



**2022 SARPA Annual Convention**

Facilitating the New Normal:  
**Are we SMART enough?**

26 and 27 May 2022 | Het Vloek Casteel,  
Riebeeck Kasteel, Western Cape



Southern Africa Revenue  
Protection Association



Swartland  
Local Municipality

proudly hosted by Swartland Local Municipality

**Presenter: Brian Hill**

Sales & Services Director

26 May 2022

# **TID ROLLOVER CHALLENGES & SUCCESSES!**



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SMART REVENUE MANAGEMENT SOLUTIONS

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## COMPANY OVERVIEW

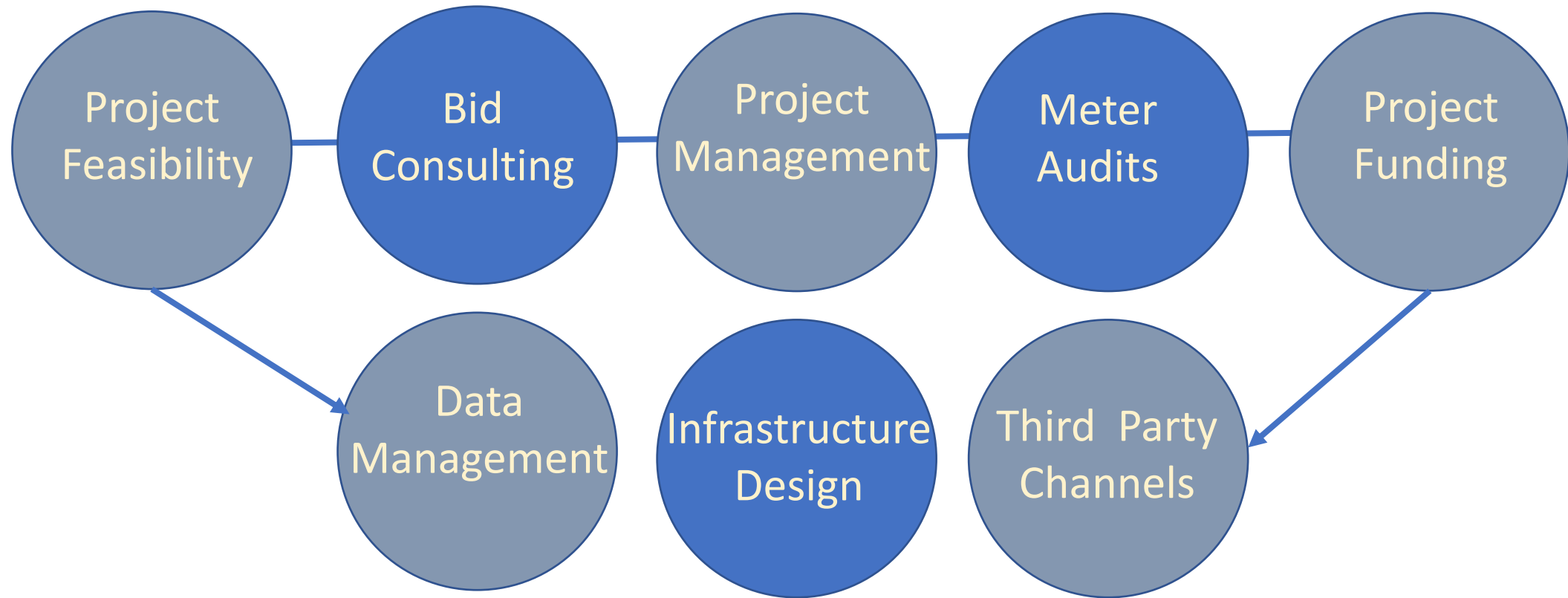
- Utilities World (Pty) Ltd is a Blue Label Telecoms company, with whom we provide an end-to-end solution.
- The management and staff of Utilities World have been involved in the Prepayment Electricity Industry from the inception of Prepayment in South Africa.
- With **over 120 years** of collective experience within the industry including the design and manufacture of meters, vending system design and deployment and turnkey project management.
- Whilst the core focus of Utilities World remains the design of Prepayment Revenue Management software, our in-depth experience within the prepayment sector allows us to provide our customers with superior levels of service and support.





