Substantially improving energy services

A future-proof supply chain and service vision for metering service providers

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SUPPLY CHAIN MANAGEMENT
INSIGHT

Smart metering systems and services are becoming the control center of energy transition

Quo vadis?

Smart metering

- The **shift to renewables** increases decentralized and volatile electricity generation
- This raises **demands on grid stability** and **supply-demand balance**
- **Smart metering** forms the **technological backbone** for managing this complexity
- **Decentralized energy sources** like solar and wind can be **actively controlled** to stabilize the grid
- **Home systems** (e.g., heat pumps, EVs, solar storage) can be integrated
- Consumers gain **real-time insights** into their energy use
- Smart metering enables **dynamic tariffs** that respond to supply and demand
- Smart meters lay the **data foundation** for a smart, flexible, and sustainable energy system

While metering service providers (MSP) operate in an intense market environment, their value proposition needs to encounter a fundamental transformation

Metering service providers

operate in a highly concentrated market that is continuously evolving, driven by three key factors:

Regulatory requirements

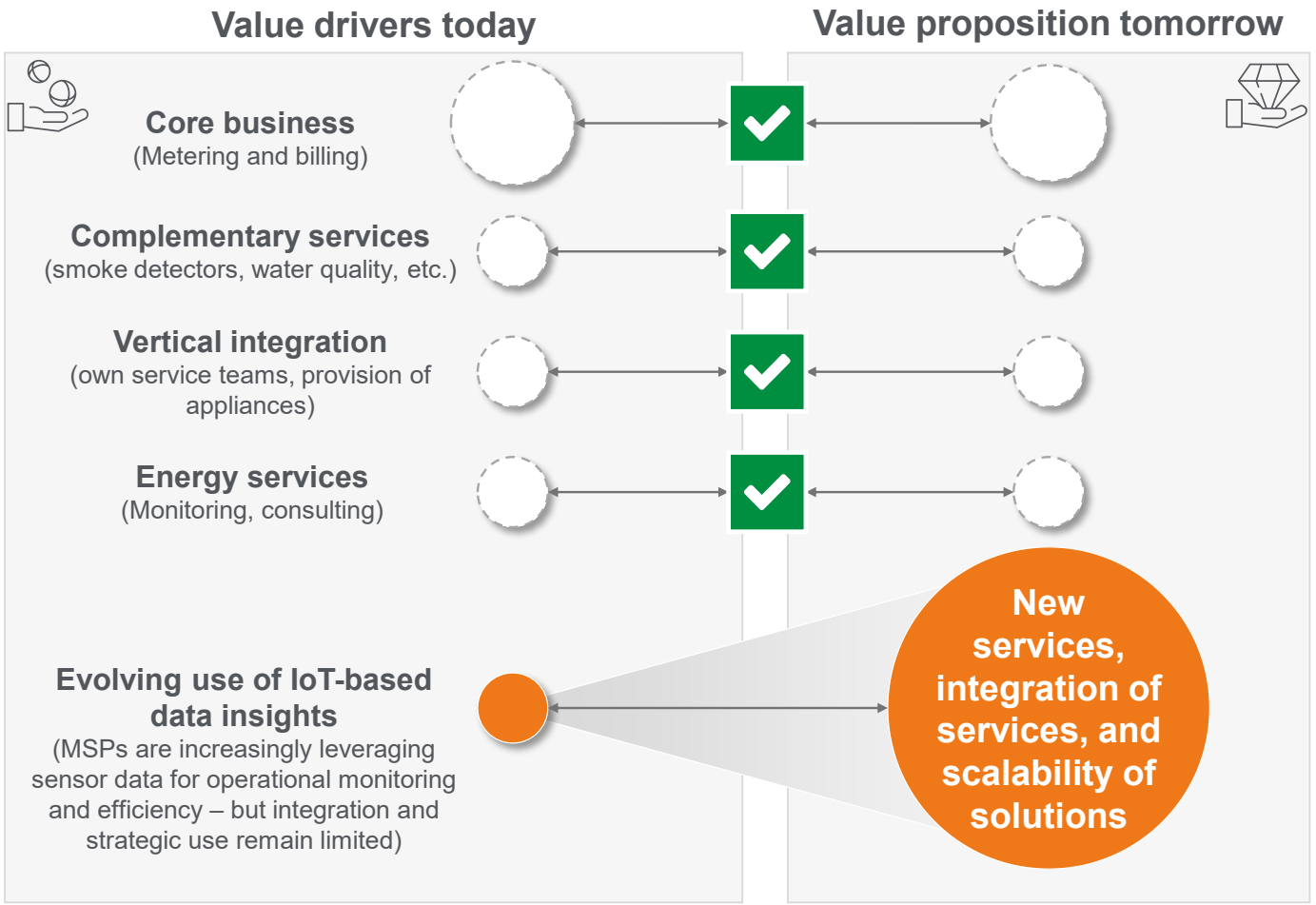
Ongoing legal mandates, such as the smart meter rollout, are shaping the pace and direction of transformation

