

# **Prasa Cres, South Africa**

Striving Towards Energy Efficiency: Itron's Solutions Assists the Passenger Rail Agency of South Africa to reduce energy costs for commercial properties

#### **BACKGROUND**

The Passenger Rail Agency of South Africa, Corporate Real Estate Solutions (PRASA CRES), is responsible for managing the Property Asset Portfolio within the commuter rail (station) precinct. Included in this responsibility is the management of facilities and services related to PRASA Properties.

Recent changes in the municipal tariff and service pricing structures of ESKOM, the utility in South Africa that generates approximately 95% of the electricity used in South Africa, have necessitated the urgency to modernize PRASA's metering equipment and meter data management systems. This need was identified as a critical need because the current billing system was no longer found to be adequate as the baseline to provide professional real estate and facilities management services to PRASA's key stakeholders.

In order to meet the demands of a growing population, the Passenger Rail Agency of South Africa Corporate Real Estate Solutions, PRASA CRES, selected Itron to be the total solution provider for their electricity metering system solution. The full spectrum of the tender award included metering upgrades, training services, new software, data configuration and support for billing, vending, and reporting.

The upgrades and additions of the new Itron metering system solution was successfully deployed as part of a phased approach, and has helped PRASA CRES recover energy costs by increasing energy efficiency and reducing costs for commercial properties. The new system has also resulted in modernized current metering equipment and an updated business process and billing management platform.

## **OPPORTUNITY**

PRASA CRES was under recovering on energy costs due to numerous factors, the most prevalent being the increasing cost of energy supplied by ESKOM and Municipalities; the inadequate and obsolete metering equipment that was previously used, and the low or no cost recovery from consumers in lieu of energy consumed.

In order to resolve this problem, PRASA CRES required a mechanism to effectively recover energy costs from their tenants in order to reduce the current under recovery. This need presented an opportunity for Itron to introduce and implement an online pre



## **CUSTOMER**

Passenger Rail Agency of South Africa, Corporate Real Estate Solutions (PRASA CRES) South Africa

## **CHALLENGE**

Recover energy costs by increasing energy efficiency Upgrade PRASA CRES's metering equipment Upgrade and automate meter data management systems. Improve Operational Efficiency

# **SOLUTION**

Itron supplied, implemented and provided support for an online pre and post-paid meter management and vending system thanks to their 3E Vending System, 3rd party vending, Revenue Protection Solutions Suite and metering solutions.



"The implementation of the new metering system will help us perform more efficiently and effectively, and recover energy costs."

## Vivian Sera,

Senior Manager, Portfolio Management, of PRASA CRES

and post-paid meter management and vending system with bulk billing management services. As part of the requirements, the system needed to operate in an online environment and be integrated with existing and mature electronic and retail purchase or vending channels on a national basis. These channels included online credit cards, bank cash deposits, electronic bank cash deposits, electronic funds transfers (EFTs) and retail points of sale.

PRASA CRES required a complete end to end solution that would reflect and complete transactions and vending in "real time", without batch processing in a single database. The end to end solution was also required to provide complete transparency in order to allow consumers to access their utility metering accounts details while also allowing authorized PRASA CRES staff to access the system using any standard web browser within the PRASA ICT Architecture. The total metering project included 27 priority sites identified by PRASA CRES and entailed the metering of more than 700 PRASA CRES commercial tenants.

## SOLUTION

With the reduction of energy costs identified as a key need, Itron set about to deliver an end-to-end solution which entailed the supply of modern metering equipment, as well as industry standard utility metering, business processes and billing management platforms and services. Part of the solution also included adequate revenue protection and fraud detection or prevention measures related to the utilities metering and management thereof within the PRASA CRES portfolio.

As the leading solutions provider in energy efficiency, Itron supplied, implemented and provided support for an online pre and post-paid meter management and vending system thanks to their 3E Vending System, 3rd party vending, Revenue Protection

Solutions Suite and metering solutions. Itron provided their full solutions offering which included project implementation services such as site and infrastructure audits, business analysis, program and project management, systems set-up and implementation services, data migration and tariff configuration, supply and installation of prepayment meters, credit meters as well as communication devices and training services. In addition, Itron supplied vending and billing services which included prepayment vending services, automated meter reading of credit meters, billing and cost recovery of credit meter consumption and dashboard and reporting services. The successful implementation of these solutions has resulted in Itron delivering its first end-to-end solution for a national Private Utility.

"Our partnership with PRASA CRES to deliver a customized, comprehensive solution is an important step for Itron in South Africa's private utility sector."

## **Dhasi Naidoo**

Regional Business Unit Manager, Itron Energy Group, South Africa

"This contract demonstrates Itron's ability to effectively meet customers' needs across metering, data management, and billing services."

## **Wesley Pekeur**

Regional Business Solutions Manager, Itron Private Utility Services, South Africa

#### CONCLUSION

The implementation of this project will result in efficient and effective cost recovery for PRASA CRES with regard to the usage of energy consumption by PRASA tenants, resulting in effective measurement of energy consumption for both tenants and internal operations. This contract has also provided Itron with the opportunity to demonstrate their ability to effectively meet customers' needs across the metering, data management, and billing services domains.

Following the successful delivery of Itron's solution set, PRASA CRES aims to embark on a professional services agreement with Itron for the ongoing management of their online pre and post-paid meter management and vending system. The passenger rail industry provides a significant contribution to South Africa's GDP, and the partnership with PRASA CRES has therefore resulted in Itron increasing their footprint to deliver an end to end service to other South African Para-statal and governmental institutions in the private and public sector markets of South Africa.



Itron is a leading provider of energy and water resource management solutions for nearly 8,000 utilities around the world. We offer end-to-end solutions that include electricity, gas, water and thermal energy measurement and control technology; communications systems; software; and professional services. With more than 9,000 employees doing business in more than 130 countries, Itron empowers utilities to responsibly and efficiently manage energy and water resources.

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