



# Meeting the Needs of Today - Investing for the Future

October 22, 2008

**Oncor Electric Delivery**

# **Oncor's Investments Address a Balance of Near Term and Long Term Needs**

- **Meeting the Needs of Today...**
  - **Reliability and Safety**
  - **Market Requirements and Needs**
  - **Customer and Load Growth**
- **While Preparing for the Needs of the Future**
  - **Advanced Metering System (AMS)**
  - **Interconnecting Renewables (CREZ)**
  - **Static VAR Compensator**
  - **Information Technology**
  - **“Smart Grid” Technologies**

# Oncor's Investment in Infrastructure and Technology Remains Strong

- **Historic Investment of ~\$500 – \$550 M Per Year**
- **Recent History ~\$750 – \$800 M Per Year**
- **Minimum Investment Commitment of \$3.6 B over 5 years**
- **Potential for \$2 B+ for CREZ**

# Oncor's AMS Deployment Will Create One of the Most Advanced Electric Grids in Nation



- **Key REP and consumer opportunities:**
  - **Provide consumers with real-time information to make more informed decisions**
  - **Enable consumers' to manage their consumption and demand**
  - **Provide small businesses similar energy management opportunities as large businesses**
- **Key Oncor and benefits:**
  - **Improve Customer Service**
  - **Improve Reliability and Safety**
  - **Enable Advanced Grid Technology**

# Oncor is Investing in Advanced Technology to Address Changing Generation Patterns

The power generation serving the DFW area has changed dramatically in the last 10 years

- Prior to 1999, nearly 40% of the power consumed by the DFW area was generated locally
- Today, only about 14% is locally generated
- Dynamic reactive power is required to maintain grid voltage stability during system disturbances



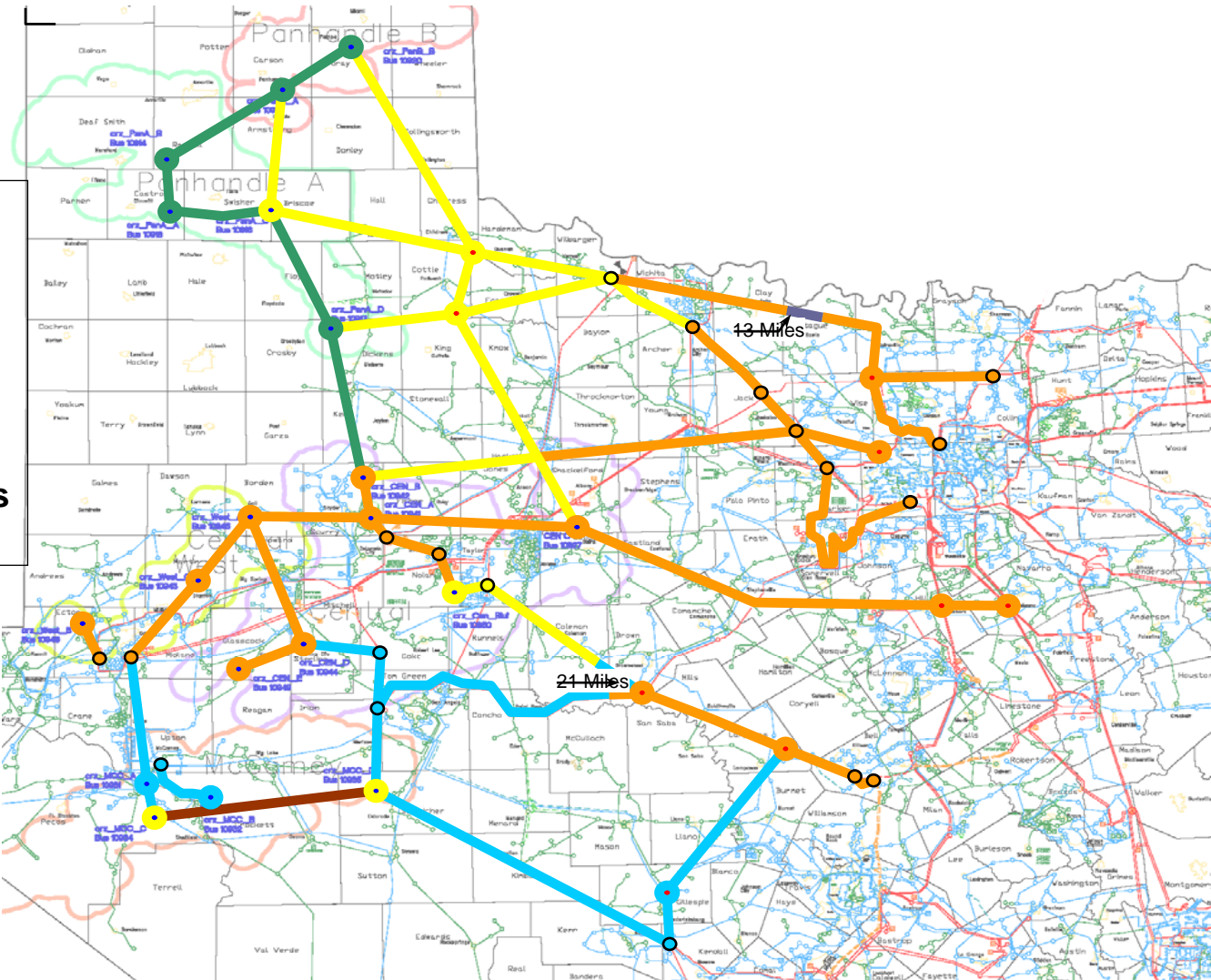
Example SVC Installation

**SVC is a robust, advanced technology used to provide high speed grid voltage support during electrical disturbances**

# Oncor has Worked with Others to Develop a Comprehensive Proposal to Build Transmission in Support of CREZ



- ETT
- LCRA TSC
- Oncor
- Sharyland
- STEC
- TNMP
- Collection Stations
- New 345 kV Stations
- Existing Stations



# **Investments in Technology are Required to make sure Oncor is Positioned to Serve Tomorrow's Customer Needs**

- **AMS and data management challenges**
- **Customer Information System**
- **Smart Grid Systems**
- **Overall data management needs will vastly increase – moving to enterprise service bus architecture**
- **Commercially standard software/systems**
- **Enterprise telecommunications needs – fiber optic, microwave, radio mesh**