Investor involvement

Private equity and strategic investors drive structural changes and push for scalable growth models

Service expansion

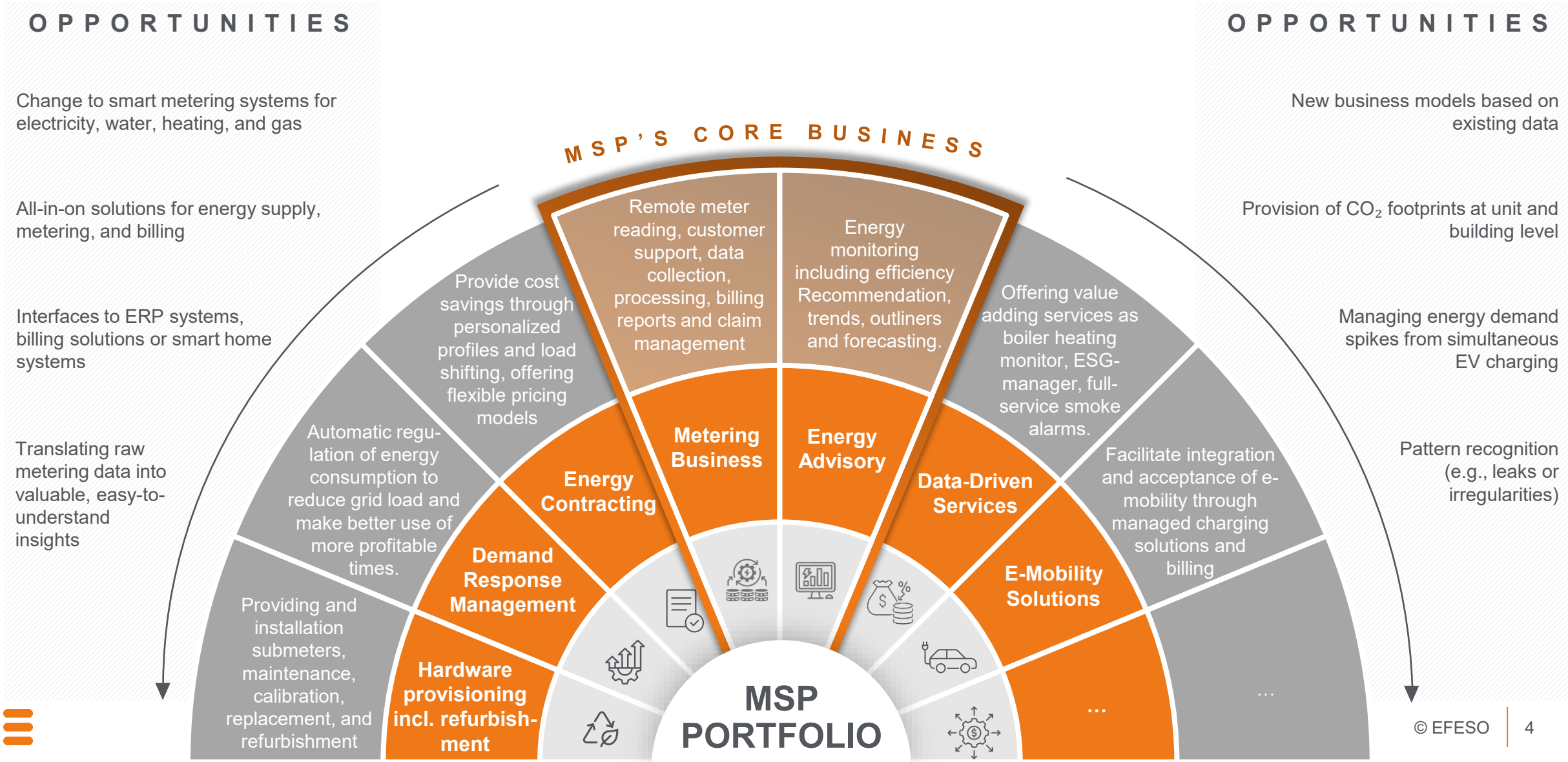
The need to go beyond traditional metering fuels innovation and diversification into new, value-added services



As **MSPs** evolve toward becoming **end-to-end energy management providers**, their **future value proposition** will increasingly focus on delivering **integrated** and **scalable solutions.**

Relative importance (indicative)

Covering the end-to-end energy value chain means to master the core business as well as taking opportunities for growth



Maturing to the metering service provider of tomorrow by turning questions into scalable solutions and strategic capabilities

TODAY

Questions

How to secure market shares?
What are business critical capabilities?
How to set right priorities?
How to leverage and monetarize our data pool?
How does a roadmap for deployment look like?

Requirements

Customer-driven

- Transparency of energy consumption & saving potentials
- Fast annual or monthly statements and support
- Smooth communication and documentation directly with renters
- Smart Services that contribute and informs for energy savings

Legal-driven

- Introduction of intelligent metering systems
- Transpose digitalization policies (GNDEW)
- Increasing efforts for sustainability

TOMORROW

Solutions

- **Integrated supply chain and service strategy**
- **Value-enhancing portfolio extensions**
- Customer engagement & lock-in
- Energy-as-a-service models
- Dynamic tariff & load management services
- Home energy ecosystem integration (e.g., PV, EVs, Heat Pumps)
- and many more.

