

AEMC Forum – Metering Business Perspective

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Smart meters: Global Perspectives

“It is in the interests of all parties that equipment from multiple manufacturers *interoperates seamlessly* within customers’ premises so that equipment does not have to be replaced, adding cost and creating disturbance for customers.” [UK Government response to DCC report]

- UK– Changed its specification to improve interoperability of the meter
- Victoria – What are the lessons from the rollout?
- New Zealand – What can we learn?



Split value and uncertainty

- Pilots and trials have highlighted the benefits of smart meter services across the value chain.
- The economic problem is uncertainty at time of investment. The value of a smart meter is split across many parties.
- There may be limited incentive to build ‘above and beyond’ the minimum specification:
 - There is uncertainty about whether the additional upfront investment will be recovered.
 - Dependent on other parties accessing the services in the future.



“Even if general acceptance exists that these benefits will be provided, there is a question over the timing of the benefits with a large upfront investment that needs to be recovered over the life of the meter” (KEMA’s review of other jurisdictions, 2012)

Acceleration of smart meters

- There are benefits today from installing a Type 4 meter for new and replacement meters. But new Rule comes into effect on 1 July 2017.
- Large stock of replacement – back of envelope estimate could be between 10-15 per cent of customers.
- Communication - How could we provide incentives for distributors and retailers to install smart meters?



Thank you for your attention



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Questions ?