PG&E installing 13,000 smart meters per day

Wed Nov 4, 2009 4:56pm EST

SAN FRANCISCO, Nov 4 (Reuters) - California utility Pacific Gas and Electric (PCG.N) is installing smart meters at a rate of 13,000 units a day and aims to have 10 million of the meters deployed by 2012, Kevin Dasso, senior director of strategy and regulation at the utility, said on Wednesday.

Dasso, who was speaking at an industry event, estimated the utility will have installed 3 million smart meters by the end of this year.

The new meters will give the utility the ability to connect and disconnect meters remotely, which PG&E has said will cut vehicle miles by its workers.

Smart meters could also allow households to monitor electricity usage while also sending data back to power providers.

Utility companies around the world are laying the groundwork to upgrade their networks with smart grid technology, which measures and modifies power usage in homes and businesses, improving grid reliability.

Experts envision the smart grid as a network that will wring new efficiencies out of thousands of miles of power lines and open the door to more development of renewable electricity sources, as well as the introduction of "smart" appliances that turn themselves on and off.

Andrew Campbell, senior energy adviser at the California Public Utilities Commission, said PG&E is furthest along in the state in the deployment of smart meters, considered to be a key element in modernizing the power grid infrastructure.

Overall, PG&E and two other California utilities, Southern California Edison (EIX.N) and San Diego Gas & Electric (SRE.N), will deploy 12 million advanced electric meters and 5 million advanced gas meters by the end of 2012, Campbell added.

The effort to modernize the current grid system, which is considered to be outdated and dilapidated, received a major boost from the U.S. government last week when President Barack Obama announced $3.4 billion of grants to help build a smart electric grid.

The grants, which range from $400,000 to $200 million, will go to 100 companies, utilities, manufacturers, cities and other partners in 49 states -- every state except Alaska.

The U.S. stimulus funding for smart grid projects is helping jump-start the industry, said Thomas Bialek, chief engineer of smart grid at San Diego Gas & Electric.

"We see that stimulus funding has created opportunities for SDG&E to accelerate some of the projects," he said, adding that while many of the utilities projects would still go ahead without the U.S. funding, the pace would have been much slower.

San Diego Gas and Electric Co has been selected to receive $28.1 million to connect 1.4 million smart meters. (Reporting by Poornima Gupta; Editing by Steve Orlofsky)