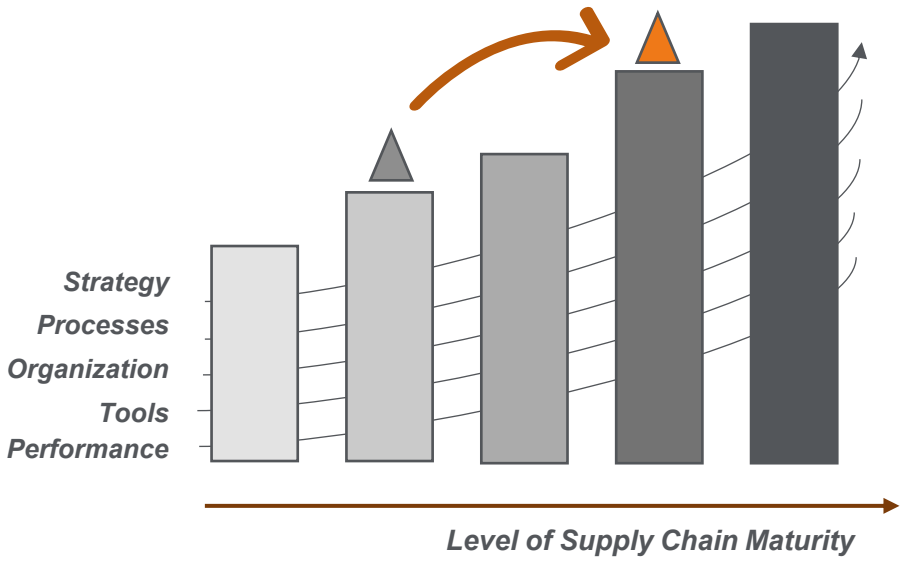
Enabler

- **Scalable IT architecture**
- **Integrated supply & service planning**
- **Strong and strategic partnerships**
- **Organizational capability development**
- **Scalable logistics & installation networks**

Investing in an integrated service and supply chain management unlock various benefits

CAPABILITY PERSPECTIVE

An uplift in supply chain maturity pays off in significant commercial benefits.



TYPICAL BENEFITS*

Increased **service revenue and cross-selling** with improved customer experiences	**Up to +15%**
Reduced **transport, maintenance and return costs** (e.g., onsite visits, shipments)	**Up to -25%**
Improved **service quality and net promoter score**	**Up to +20%**
Reduced **support contact volumes** through advanced digital services	**Up to -30%**

* Observation in improvement projects in the last 5 years

Two case studies illustrate how to gain competitive advantage by digital services and supply chain solutions

Remanufacturing and Industry 4.0 as success factors

Business challenge

- A specialist in water and radio water meters faced increasing brass prices
- Competitors chose to substitute brass with less durable and energy-intensive plastic and outsourced their production to more cost-efficient countries

Solution / approach

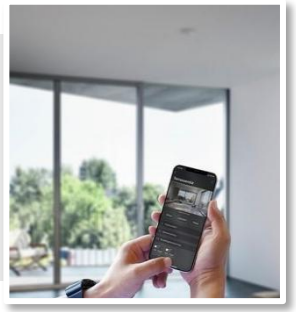
- Establishing a system to take back and remanufacture used water meters
- In collaboration with service companies who install and deinstall meters, a return flow of used products back to a plant was initiated
- A new production concept allows them to identify, sort, assess, and either remanufacture the meters or reuse parts for new products

Result

- Increased independence from fluctuating raw material prices
- Savings of up to more than 30% in material purchasing (with radio water meters even up to 80 %)
- Energy savings and reduction in the CF of products
- Strengthening the competitive position and securing domestic jobs

Boosting revenue with the expansion of smart services

Business challenge



- A mechanic manufacturer bundled all existing service activities in an independent service organization
- Unclear vision and strategy for the implementation of a future-proof service offering

Solution / approach

- Assessing the current maturity to set the starting point of the considerations
- Identifying market advantages and disadvantages on the market meeting the defined customer requirements
- Assessing of internal capabilities and matching them with the future target portfolio to develop a tailored service implementation strategy

Result

- Expanded services portfolio divided into four focus areas: physical services, digital services, contract channels and analytics-as-a-service
- Closed identified white spots in the relevant service activities with 50% additional services
- Determined the USP based on the evaluation using the service excellence framework

We look forward to exploring tailored opportunities to substantially improve your business

From vision to strategy and implementation!

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Our value adds

1 | We know the industry, probably your peers too, providing valuable insights by speaking a common language

2 | We are experts in strategy deployment – co-designing a purpose-led and forward-looking value chain strategy

3 | We have the boots on the ground – we know processes, systems and people bringing in best-of-breed solutions


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