

# 69<sup>TH</sup> AMEU CONVENTION

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CSIR International Convention Centre

**Confronting South Africa's Electricity Crisis in the context of a 'Balanced Just Energy Transition' (BJET) and the need for a reliable and resilient national electricity grid**

## **Grid management systems – Digitalisation journey for Distributors**

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# What is digitalization?

Digitalization is the process of leveraging digital technologies to transform a business model, creating new revenue streams and value-producing opportunities. This involves integrating digital tools and systems into various aspects of a business's operations, from management and communication to production and customer service.



# Objectives of digitalization

## Improve customer experience

- Retaining and attracting more customers is always the number one priority for all businesses. Methods to engage our existing and potential customers methods include all kinds of media like emails, social media, mobile apps, much more.

## Transform business processes

- The business processes should be such as to reduce the friction in all possible areas as much as is possible. Hence, the smoother our business processes, the better it is for us to handle our customers and concentrate on the more important aspects of the business.

## Optimize infrastructure operations

- Infrastructure in place and upgrades will enable the OT equipment to communicate with the IT systems. the business will ensure the integrate of the new technologies with the existing resources for optimum usage of infrastructure operations.

## Utilize analytics

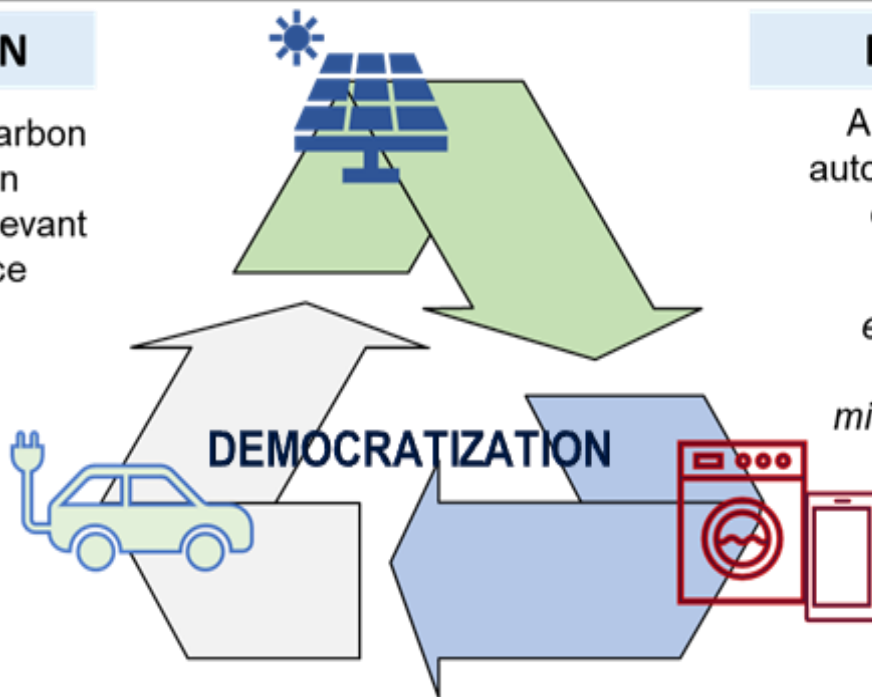
- Analytics is an important tool for business processes. Therefore, analytics help us with keeping a check on the performance of the new improvements .Also, organization needs analytics to make sure the decision-makers receive accurate reports at the correct time.

# Drivers of digitalization

## DECARBONIZATION

Critical to long-term carbon emission reduction goals and will be a relevant distributed resource

**Key technologies:**  
*Electric vehicles, vehicle to grid/home, smart charging, heat pump*



## DIGITALIZATION

Allows for open, real-time, automated communication and operation of the system

## DECENTRALIZATION

Allows for open, real-time, automated communication and operation of the system

**Key technologies:**  
*energy efficiency, solar PV, distributed storage, microgrids, demand response,*

**Key technologies:**  
*Network technologies (smart metering, remote control and automation systems, smart sensors) and beyond the meter (optimization and aggregation platforms, smart appliances and devices, IoT)*

