



September 22, 2010

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**RE: iCon APX meters**

Dear Paul,

The iCon APX has been identified as an “at risk product”.

Recently, we had accepted Purchase Orders from a number of Ontario utilities for the Form 16S iCon APX meter. Since the “at risk” extends to the delivery schedule, we are not currently in a position to accept any new Purchase Orders for the iCon APX meter. We are recommending existing and new orders for the iCon APX be filled by supplying an Elster A3 meter equipped with the Sensus FlexNet module at comparable pricing.

We are expecting that the GE kV2C meter equipped with the Sensus FlexNet module will be approved by Measurement Canada in the near future. It is currently expected that, after Measurement Canada approval, there will be a period of testing (perhaps 4 -6 weeks) prior to this meter being introduced to the marketplace.

Please advise if I may be of any further assistance in this matter.

Regards,

A handwritten signature in black ink that reads 'Mike Higgins'.

Mike Higgins