

Funding the **Optimal Metering Technology**

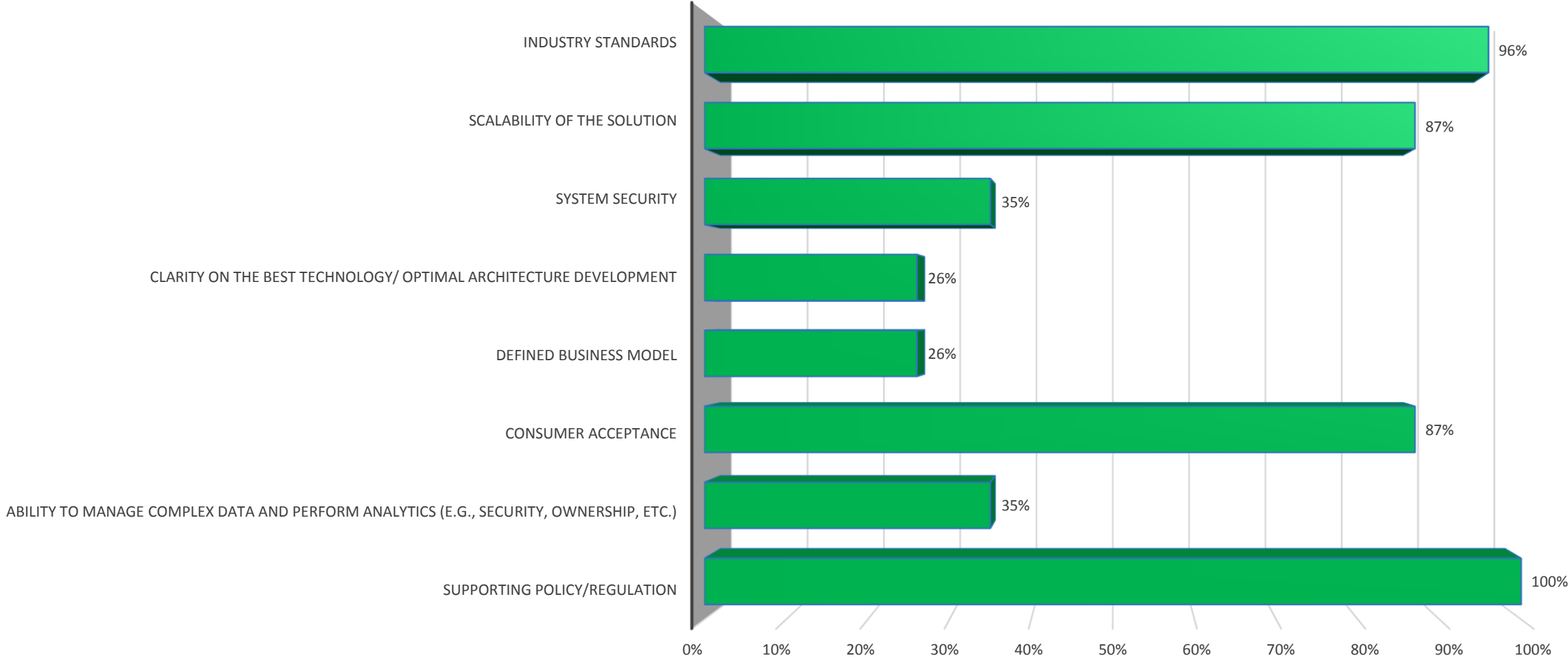
Presentation Structure