# Current challenges faced by distributors

- Ageing infrastructure
- Reactive maintenance,
- Growth in electricity demand
- Limited input/outputs which limit access to data to support decision making.
- Limited real-time visibility over the network.
- Limited control over the network.
- Overall system vulnerability to inaccuracies
- Integration of new energy sources or new equipment causes downtime due to the complex hard wiring required to ensure compatibility.
- Single flow of electricity so generation surpluses are not effectively leveraged.
- High cost of repairing or replacing large, aged equipment required in an analogue system.
- Loss of revenues resulting from inaccuracies in meter readings

# Benefits of digitalization

## Asset management

- Near real time monitoring of asset condition with remote, connected sensors.
- Use of robots of various types (including drones) for asset inspections. This includes remote control and / or AI driven autonomous operations.
- Use of data analytics and AI to interpret asset condition data.
- Use of real time monitoring and robotics to improve asset security, preventing or responding effectively to theft and damage.

## Customer Operations

- Demand management capabilities, balancing supply and demand, and offering customers more options.
- Customer interaction channel served by a chat bot - already a basic one in place,
- Automation of data collection from customer interactions, e.g. identifying / verifying which feeder a customer is on when a fault is logged.
- More effective proactive customer notifications.
- Automation of customer interactions and product operations

## Digitalization













## Grid Operations

- Reduction of operations costs by increased remote control and / or autonomous operations.
- Automation of operations to maintain and less dispatch able renewable generation increases.
- Real time monitoring of the operating state of the grid and using this to better optimize operations.
- Early detection, diagnosis and correction of faults.
- Increased verification of operating and maintenance activities.

## Grid management and Operations

- Use of AI for forensic insights and response
- Nerve centre and response supporting real time decision making.
- Supply chain optimization and security

# Summary of where the distributors are heading to transition to a smarter grid

	Today	Tomorrow
Power generation structure	 <p>Large centralised power plants</p>	 <p>Many small energy generators</p>
Electricity market	 <p>Centralised</p>	 <p>Decentralised</p>
Transmission	 <p>Simple transmission structure</p>	 <p>Small-scale clusters, regional balance of supply</p>
Distribution		
Metering	 <p>Electro-mechanical meter</p>	 <p>Smart meter</p>
End consumers		

# Key digitalization steps:

## 1. Assessment and Planning

Begin by assessing the current state of your operations, technology, and data infrastructure. Identify areas that can benefit from digitalization and set clear goals and objectives.

## 2. Smart Grid Implementation

- Invest in smart grid technologies that enable real-time monitoring and control of the electrical grid. This includes advanced metering infrastructure (AMI), distribution automation, and grid management systems.

## 3. Data Management

- Implement robust data management systems to collect, store, and analyze data from various sources. This data will be essential for making informed decisions and optimizing grid operations.

## 4 Customer Engagement

- Enhance customer services through digital channels. Offer online billing, outage reporting, and energy usage insights to improve customer satisfaction.

## 5. Predictive Maintenance

- Utilize data analytics and machine learning to predict equipment failures and prioritize maintenance efforts, reducing downtime and costs.

## 6. Cybersecurity

- Strengthen cybersecurity measures to protect critical infrastructure from cyber threats and ensure the integrity of data and operations.

## 7. Renewable Integration

- Develop the capability to integrate renewable energy sources into the grid seamlessly. This may involve grid modernization and energy storage solutions.

## 8. Advanced Analytics

- Use advanced analytics and AI to optimize load forecasting, demand response, and energy distribution, leading to improved efficiency and cost savings.

## 9. Regulatory Compliance

- Stay updated with regulatory requirements and ensure that your digitalization efforts comply with industry standards and regulations.

## 10. Training & Workforce Development

- Train your workforce to operate and maintain digital systems effectively. Invest in the skills needed for data analysis, cybersecurity, and emerging technologies.

## 11. Continuous Improvement

- Continuously assess and refine your digitalization strategy based on performance metrics and evolving technology trends.

