

From: John Logan

To: John Kennedy
Date: May 22, 2008

Subject: FCC File # 0275-EX-ST-2008

Message:

Mr. Kennedy,

Please find the responses to your queries below.

How are the 1500 devices distributed amongst the requested ten locations?

The total of 1500 devices will be parceled out among residences in the ten requested locations by Dominion Power. Dominion Power has sent out letters to customers to ask for voluntary participants in this pilot program. The utility company will screen positive responses for acceptability, based on the utility company's preference for the types of residences, electric meters, and other variables. The experimental devices will then be installed by the utility company at the participants' residences. Each participating residence will receive an electric meter with an embedded transceiver and one or two thermostats with embedded transceivers.

Will a market study be performed?

Dominion Power, with the approval of the Public Utility Commission of Virginia, will gather information from consumer participants to gauge customer satisfaction, consumer participation, and benefits to the consumer.

If so, are there any contractual or monetary agreements between Elster Integrated Solutions and the participants in the experiment?

Elster Integrated Solutions will not have any contractual or monetary agreements with the residential consumers participating in the experiment. Elster's only contracts are with the electrical utility company.

Will fees be charged, and if so, will the fees only be those to recoup costs?

Elster Integrated Solutions will not charge residential participants a fee. Consumer participation is voluntary and Dominion Power will not charge a fee to residential consumer participants. Elster Integrated Solutions will receive compensation from the utility company for training, installation, and data collection hardware and software.

Will all devices be retrieved by Elster Integrated Solutions at the end of the experiment?

The experimental devices will remain property of Elster. Any properly certified and labeled equipment may become the property of Dominion Power or the residential consumers at the end of the experiment, at the discretion of Elster.

Sincerely,

John S. Logan