

Connect for a better future

Aclara, headquartered in St. Louis, USA, is a world-class supplier of smart infrastructure solutions (SIS) and services. Earlier this year, Aclara held its annual industry conference and exhibition, AclaraConnect 2018, where hundreds of delegates from electric, water and gas utilities around the world came together. This year's conference was structured around the theme Come Together. Connect for a Better Future.

"AclaraConnect is an event where leaders, innovators, and utility-industry professionals gather to learn about the latest advances and to share their stories," described Allan Connolly, president of Aclara and divisional vice president of Hubbell Power Systems. Mr. Connolly oversees the strategic direction of Aclara, a 1,700 employee company in the USA and internationally. He joined the company as the president and CEO in May 2014. He was instrumental in establishing Aclara as a stand-alone, privately-held company with strong financials and executing a strategic plan positioning Aclara for growth, leading to the recent acquisition by Hubbell Incorporated.

Aclara was acquired by Hubbell in December 2017 and is now part of Hubbell Power Systems (HPS), an international manufacturer of quality transmission, distribution, substation, OEM and telecommunications products for a broad range of non-residential and residential construction and electric, gas and water utility applications. With revenues of \$1.1 billion, HPS operates manufacturing facilities in the USA and around the world. Hubbell's headquarters is located in Columbia, South Carolina.

"Hubbell has been around for over a hundred years and is a great long-term owner for Aclara. This is the

largest acquisition in Hubbell's history by a factor of three. It is a major investment for them and offers Aclara the backing of a well-regarded public traded company with a very strong balance sheet," said Mr. Connolly. The combined capabilities of the two organizations enable them to give better service to customers and deliver increased value to shareholders.

Aclara offers a comprehensive suite of solutions, including advanced metering infrastructure, meters and edge devices, software, and installation services. These products and services provide utilities visibility into their distribution networks, optimize network performance and help engage with their customers. Working with more than 1000 electric, water and gas utilities worldwide, Aclara provides actionable insights to help utilities predict, plan and respond to conditions, improve

operational efficiency, and promote resource conservation to customers. Aclara has been supplying solutions to utilities since 1972 and today is widely recognized as an innovator and provider of intelligent technologies and value-added services for utilities around the world. "Aclara was the first advanced metering company within the USA on the electric side," said Allen. "It was tough to come up with a solution for the U.S. grid - so for the founders of the company that was their claim to fame. I think we were also the first company in the world to develop an advanced metering infrastructure (AMI) system for water and gas. Unlike electric, with water and gas you have no power and so the system has to run off batteries, we have AMI systems that can run off lithium-ion batteries for 20 years!" "Aclara has a strong presence in all three of the major utilities. On the gas side we have the largest smart metering systems in the world. We monitor every gas meter in the state of California with the exception of San Diego. We have almost 12 million meters in our system between the two major utilities in California. We have done more water AMI systems than anyone else in the world and we are one of the big three in electric," said Mr. Connolly.

"Our strongest single competitive advantage is that we are known for the reliability and the robustness of our systems. When super storm Sandy - a hurricane that came up the US coast in 2012- hit New York City, they lost power and a lot of infrastructure and transportation infrastructure was shut down - our system continued to work throughout the storm!"

This year was the 10th annual AclaraConnect conference and featured an executive summit on building endurance for utility longevity. It provided a forum for utility industry leaders to engage with other thought leaders to gain new insights, establish valuable new connections, and develop strategies to navigate the transformation shaping the utility industry. "The program creates ongoing opportunities for delegates to learn from colleagues who are building smart infrastructure solutions and to gain insights from experts on how the utility industry is evolving," added Mr. Connolly.

"It is just a really great opportunity to spend our time with customers and a lot of industry players who don't always get the chance to connect. For me it is as much of an education as it is for the customers and an important opportunity to try to understand and separate what is real in terms of

industry challenges and what is a perceived issue. Personally, I get to spend a lot of time with industry experts to get a real sense about what the scale and the real nature of the challenges facing the industry is, continued Mr. Connolly"

"I think the industry is well aware of the challenges it faces, which is the good news. But I also think a cohesive and technical solution with policy solutions is what everyone is still struggling with, for example; in terms of pricing, government policy rate of adoption, in terms of who controls the assets, etc. The industry is still in a very open debate about what are the best solutions and we view it as an important role to facilitate that conversation."

During the conference, insights were presented on how to lead through the transformational and disruptive changes caused by the rise of distributed energy resources, changing

Allan Connolly,
president of Aclara and
divisional vice president of
Hubbell Power Systems.



regulations, heightened consumer expectations and aging infrastructure. “There has been a chronic under investment in the infrastructure particularly in North America. Today, we are asking infrastructure to do a lot more than it used to. It is getting harder and harder to run classic electric transmission and distribution networks as we add more and more renewables, more networks, more wind, more solar – particularly redistributed solar. The combination of aging infrastructure, and aging workforce, workforce shortage and this more complex need is making the life of running a utility very tough and we have solutions that can really help those utilities, like the communication structure, the sensing, the software that provides utilities with more insight about what is happening on their networks and some real information on how to run it. Aclara can help address all three of those macroeconomic issues that are facing utilities today,” claimed Mr. Connolly. The market, technology and regulatory complexities facing electric, gas and water utilities is accelerating the pressure and pace of change for the industry. “At Aclara

Technologies, we help utilities manage change, seek new approaches, and harness data and new technologies to supply more efficient and reliable services to their customers. As an end-to-end, SIS partner we couple innovative technology with data-driven solutions to predict, plan and respond to system conditions across electric, gas or water distribution networks.”

Mr. Connolly continued to say that: “Utilities are looking to do a lot more on top of just the basic meter reading function, for example, leak detection in water, grid monitoring, grid control, load control on the electric side. We are also looking at pipe line integrity and safety on the gas side. The future of this business is a lot broader and technically rich but it all stems from that fundamental robustness for underlying communications infrastructure.”

“We like looking at these challenges from all sides – not one-way solutions, but the right and smart combination of communications networks and tools, smart meters,

sensors, software and applications that we design, integrate, deploy and support in ways as unique as each of our customers’ needs. With the industry’s broadest portfolio of utility SIS technologies developed and acquired by Aclara over the past 45 years, we know how to put together the right solution.”



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