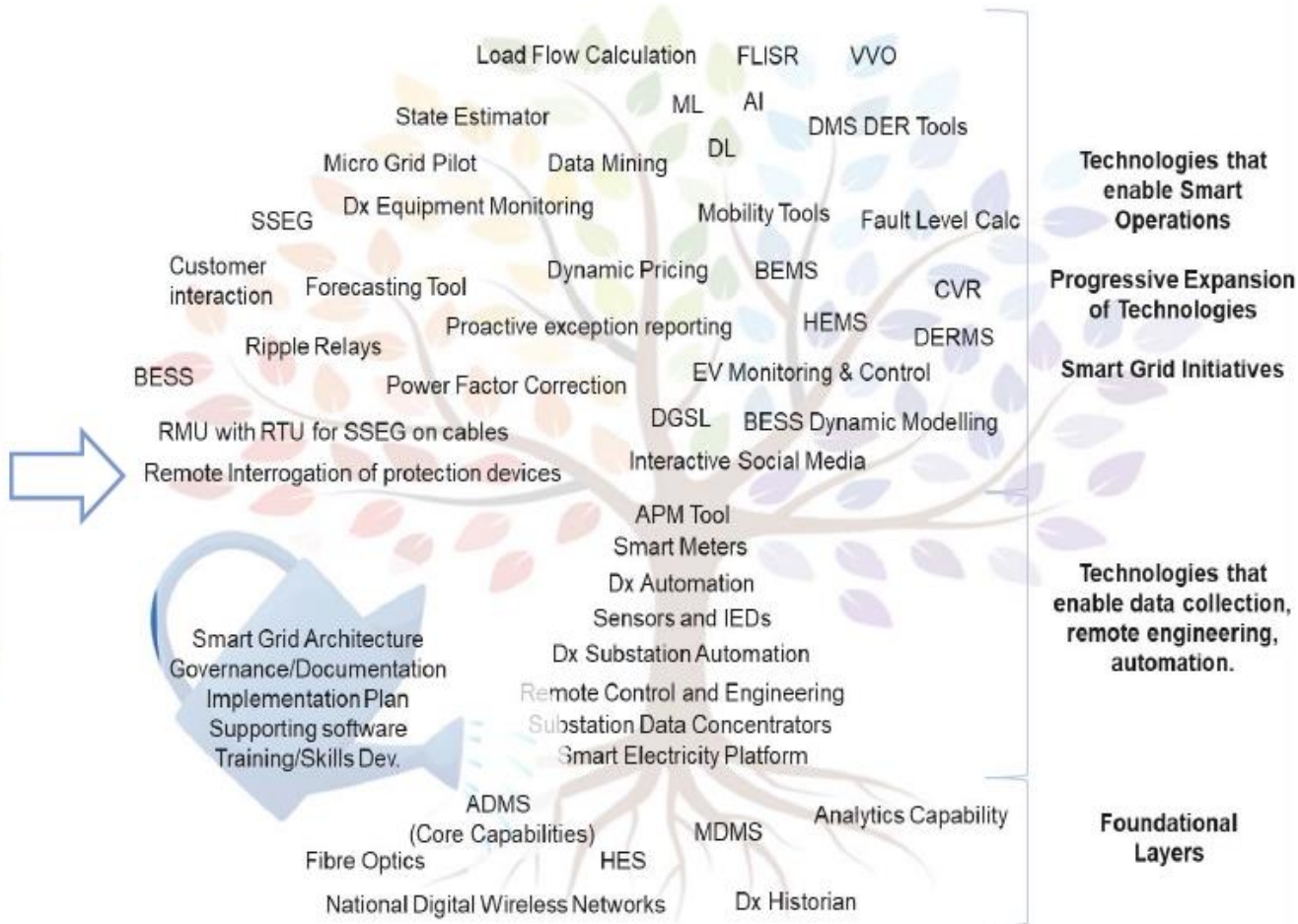
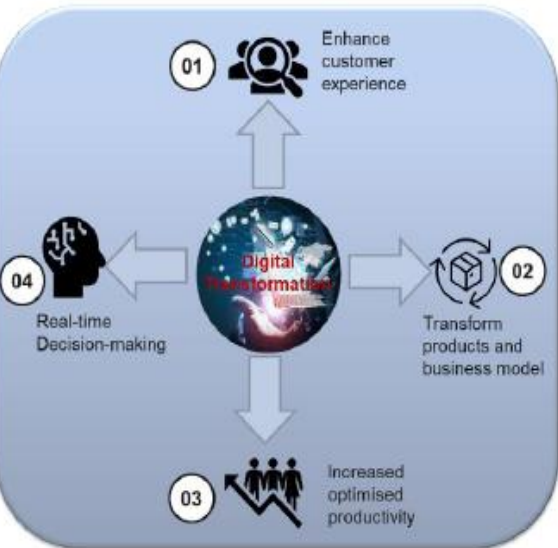
## 12. Collaboration