# What We Offer

Our **Services Division** is key to delivering the promise of the Utilities World Brand. We drive our business as being customer-centric and we provide a host of solutions, products and services engineered and shaped to meet the needs of our valued customers.





**STS ASSOCIATION**  
Standard Transfer Specification

— **TID ROLLOVER** —  
**THE TIME IS NOW!**

THE ROLLOVER PROJECTS MUST BE COMPLETED  
BY 24 NOVEMBER 2024.

**2024**



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## FOCUS OF PRESENTATION

- TID rollover challenges and successes.
- Case study of various Municipalities that have embarked on the TID Rollover Process.
- It showcases the challenges experienced by some, and the success experienced by others.
- Run through on what needs to be done if you haven't to ensure that we all play our role in making sure this TID rollover change is performed with the best possible customer experience.



# WHAT WE HAVE LEARNED!

## UPTAKE

- Only 50% of municipalities on our backend have started with the update
  - (100% have been issued the new KRN 2 keys)
- The 50% that have started account for 70% of the meter base
  - Smaller municipalities are slower off the mark

## PROCESS

- The TID update is a dual process
  - Passive update
    - New meters
    - Replacement meters
  - Active update
    - In-field update of installed base
      - House to house
      - Customer driven (vending platform)
- Benefit of SGC consolidation and data clean-up



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# WHAT WE HAVE LEARNED!

## COST

- Stakeholders are cost conscious
  - The path of least resistance is the one with the lowest cost
  - Passive update is free
  - Active update
    - Self service channels are not popular...
    - Push via cashiers is free, minimal advertising and support literature
    - Push via vendors is free, large scale public awareness campaign required
    - House to house updates are costly but if combined with revenue protection actions are self funding
      - Needs buy-in and budget



**WHAT  
WE HAVE  
LEARNED!**

## **TIME**

- Time is running out
  - Time for complete sweep house to house audits is running out for larger utilities
  - There is time for a hybrid model
    - Self service
    - Active push via vending
    - House to house for delinquents







- Taken the bull by the horns
- Identified issues and solutions



- Have started with passive updates
- Active updates to follow, usually budget and process constraints



- Unaware, unable to commit
- Decision making deferred to future permanent appointments



99% Completed



84% Completed



50% completed



48% Completed



59% completed



71% completed



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**99% Completed SUCCESS!**

## FUNDED MODEL

- Started 1 July 2019
- Project team on the ground actively updating via the audit app
  - House to house sweep audits and updates
  - **Paid for from the revenue upside**
- Project completed end 2019
- Ongoing target audits and remaining TID's





84% Completed

## HOUSE – TO - HOUSE MODEL

- Started in Nov 2019
- Project team on the ground actively updating via the audit app
  - Sweep and target audits and TID updates
- Provisional plans in place to deal with no-access and unfound meters (TID)
  - Bulk SMS campaign to affected customers
  - Update and force a help desk call
    - Normalise data



**EARLY ADOPTERS**



CHALLENGE	SOLUTION
High percentage of holiday homes – owners only visit homes for relatively short periods each year	Concentrate on these homes during typical holiday periods i.e., December, Easter and school holidays. Mass SMS campaign for identified homes for them to contact us and arrange a date
Covid-19 Pandemic – reluctance for strangers in homes	Follow all recommended Covid-19 health and sanitization processes
Public scepticism over necessity of TID rollover: <ul style="list-style-type: none"><li>• ‘TID update makes meter deduct credit faster’</li><li>• Security concerns, unknown people inside their homes</li><li>• Estate and Complex security access – strictly controlled, need estate management approval</li></ul>	Public awareness – printed media, social media, sales point advertisements, monthly awareness on municipal statements, local radio information spots  Liaise with local Neighbourhood Watch WhatsApp groups, the word of the Neighbourhood group admin carries a lot of weight  Liaise directly with Body Corporate/Management agencies for access to complexes and estates  Audit teams issued with municipality approved id cards/letters of authority to perform audit functions