❖ Introduction

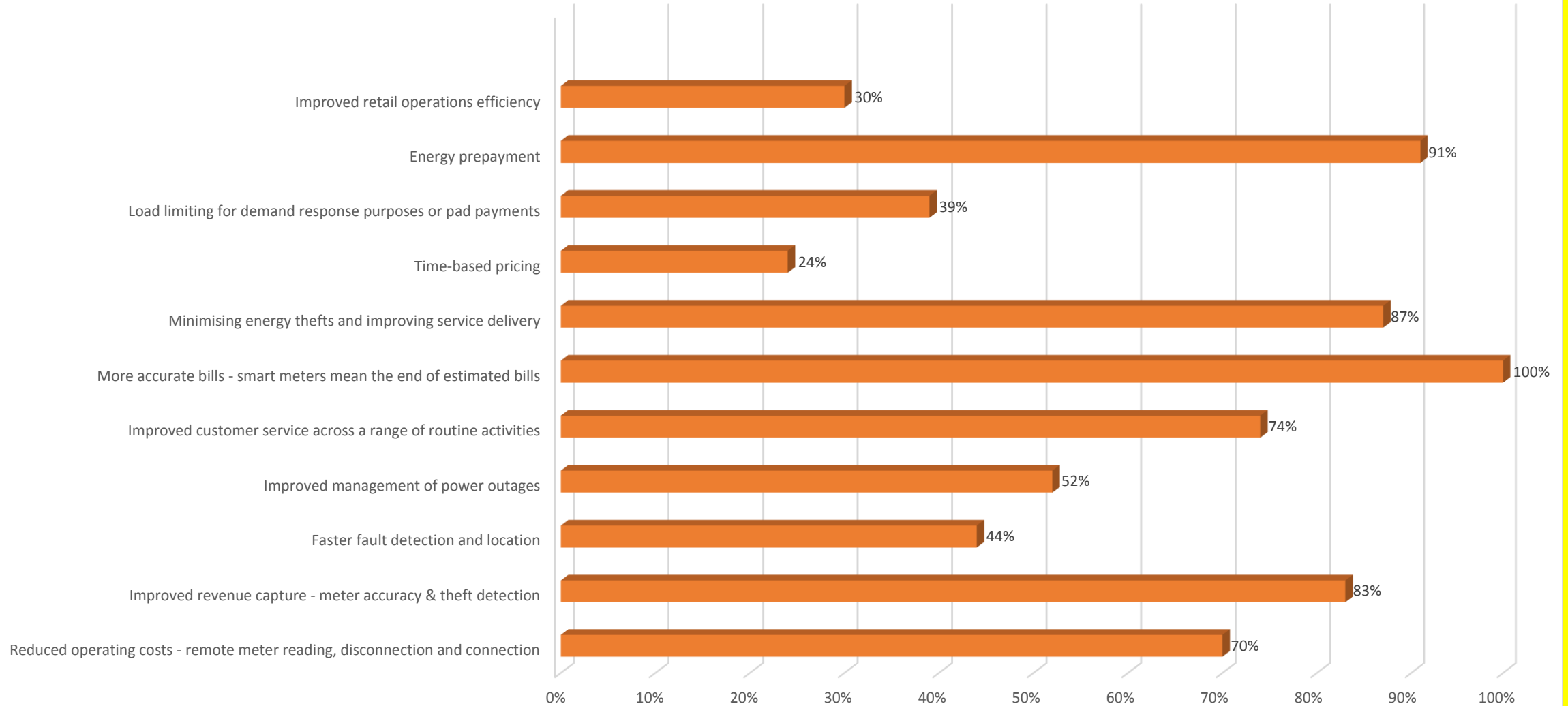
- Tariff Misalignment
- Smart Metering Building Blocks
- Closing

