

FOR BOARD ACTION

Agenda Item # 3

Meeting Date:

9/28/10

SUBJECT:

Smart Grid Business Case Analysis (Revision 1, August 2010)

PREPARED BY:

Mark Kotschevar, Director of Core Services
Susan Parker, Director of Corporate Services

ITEM DESCRIPTION:

During the informal planning session following the August 2010 Utility Board meeting, staff and Burns & McDonnell presented the results of the Smart Grid Business Case Analysis and distributed copies to the Board for their review and comments.

The objective of the Smart Grid Business Case Analysis is to document the current elements of the Smart Grid that are already in place by RPU, explore the opportunities to implement more elements and the associated cost/benefit analysis for each element. The study presents a review of the anticipated benefits that can be obtained from the use of increased digital data gathering and control systems at RPU. The benefits serve the RPU customers, the Rochester community, and the RPU organization directly. The associated cost of the implementation and pay-back period for each element is included in the study.

The Vision Statement developed during the study based on input from staff, Board and customers is:

"Prudently adopt Smart Grid technologies which provide customer value in reliability and service"

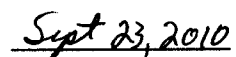
FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

Not Applicable

UTILITY BOARD ACTION REQUESTED:

Management recommends that the Board approve a motion to accept the "Smart Grid Business Case Analysis" (Revision 1, August 2010) report and place it on file. Management further requests that the Board accept the recommendations included in the Smart Grid Business Case Analysis to be used as a guideline for implementing the elements of Smart Grid.


General Manager


Date

ROCHESTER PUBLIC UTILITIES