



MARCHMENT HILL

- consulting -

Sydney Water AMI Scoping Study

the challenge

In an environment where the NSW electricity industry was developing plans to implement government direction on Advanced Metering Infrastructure (AMI), both NSW electricity distributors were trialing AMI technology and wished to work collaboratively with our client, Sydney Water, to maximise its benefits.

Marchment Hill were engaged to provide a high level study of AMI, describing potential business benefits and required capabilities which would determine whether it was worthwhile to undertake more detailed analysis.

what Marchment Hill did

Marchment Hill analysed the current status and governance arrangements of National, NSW and Victorian AMI programs, the process interface requirements that our client had of AMI, and the gaps in current protocols and policy to enable effective integration.

The client's strategic purpose, principal objectives and goals were used to derive a long list of potential benefits that might be achieved from AMI. Key benefits were quantified and used as an input to a Cost Benefit Analysis.

Marchment Hill identified the possible lack of customer response to AMI information as the key risk to predicted AMI benefits, and additionally identified a suite of second order risks to be actively managed.

Marchment Hill used this analysis to present the client with a set of recommended actions to influence current AMI direction within NSW and nationally.

Cost Elements: Case 1 – Low cost meters + Piggyback electricity AMI

Indicative Cost-Benefit
 [Analysis does not represent the outputs of a detailed Business Case]

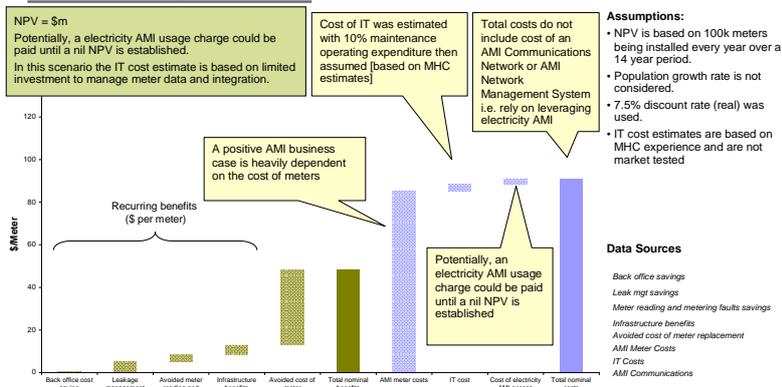


Figure 1: Cost Benefit Example

Four cost benefit scenarios were developed describing alternative cost and benefit combinations

the benefit

Marchment Hill delivered a Smart Metering Cost Benefit study that was presented to Sydney Water senior executives and now underpins the business’s further investigations on smart metering. The study initiated further trials of smart metering including a 1,000 household collaborative study with EnergyAustralia.

The study provided Sydney Water with an effective knowledge base from which to influence policy at a State and National level, and stimulate debate on standards, access and implementation approaches.