



THE PRESIDENCY
REPUBLIC OF SOUTH AFRICA
Private Bag X1000, Pretoria, 0001

NATIONAL ASSEMBLY

QUESTIONS FOR WRITTEN REPLY
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QUESTION NUMBER: 4181 (NW5463E)

4181. Ms S J Graham (DA) to ask the Minister in The Presidency for Electricity:

- (1) Whether his Office has determined the total cost of implementing the smart meter project; if not, (a) why not and (b) what cost modelling has been done; if so, what are the relevant details;
- (2) (a) who is the designated service provider for the (i) installation and (ii) maintenance of the smart meter, (b) how was the service provider selected and (c) what criteria were used in the selection process;
- (3) what is the (a) commencement date of the specified project, (b) timeline for the completion of the smart meter roll-out and (c) timeline for each province?

REPLY

- (1) (a) Yes, Eskom has determined the total cost of implementing smart meters.
(b) Eskom has a financial evaluation model that is used for all its projects and the same model was used to evaluate the financial viability of the various phases of the smart metering project.
- (2) Eskom does not have a designated installer as multiple contractors are appointed to install meters in various regions each time a project is initiated. For projects like this where a large number of meters are to be installed at one go (as a project), an open Request for Proposals (RFP) for potential installers is issued to the market and successful bidders are awarded tenders to install meters in various areas.

(3) Eskom started installing smart meters in 2010 when a pilot project was commissioned in Sandton (Gauteng) and Margate (KZN) for 5000 meters. This was followed by Phase 1 of the project that was implemented in Sandton/Midrand in 2015, where about 33 000 smart meters were installed. A decision was taken in June 2021 to only use smart meters going forward and as such, all faulty meters are now replaced by smart meters. There is no official commencement date yet for a project to replace all meters with smart meters as the project is still going through internal governance processes and an RFP still has to be issued to the market.