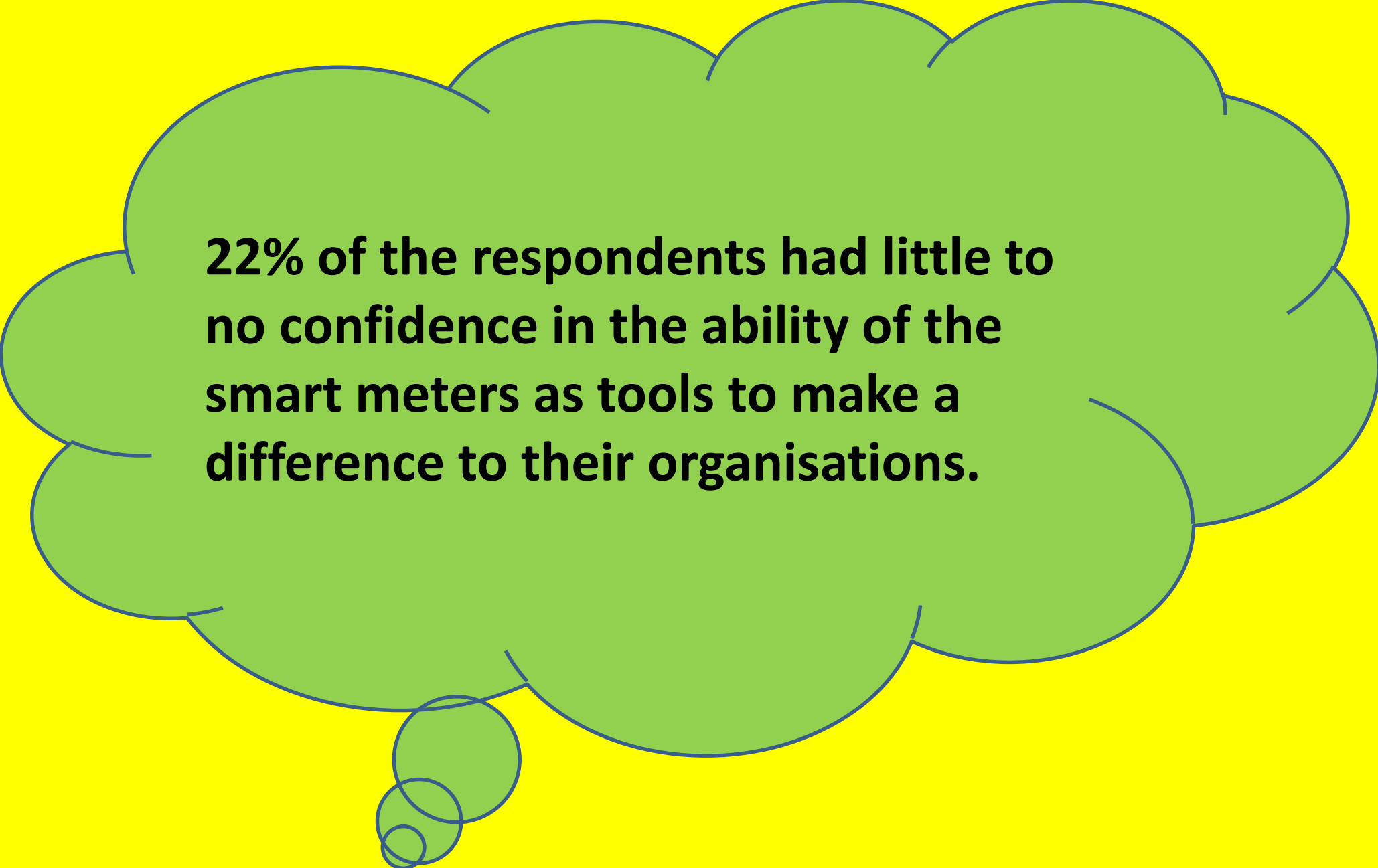
Survey Conducted in 22 SA Municipalities

Smart Metering Enablers



Benefits of Smart Metering





22% of the respondents had little to no confidence in the ability of the smart meters as tools to make a difference to their organisations.

