



Customer Success Story

ACEA

Italy



Customer Profile

Founded in 1909 and floating on the stock exchange since 1999, Acea's main areas of business are water and electricity. Based in Rome, it operates in the production, transmission, sales and distribution of power, public lighting, decorative and architectural lighting and integrated water services management. Acea is Italy's foremost water supplier with over 7 million public customers, and the second largest electricity provider, supplying more than 2.7 million residents.

Website: www.aceaspa.it

SMART POWER

Acea, Italy takes control with Advanced Metering and Network Management services from Ericsson

Ericsson provides Advanced Metering Management for utility leader Acea's electricity network. The solution provides revenue protection and a cutting-edge service offering, as well as opening the way to smart grid applications. Ericsson's Managed Services facilitates the whole solution, providing Acea with significantly reduced opex.

Italy is one of a number of countries where government legislation is coming into effect. This better manages environmental impacts in line with EC directives and liberalizes the market, ensuring competitive pricing for

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Massimiliano Salvi,
President, Acea Distribuzione SpA



residential customers. The new measures include the rollout of smart meters for residential electricity consumers.

Acea contracted Ericsson as a technology and implementation partner for its smart metering project. Under a ten year Managed Services agreement, Ericsson provides the data center and software solution for the project and operates the system application from its Global Service Delivery Center in Rome. The platform allows Acea to remotely read and manage meters as well as supervising MV/LV substations, providing analyses with detailed network information. Massimiliano Salvi, President, Acea Distribuzione SpA explains the reasons for Ericsson's selection: "Ericsson has an excellent combination of competencies in Managed Services, mobile networks and Systems Integration. These factors ensure the successful evolution of the solution."

As a solid brand in industry specific solutions Ericsson offered reliability and security of investment along with international capability. The knowledge gained from the liberalization of the telecommunications market provided valuable transferable skills. Jens Erler, Business Development Manager, Ericsson elaborates: "Telecommunications competence, brand recognition and the ability to handle complex projects were important factors in Ericsson's selection. But also the liberalization of the utilities market has many parallels to that of the telecommunications market. Both industries have huge infrastructure assets – every household is a potential customer. The challenges they face are similar, and utilities companies are starting to outsource network and system operations as telecommunications companies did, to capitalize on the opex benefits it brings."

The solution offers savings through increased operational knowledge and elimination of manual meter reading, as well as revenue protection due to fraud detection, better management of payment problems and more accurate and timely billing. In addition, enhanced customer

satisfaction is achieved through improved quality of service; invoicing based on actual usage; detailed communication and metering information; and expanded tariff and payment options.

The data center is already fully operational and the rollout of smart meters is well underway, with 1 million meters already having been installed at a rate of 2 000 a day. All 1.6 million meters will have been fitted by Q3 2009. Being such a large project and with more governments expected to follow suit, Acea is under close scrutiny, with many companies visiting to observe both its technology choice and why it selected Ericsson as its technology partner. Massimiliano Salvi shares his thoughts on the future of the agreement: "Ericsson is a strong and committed local and global partner. Our current Managed Services deal is going from strength to strength, and I envisage a long and prosperous relationship between our organizations."

Overview

Customer: Acea, Italy

Customer Objective

- Conform with new metering management legislation
- Integrate collection and management of metering data
- Take control of operating costs and secure revenue
- Implement smart grid operation strategies

Ericsson Solution

- Complete Advanced Metering Management service
- Systems Integration
- Managed Services

Customer Benefits

- Revenue protection
- Reduced opex
- Increased customer satisfaction and service levels
- Operational efficiencies
- Flexibility to adapt to technology developments.

Ericsson AB

SE-164 80 Stockholm
Telephone: +46 8 757 0000
Email: asq.us@ericsson.com
www.ericsson.com