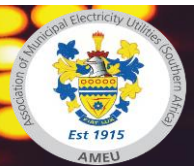
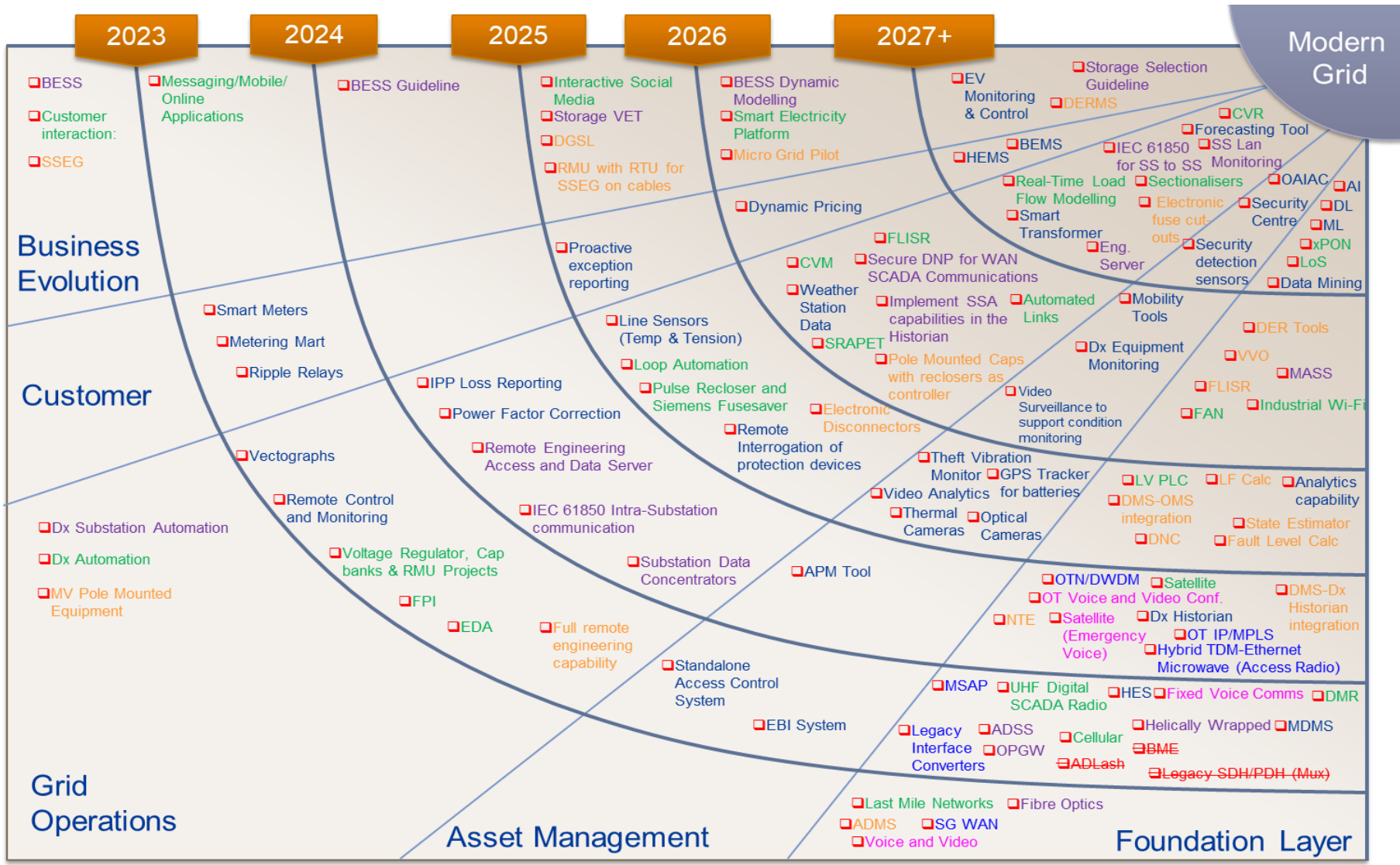
- Collaborate with other stakeholders in the energy sector, including other utilities, government agencies, and technology providers, to share knowledge and resources.

**NB:** digitalization journey is an ongoing process, and staying agile and adaptable is crucial to successfully navigate the changing landscape of the electricity distribution industry.