Viability and Sustainability

Risk

Private 'Retail'
Emergence

Threat

Aging, Maintenance and
Modernisation

Asset

Skills and Cyber Security Issues

Vulnerability

Leadership and
Management

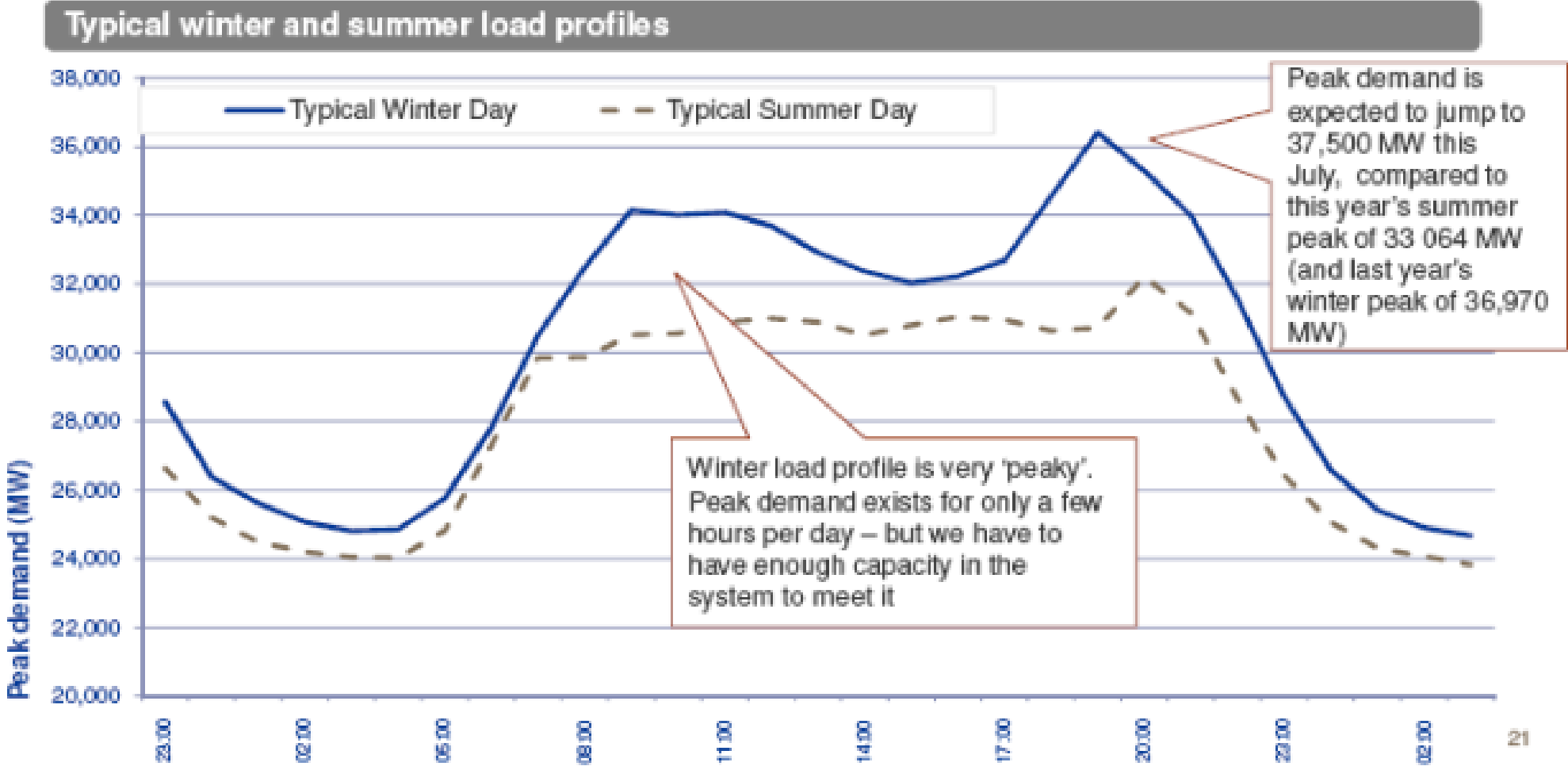


Presentation Structure

- Introduction
- ❖ **Tariff Misalignment**
- Smart Metering Building Blocks
- Closing