# CHALLENGES & SOLUTIONS

## BENEFIT OF HOUSE-TO-HOUSE METER UPDATES

- Obtain customer sign-off of TID update
- Updates vending system real-time – online mobile app
- Full control of the process, not reliant on ‘uninterested customers’
- The ability to retrieve the last 5 tokens for the meter in real time– online mobile app – prevents customer unhappiness and complaints with support required
- Opportunity to perform meter audits – each meter visit by the team is a de facto auditing of the meter for correct functioning, electrical safety and possible illegal interference(tampering) of the meter.
- Municipality asset hardware audit being performed on each meter with address and GPS co-ords confirmation
- Cost per update is easily justified by added Revenue Enhancement benefits – audits, safety verification, old tokens used and asset audit
- Non-functional meters replaced; revenue enhanced
- Municipalities with high non-technical losses will benefit more





**BCMM 31%**

## PHASED APPROACH

- Started 1 April 2019 with the passive update
- Plan for active updates to start April 2020, delayed to April 2022
- Funding of project was a driving issue for delays.
- Phase 1 - Adopted a low cost targeted approach – per area
  - Marketing Strategy was created and implemented
  - Various methods approved for deployment and issue of KRN2 Tokens, including self service options for customers.
- Phase 2 – will include house to house for delinquent customers to include revenue protection actions with an approved budget



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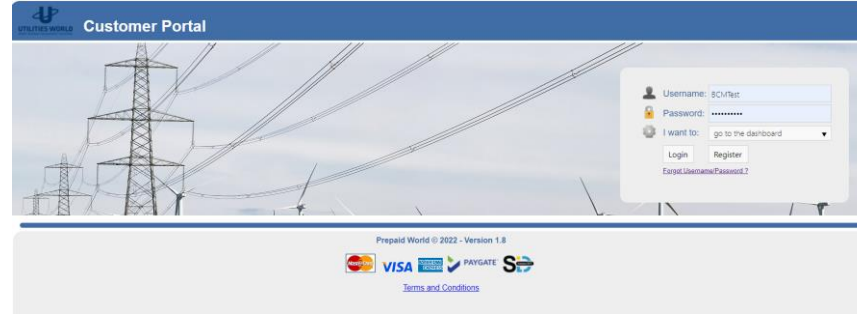




# USSD SERVICE



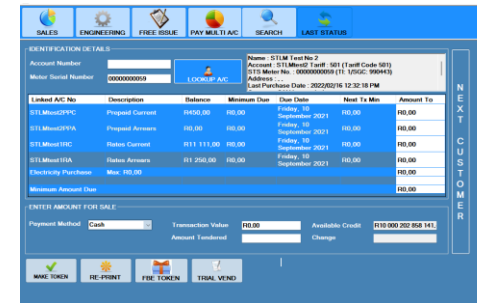
# CUSTOMER PORTAL



# METER MANAGEMENT APP



# CASHIER TERMINALS



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# RISK OF LATE START

RISK	SOLUTION
Complete update not performed by November 2024, customers unable to purchase	Strong project management – capable team performing updates – keep to target
Late start will force the adoption of the vending only route which could lead to disaster without adequate preparation	Vending service providers have an obligation to facilitate and assist with process and marketing collateral
Late start may have a financial impact; perceived fruitless and wasteful expenditure, higher costs levied for services not tendered for, revenue loss if customers cannot purchase	Awareness, planning, buy-in.
Possible civil unrest, damage to municipal infrastructure if unable to vend, also if token delivery not correctly managed	Finish in time Planning, awareness, advertising



# LATE STARTER TID CHECKLIST



LATE ADOPTERS

Vending system provider STS 6 compliant / certified

- System updated and new key (KRN 2) applied for

Meter supplier's STS 6 compliant

- Inform that all new meters must be on KRN 2

All meters in stores and with contractor's key changed

- Or key change on installation

Develop an active update strategy with vending provider

- Advertising to the public is key – they MUST use all their old tokens

Deploy the strategy

- Measure, monitor – this should be a KPI for the next two years



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## In Conclusion

- Assume that everybody knows that we need to do something, somehow!
- Getting buy-in from the executive can be a challenge
- There are crocodiles coming out of the technical swamp with the rollover
  - E.g. The EBSST token is not always a friend of the TID update
- No one glove fits all
- What is the best fit for your environment?
  - Financial
  - Technical
- Have you started?