



Toronto Hydro-Electric System Limited Surpasses 345,000 EnergyAxis® System Smart Meter Milestone for Ontario Smart Meter Initiative

Raleigh, North Carolina – 1 October 2007. Elster, the world's leading manufacturer and supplier of highly accurate, high quality, integrated metering and utilization solutions, announces that Toronto Hydro-Electric System Limited (Toronto Hydro) has installed over 345,000 EnergyAxis System smart meters throughout its service area. Toronto Hydro selected the EnergyAxis System to meet the requirements of the Ontario Smart Metering Initiative.

Jack Robertson, vice president and general manager of Elster Metering in Canada said, "Toronto Hydro's ability to install an advanced metering infrastructure so quickly has been impressive. With the residential meters in place, collector meters can be easily added to the network to retrieve hourly interval data. We are pleased that the robustness and reach of the EnergyAxis mesh network has met Toronto's expectations."

Toronto Hydro is now extracting and collecting hourly interval residential data from the system daily. They are installing and reading interval data from thousands of additional Elster smart meters each week as part of their smart meter expansion plan.

With advanced metering infrastructure (AMI), reading hourly interval data from all residential customers is just one of the things the system provides. Another smart grid enabled feature is the ability to retrieve voltage data from all endpoints. Toronto Hydro's success in reading their present volume of interval meters daily makes this deployment in Ontario, Canada the largest true two-way AMI system in the world bringing back hourly interval data daily from all points.

Toronto Hydro is committed to meeting the goals set by the Government of Ontario's Smart Metering Initiative, which is designed to help meet electricity demand challenges in the province. The government has established targets for the installation of 800,000 smart electricity meters by December 31, 2007 and the installation of smart electricity meters for all of the over 4.5 million Ontario electricity consumers by December 31, 2010.

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About Toronto Hydro-Electric System Limited

A wholly owned subsidiary of Toronto Hydro Corporation, Toronto Hydro-Electric System Limited delivers electricity through a complex distribution infrastructure of poles, wires and underground network to approximately 678,000 customers and distributes approximately 18 percent of the electricity in the province of Ontario. It has a peak demand of approximately 5,000 megawatts and annual revenues of \$2.5 billion. Toronto Hydro Corporation is owned 100 percent by the City of Toronto. For more information, visit www.torontohydro.com.

About Elster Metering

Elster Metering is a leading supplier of electricity and water meters and related AMI and AMR equipment and systems in Canada. Elster Metering is a division of Canadian Meter Company, Canada's leading gas meter supplier, and part of the Elster Group. Elster Metering is located in Burlington, Ontario. For more information, visit www.elstermetering.com.

About Elster Electricity

Elster Electricity, part of Elster Group, is a leading provider of electricity metering products and services throughout the world. Located in Raleigh, North Carolina, Elster Electricity offers integrated, cost-effective solutions including smart meters, communication solutions, and metering automation systems for residential, commercial, and industrial applications. Elster Electricity serves customers through a global sales force. For additional information, visit www.elsterelectricity.com.

About Elster Group

Elster Group is the world's leading manufacturer and supplier of highly accurate, high quality, integrated metering and utilizations solutions to the gas, electricity, and water industries. In addition, through its subsidiary Ipsen International, it is the leading global manufacturer of high level thermo-chemical treatment equipment. The group has over 8,500 staff, operations in 38 countries and serves over 115 markets around the world. Elster's high quality products and systems reflect the wealth of knowledge and experience gained from over 170 years of dedication to measuring precious resources and energy. For additional information, visit www.elster.com.