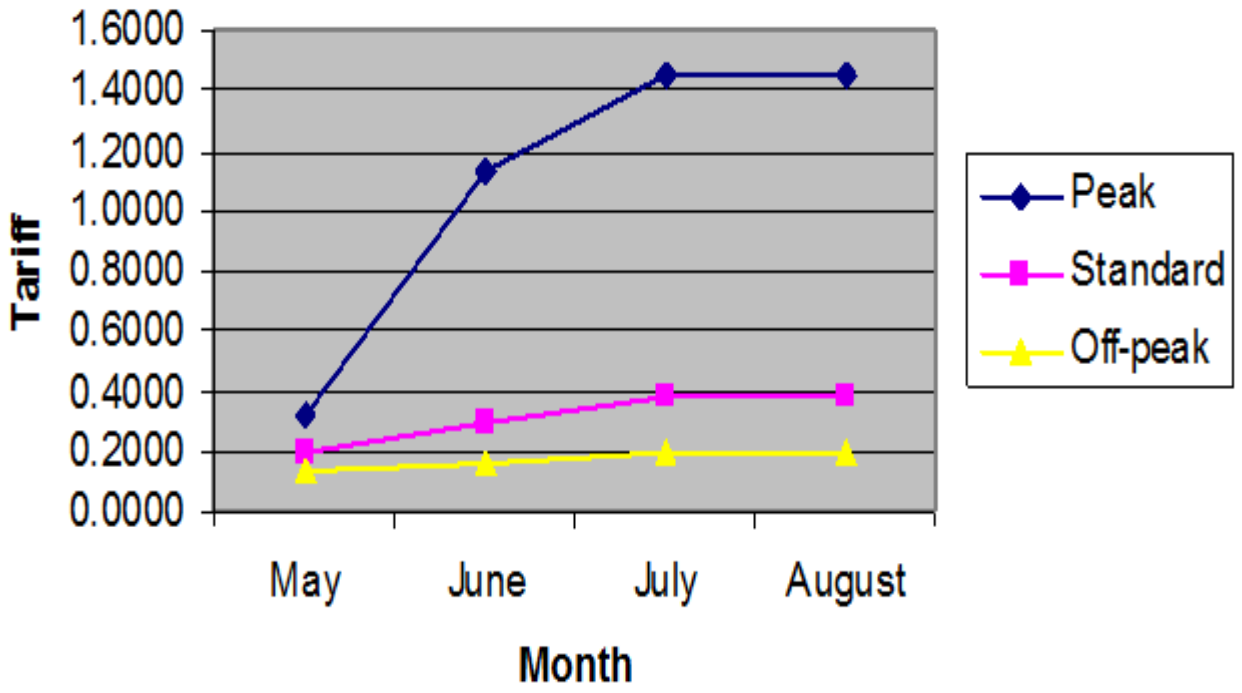


Eskom Load Profile

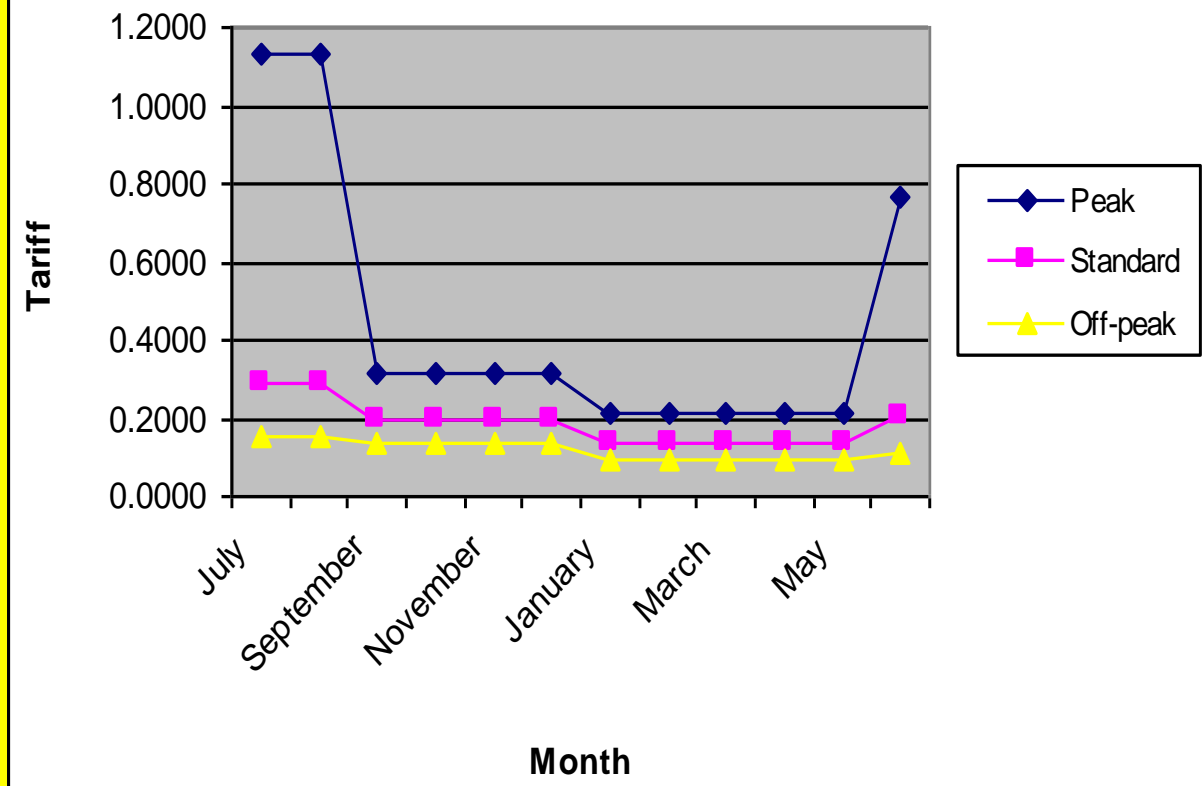


"A" Municipal Tariff Profile

Winter Period



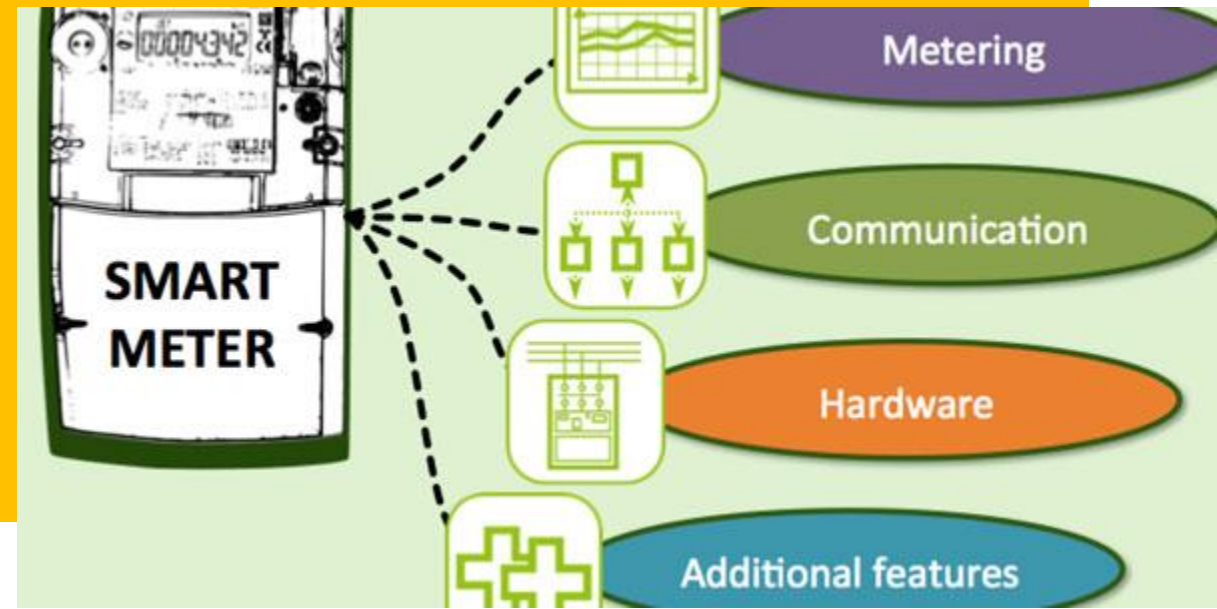
Summer Period



Solution? Smart Metering

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Smart Metering Building Block

- ❖ To be led by municipalities
- ❖ Monetise energy data
- ❖ Technology and business process working together
- ❖ Sell value and services
- ❖ Distributed Energy Proliferation
(enabling EDI to earn income from ancillary services, whilst increasing resilience)
- ❖ The role of the regulator
- ❖ The future is bundled packages viz. Power+ Voice + Data + Water+ Wireless Services



Costs Benchmarks

Key Indicators: *AMI Deployment Costs*

(Electric Power Research Institute, 2013)

| | |
|------------------------------------|-----|
| End User Equipment | 45% |
| Information Technology (IT) | 20% |
| Network Hardware | 9% |
| Installation | 15% |
| Management | 11% |

4% of initial smart meter investment will be needed to operate and maintain hardware, software and communication networks.

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Value Add Services

Business Plan

Regionalise Implementation

Municipalisation of
Services v/s
Outsourcing



Regulatory
Framework and
Research

Technology and Health
Issues

Develop National
Standards

Customer Services and
Channels

Pula !!!