

Meter manufacturers welcomed the fact that in 2010 EPS made the precise meter technical specifications to which none of the manufacturers had any complaints - The applied rule of interoperability, which implies that the devices can be purchased from several different manufacturers, but not even that was enough to lead to more efficient procurement. In Serbia, there are at least four competent local manufacturers of electric meters, „Electric Power Industry of Serbia“ needs at least 2 million meters to replace old and uncalibrated devices the failure of which costs 25 million € per year, and again for more than ten years, EPS hasn't had a serious public procurement of new, „smart“ meter devices. It is even more urgent because Serbia entered the process of electricity market liberalization, so upon the opening of the market for high voltage buyers this year, in 2014 even the smaller companies will be able to choose their own electricity supplier, and from 1st January 2015 households, as well as small and medium companies, will enter the free market. The meter issue must be solved by that time or we will have to take some extraordinary measures - said Dejan Trifunović, Assistant Minister for Energy, Development and Environmental Protection. The round table participants, the EPS representatives and meter manufacturers, discussed and pinpointed the main reasons why for the last 15 years all tenders for procurement of meters have been failing and they last forever. The manufacturers consider that the tenders were not clear and they were often changed in the process. They also think that the rule of interoperability was not respected which means that EPS did not provide the meter devices from several different manufacturers, and one of the reasons was corruption doubt. On the other hand, EPS complained that the manufacturers, when they do not fulfil all the technical requirements postpone the tender because of some little detail and, when they fulfil the condition, they let the tender continue, but then there are others, often dealers or even natural persons who can buy the documentation and use the complaints to postpone such important procurements. Everybody agreed that the Public Procurement Law, old and new version, allows the tenders to last forever for whatever reason. During the last tender EPS organized in December 2012, some of the issues were solved, so the interoperability rule was applied (which means that the devices can be bought from several different manufacturers), but not even that was enough to bring to more efficient procurement of the devices since there are still some obstacles. And even the meter manufacturers welcomed the fact that in 2010 EPS made the precise meter technical specifications to which none of them had any complaints.

- Calibration of the devices is not done in a timely manner, which costs our country 25 million €. As much as 97% of the loan from European Bank for Reconstruction and Development (the total amount of which is 40 million €) from 2010 was not realized. Because of the Public Procurement Law and Commission for the Protection of Rights of Bidders, the tender for procurement of 30,000 meter devices called by EPS started in December 2012 and is still in progress. In order to read the consumption properly, we have

to have the meters ready. This must be solved in time, especially by 2015 when even small purchasers will be able to enter the market, or we will have to take some extraordinary measures - Trifunović said.

Životije Jovanović, Deputy Managing Director in EPS, announced that this company will be ready for the market opening in 2015, and that EPS loses two percent of energy on 1.8 to 2 million meter devices that should be replaced, fixed or calibrated.

- Ten years ago EPS management decided that calibration is not their main activity, so the calibration laboratories were abandoned. We are working on making the calibration laboratories functional in many public companies, and we opened the possibility of outsourcing. The answer to the question why we haven't purchased the meter devices is because the tenders are not successful. The dealers and some of the manufacturers are making our job even harder, they always complain and prolong the tenders, and the new Public Procurement Law did not bring efficiency - Jovanović said.

„Elektrovojvodina“ has 930,000 measuring places, 250,000 of which are uncalibrated. Srđan Kružević, the director of „Elektrovojvodina“ points out that the tender for procurement of 70,000 meters lasts for a year and three months and that that is a huge problem.

- Buyers Protection Associations prosecute us with all reason for charging them the electricity that we use uncalibrated meters for. At the same time, Public Procurement office, after some complaints of the bidders, ordered that we stop the process of purchasing the new meter devices - Kružević complained mentioning that by preventing electricity thefts last year, „Elektrovojvodina“ reduced the loss by 50million kWh, which is 375 million RSD. The continuation of electricity market opening can cause some new problems to EPS. The real problem will appear when the consumers get the possibility to choose from various electricity suppliers, for which they will have to have appropriate measuring devices.

- As long as we have the buyers who purchase all the electricity from EPS, the situation is not that difficult. Their consumption can be measured by mechanical meters, and the mistakes they make are on EPS and amount to three percent - explained Željko Marković, the director of EPS Department for electricity distribution.

Smart meter devices can be read remotely, but they can also communicate among themselves just like mobile phones, and they show the consumers how much electricity they use, which devices spend the most electricity and that is how the electricity costs can be rationalized and thefts prevented at the same time. According to the European Union plan, they will be installed in 80 percent of measuring places by 2020.

That will happen if economic cost benefit analysis shows that it is justified to introduce such devices.

Životije Jovanović, Deputy General Manager in EPS, commented that introduction of smart meter devices can be a long and very expensive process that can take even ten years.

Dragan Jeremić, the director of Department for information and communication

technologies, said that all the meter manufacturers had been invited to consult with EPS expert teams in order to overcome the meter procurement issue as soon as possible.

Source; EPS Kwh