workforce and outages. And it scales well, now accommodating 680,000 consumers for Canada's Toronto Hydro and 725,000 consumers for the Jacksonville (Fla) Electric Authority, he added.

Energy Engage feeds consumers' use and pricing data via a utility-run, consumer-accessible website showing the relationship between the data and carbon output. It can send consumers text messages and emails at any point in the billing cycle so they can adjust power use to cut their bills. Smart Meter-to-Cash is a meter data-management program that stores meter data, then merges it with billing data contained in the utility's customer-information system. The result is accurate bills, said eMeter.

"There's a lot of sophisticated work behind producing reliable bills," Klepper said.

The deal with Westar is not eMeter's largest, nor is this the first time a utility has bought all three software offerings together but "it's a very significant deal financially -- certainly the biggest of the year so far," Klepper said.

Buy this before the meters?

Westar began planning its smart meter deployment, dubbed SmartStar, last year. eMeter worked with the utility on a presentation, explaining to residential customers the benefits of smart meters. Now Westar plans to install EnergyIP before it installs smart meters, to test the meters for accuracy as they are rolled out across its service area, Klepper said.

Energy Engage will also go live before the smart meter deployment, displaying cost and use through data drawn from customers' old meters. That will start acquainting consumers with the benefit of visiting a website to understand and better control their use.

"Most utilities choose their AMI and their smart meters first, then start thinking about software to collect the data," Klepper said. "Our recommendation -- and what's been successful for our customers -- is just the opposite."

eMeter, with about 150 employees, was founded in 1999. It has raised \$57 million in three rounds of financing -- most recently, \$32 million in September from Foundation Capital (SGT, [Mar-18](#)) and

Sequoia Capital. The firm does not disclose financials but said its customer base has doubled in the past year in North America and Europe. It expects to match or exceed that growth this year.

eMeter competes mainly with Itron and database giant Oracle, Klepper said. Its software works with any meters, "unlike Itron's," he added, and its software scales better than Lodestar, which Oracle bought in 2007. Often installations greater than 100,000 meters become problematic, with many exceptions that have to be dealt with manually, he added.

On staff at eMeter are "a whole group of people experienced at marketing to consumers," Klepper said. They help address what he called the firm's biggest challenge: "getting the message out that if you involve the customer up front, using meter data-management and an integration platform, you'll end up with better results."

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- Sam Klepper