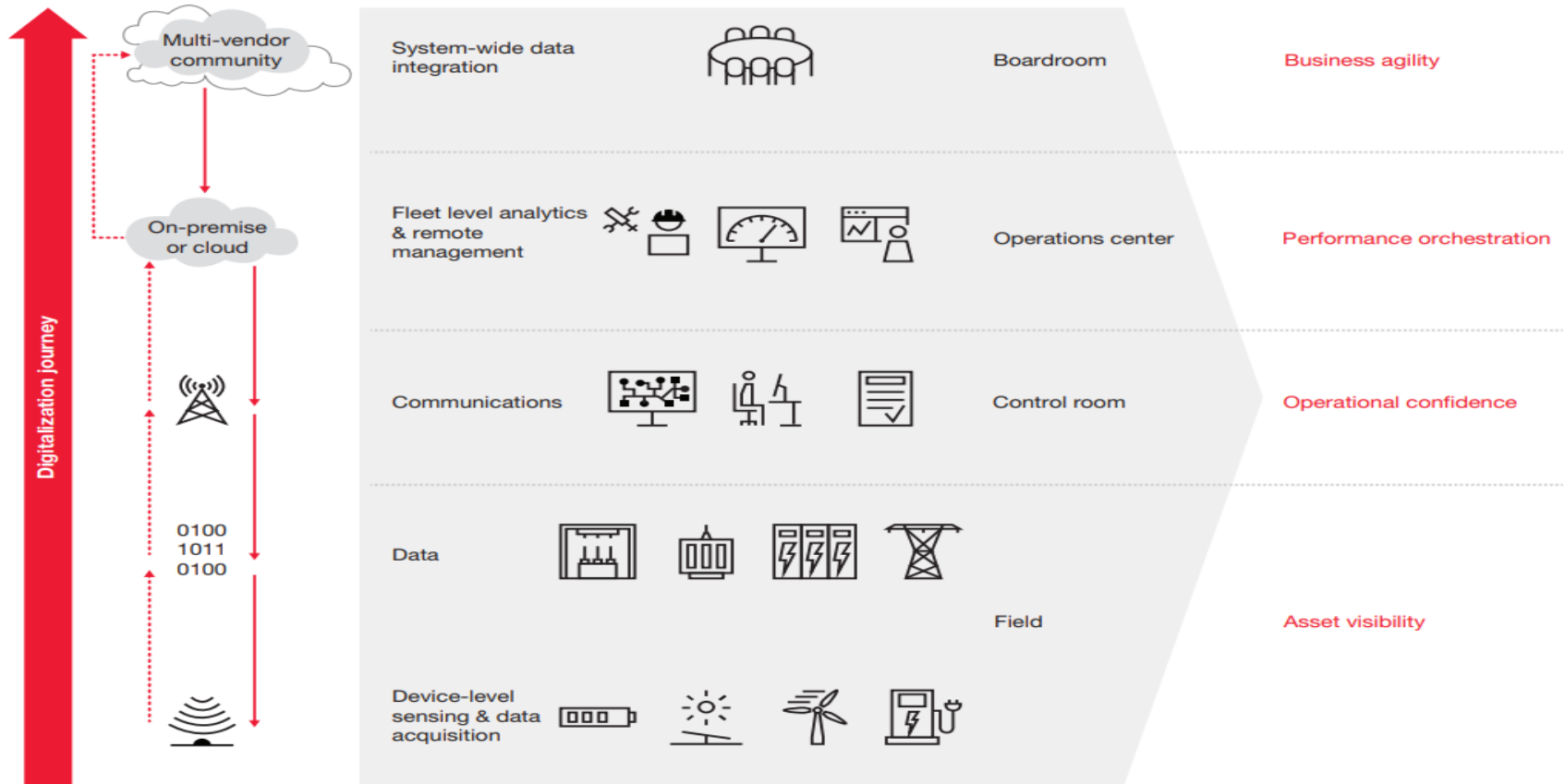
# Smart Grid Growth to enable the transformation journey





# Digitalization journey

Digitalisation enables data from sensors to be used to enhance decision-making throughout the utility.



# Conclusion

- Energy market evolution is disrupting current utility revenue streams and business models consequently pushing digital transformation of energy utilities.
- Utilities must re-examine their business models, to survive and thrive in the evolving industry. Digital transformation capabilities enable utilities to evolve their products, to improve their benefits to its customers and ourselves.
- The process of digitizing the grid will be a lengthier process in SA than it has been in more developed regions due to financial constrains.



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**Thank you!**

