Customer focus is a defining feature of New Zealand energy company TrustPower, a publicly owned company listed on the local stock exchange with assets of over NZ$2 billion (US$1.67 billion). TrustPower is 50.4% owned by Infratil which in turn owns Infratil Energy Australia (Lumo and Perth Energy) with customers throughout Australia. The company has consistently been recognized in independent surveys as the country’s top service provider, and was named the 2010 Energy Retailer of the Year in the inaugural Deloitte energy excellence awards.

With the lowest number of customer complaints in the sector, as measured by the Electricity and Gas Complaints Commission, TrustPower balances outstanding service with highly efficient operations, achieving one of the lowest “cost to serve” ratios in New Zealand.

TrustPower operates in the New Zealand electricity market as a generator and retailer of electricity, and owns a 98 MW wind farm in Australia. It generates electricity solely from renewable energy sources and has a number of new potential renewable energy source developments in various stages of planning and development.

More than 220,000 customers, covered by 500,000 electricity meters, are serviced by the company, representing 12% of the New Zealand retail electricity market.

RESISTING THE RUSH TO SMART METERING
With a reputation as New Zealand’s smartest electricity retailer, TrustPower has been cautious about early adoption of smart metering technology, choosing instead to remain focused on what delivers the most robust result for customers at a reasonable cost.

“Smart metering is being rolled out in New Zealand and we are not ignoring that,” says Stuart Milsom, TrustPower’s field service manager retail. “We are very aware of what is going on and are trialling technology that includes taking data feeds from smart meters, but we are not rushing into it overnight.”

Milsom says TrustPower doesn’t believe that smart metering technology is at a point to deliver a reasonable return on investment, noting “the customer value proposition just isn’t there yet.”

With smart meters five to ten times more expensive than a conventional meter, it is an area of significant capital investment for any energy company. While fast technological change should drive down the cost of smart metering over time, it is still an emerging technology when compared with traditional metering approaches.

TrustPower has an extensive network of meter readers presently, and sees them as their “eyes and ears” in the communities they serve. For example, the meter readers discover 20% of any metering faults, ranging from broken equipment to dishonesty offences, something smart meters are thought unlikely to replicate as effectively.

“We are something of a rarity in our industry, having in the interests of better customer service chosen to employ our own meter readers, rather than contract the function out. As a consequence, we have meter readers in our uniform and driving TrustPower branded vehicles spread as far afield as Kaitaia, Invercargill, Gisborne, New Plymouth, Timaru and Greymouth, which gives us a true national and wide data collection service,” says Milsom.

Given the company’s position on smart metering, and its commitment to maintaining its own meter reading field force, TrustPower keeps an on-going focus on the efficiency of the manual meter reading and strives for continual improvement. The technology supporting the field force was one area where the company believed it could achieve gains.

AN OPEN PLATFORM FOR ACHIEVING MORE
After evaluating several vendors, TrustPower decided to move to a new meter reading platform – SevenX from the New Zealand-based company, DataCol.

The SevenX multi-commodity solution consists of an application running on commercially available, non-proprietary, ruggedized, IP67 compliant handheld computers communicating with a back office management system over cellular networks (e.g. GPRS, CDMA, 3G) networks. It also integrates data from other transfer modes such as the web and AMR. As such, SevenX provides a single interface to the utility billing system (e.g. Gentrack, SAP, Agility) for timely, accurate and consistent billing.

“Our ambition is to read multiple commodities including electricity, water and gas, and SevenX enabled that,” says Milsom. “The fact that DataCol use the SevenX software themselves to undertake meter reading in New Zealand and are actively selling it in Australia gave us confidence.”

Another real attraction was being able to use a standard handheld computing and communication device that could do data
collection, as well as being a camera, email device and a phone. In the past TrustPower meter readers would have to travel with their handheld data collection device, a camera and a phone.

TrustPower is renowned for the efficiency of its meter reading force, and says Milsom “it is regularly complimented by industry leaders and authorities for the quality of the service it provides, and for achieving some of the best data attainment results in the electricity industry.”

Since implementing SevenX, TrustPower has judged it could further streamline the operation of the meter reading force, such as being able to do off-cycle reads more easily.

**EFFICIENCY WITHOUT COMPROMISING SERVICE QUALITY**

Milsom says SevenX supports TrustPower’s focus on achieving highly efficient meter reading without compromising customer service quality, i.e. minimizing the cost-to-serve ratio but retaining good quality customer service.

“Our attainment rates are 98.5% which are right up there for New Zealand. We could have a slightly slower attainment rates by cutting costs more, but the trade-off for customer service is not worth it.” TrustPower is able to increase the time-on-route of readers every day by reducing the need for them to visit a central point, using this additional time to get cyclic readers to undertake other tasks such as special readings. Non-cyclic work can also be assigned to cyclic readers remotely based on where they are currently working, reducing travelling times and costs.

Supervisors can also manage a larger meter reading area and a higher population of readers, and spend less time assigning and managing routes, and checking reader progress by phone.

In terms of back office information, analysis of historical data within SevenX Electricity allows better identification of issues and potential service improvements to utility clients. Analysis by readers, routes and customers can be done to identify and tackle opportunities for improving service levels.

Milsom points out that there is also health and safety benefits for the field force, as TrustPower knows where they are in real time and can provide assistance quickly if required.

“We’ve gone from meter readers having a handheld device, phone and camera to one device that can do it all. That means they can collect and send back data more quickly to be actioned (e.g. meter faults) and the team here can then organize a fix quicker by knowing exactly where people are in the field.”

Feedback from the field about SevenX has been positive. “The way meter readers collect their data hasn’t radically changed but they are now able to do a lot more with their device.”

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**ABOUT THE AUTHOR:**

Bruce Franks is CEO of DataCol. With considerable senior UK and European field operations leadership experience encompassing the telecommunications and electrical utilities sectors, he joined DataCol in August 2006 and has bolstered his leadership team while also pursuing a diversification strategy into metering field service contracting.

**ABOUT THE COMPANY:**

DataCol, established in 1999, is a fully owned subsidiary of New Zealand lines company Electra, with offices throughout New Zealand and in Australia. The combined Electra Group currently employs about 160 staff. Group turnover is around $64 million with total assets of $169 million.

www.datacolgroup.com