

OMNETRIC Group finds cloud-based analytics solutions can generate millions in additional savings from AMI investments

- OMNETRIC Group team finds that analytics for identification of water leaks and failing meters can save a water utility between \$1 and \$5 million a year.
- Modeling points to opportunity for co-operatives and municipal utilities serving water, gas and/or electricity to start to reap the benefits of digitalization.
- Potential benefits of leakage detection could result in end-customer savings of between \$50 and \$170 annually.

23 January, 2018: OMNETRIC Group today reveals that implementation of utility-specific analytics solutions powered by market-leading technology, such as Siemens EnergyIP, could save US water utilities millions a year by reducing the amount of water lost from the distribution network. The finding, based on modeling by OMNETRIC Group's Energy Insights team, demonstrates how identification of water leaks and failing meters could save a water utility between \$1 million and \$5 million a year or approximately \$10 per meter a year.

Based on their experience in North America, OMNETRIC Group's Energy Insights team modeled two scenarios. The first centers on a water utility operating with 100,000 residential AMI meters and the second on a water utility operating with 500,000 residential AMI meters. In both scenarios, the team assumed that 15% of the utility's total water usage is non-revenue generating. Of this amount, 10% is defined as 'apparent losses', water lost due to unauthorized consumption, illegal taps, and meter reading or billing errors. The model assumes that this analytics solution will recoup half of the utility's 'apparent losses'.

The team found that for the smaller utility with 100,000 residential AMI meters, the implementation of an analytics solution equates to \$1.03 million saved per year or \$5.6 million over 10 years*. For the larger one, savings can range from \$5.1 million per year or over \$29.3 million over 10 years*.

The OMNETRIC Group team extended their modeling to predict the consumer benefits better data analysis would provide. The team found that the average household with a leak could save over \$50 per year, while the top 10% of residential leakers could save almost four-times that amount.

*Calculation after tax, and discounted at rate of 7.94% (based on average water utility weighted average cost of capital)

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Dileep Rudran, VP, Energy Insight, OMNETRIC Group said, "Our modeling demonstrates the positive financial impact analytics solutions hold for utilities that have implemented advanced metering, by enabling them to identify and resolve issues more efficiently and effectively. Today, we are building analytics solutions using Siemens EnergyIP Analytics in the cloud. This gives smaller utilities the opportunity to tap into the benefits of analytics while minimizing the level of financial and team investment required."

Robert Sutherland, Head of Cloud Operations, OMNETRIC Group says, "The affordability of a cloud-based solution and the value it generates for a utility is especially meaningful for co-operatives and municipal utilities. Up until now, these organizations have largely hesitated to explore the benefits they could achieve by leveraging analytics to improve their operations due to cost and perceived complexity of such projects. However, it will be those that recognize the benefits of cloud-based solutions and, ultimately, the Industrial Internet of Things that will be the ones generating the most value, both for themselves and for their customers."

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About OMNETRIC Group

OMNETRIC Group is dedicated to helping energy providers reap the benefits of the digital energy system by integrating their energy operations with IT to support their business goals. Our global team of engineering, IT, security and data experts brings extensive industry experience to help customers discover and exploit data intelligence to capitalize on industry change, and realize new business models.

Helping customers since 2014, we are an inventive, technology services company and a joint venture between Siemens AG and Accenture. For more information, visit www.omnetricgroup.com.

About Siemens

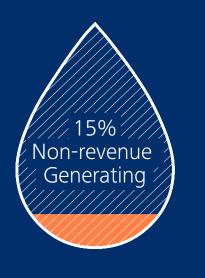
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Context for water municipal utility or co-operative

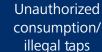


10% Apparent losses



Billing

errors





Customer meter inaccuracies

AMI investment



residential meters

Solution to recoup at least half of apparent losses



OMNETRIC analytics solution running on Siemens EnergyIP in the cloud



Incremental saving in one year, leveraging AMI investment

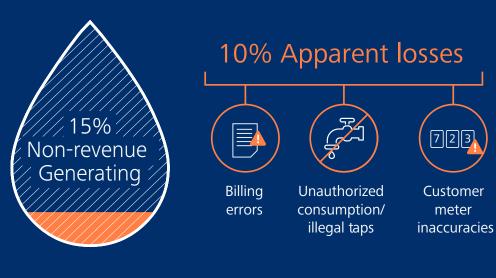


Incremental saving over 10 years*, leveraging AMI investment

*Calculation after tax, and discounted at rate of 7.94% (based on average water utility weighted average cost of capital)



Context for water municipal utility or co-operative





Solution to recoup at least half of apparent losses



OMNETRIC analytics solution running on Siemens EnergyIP in the cloud



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