

Israeli deal could bring 200 jobs to meter maker

CELIA LAMB / STAFF WRITER

A 10-employee Sacramento company, partnering with an Israeli firm, hopes to employ up to 200 people here in the next two years making display devices that show people how much electricity they're using at home — and how much it costs.

The jobs are among 800 that California is gaining from deals with Israeli companies, Gov. Arnold Schwarzenegger boasted last week after he returned from a trip to Tel Aviv. But the local jobs had been in the works since last summer.

USCL Corp. plans to launch the technology next month through a pilot project that would put several hundred of the machines in Los Angeles County public housing. Wireless transmitters made by Arad Technologies Ltd. of Israel send energy use figures to the utility, eliminating the need to send out meter readers.

"The real power is being able to provide real-time information to the tenants," said Los Angeles County energy division manager Howard Choy. The idea is to see if residents use less energy when they know immediately how much they're spending, instead of finding out in their monthly bill.

"We're not aware of anyone else who offers the same type of technology," Choy said.

USCL president and chief executive officer Tom Tamarkin said the U.S. market for this kind of metering package could reach \$22 billion over the next five years. The estimate assumes that federal and state energy officials will support using the product in the heavily regulated electric utility industry.

USCL has sought politicians' attention.

On May 1, during his trip to Tel Aviv, Schwarzenegger announced that USCL had reached a joint marketing agreement with Arad. USCL started talks with Arad last September and began joint engineering projects in January; Tamarkin said he called the governor's office and asked to join the business delegation to Tel Aviv.

Arad had the wireless transmitter technology that lets utilities receive data from meters.

"What they did not have was the in-house display we have," Tamarkin said. So they joined their products and split the marketing rights.

USCL can sell the meter package in North America, Australia and India, while Arad can sell it in Israel, Hungary, Brazil, Italy and China. The combined meter and display package would sell for less than \$150, about the same as high-end digital electric meters.

Arad, which owns a Fort Worth, Texas, water meter manufacturer called Master Meter Inc., also gets exclusive rights to use the in-home display for water metering, Tamarkin said.

Built there, assembled here: Most of the metering equipment sold in the United



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Tom Tamarkin: His USCL Corp. of Sacramento to partners with Arad Technologies Ltd.

get started selling like hotcakes."

"We're doing everything we can to stimulate the market for these kinds of products," said John Wilson, adviser to California Energy Commissioner Arthur Rosenfeld. "Utilities are interested in this because they can get value from reducing their meter-reading costs."

Tamarkin and his wife, Emily, started USCL about nine years ago with earnings from sales of other products, including light-sensitive sorting systems for warehouses. The Tamarkins and other private investors have put about \$1 million into the company, and Arad has contributed about \$500,000 in engineering, labor and other costs, Tamarkin said.

Fighting apathy: Los Angeles County expects to receive \$50,000 from the state Public Utilities Commission and \$25,000 from Southern California Edison for the pilot project down there, Choy said. The county was still working out arrangements with Edison on Wednesday.

"We're applying it to a market that is typically neglected in terms of energy efficiency: public housing," Choy said.

The conservation incentive would be more powerful, he acknowledged, if residential rates varied with the time of day.

Large businesses in California typically pay higher rates in the afternoon when demand for utility power is highest, but residential customers don't.

Time-of-use metering and pricing would "provide a way for all of us to manage our energy consumption," Sathrum said. "The main competition is apathy, people who don't care."

"Consumers are understandably concerned about being in a spot market," Wilson said. The Energy Commission has proposed an alternative called "critical peak" pricing. Utilities would charge flat rates to home customers most of the time, but could warn customers and raise prices when wholesale rates suddenly rise, perhaps three hours per day for 10 days in a year, Wilson said.

That system would require technology like USCL's.

"This is going to be a very dynamic area in the next five years," Wilson said. "I expect there will be significant changes."