

Creating value to district cooling with metering and billing

The provision of metering and billing on consumer's actual consumption levels can help providers in the district cooling industry to improve their services at minimum cost and at increased transparency.

Dubai, 2 June 2010 – DC Dialogue, the discussion forum for representatives of the district cooling industry taking place on 2 June 2010 in Abu Dhabi, will see a lively debate on industry issues with the focus on metering and billing challenges in the Gulf region. Participants of the event will include real estate developers, building service contractors and energy service providers amongst others.

During the third roundtable at the debating event, Mr. Hans Altmann, Techem's Regional Manager for the MENA region will lead the discussion on the pros and cons of metering devices and billing services with giving a closer look at the meaning this has for the district cooling industry in the Gulf region in particular.

The topic is of particular importance given the high consumption rates for air conditioning in the region. In this realm, it is the residential sector that accounts for the highest amount of energy consumption with 70% of electricity being used for air condition in private households.

Furthermore, Abu Dhabi for example is among the cities where electricity usage is at the highest level worldwide. While in the USA, where metering devices have been continuously and increasingly installed over the past 20 years, the yearly average of energy consumption is 11.4 kW (Kilowatt) per person. On the contrary, a typical Abu Dhabi resident uses on average 41.0 kW of electricity per year. Even with a much hotter climate and on average larger properties, the numbers still suggest that there is a high level of over-consumption of energy in the Emirate. This makes the discussion of metering solutions especially relevant for the region.

Moreover, potential risks of supply imbalances of electricity could spur the discussion further. Especially in this region, blackouts could occur at times of high demand of electricity, for example during the summer when a lot of energy is used for air conditioning. In fact, the blackouts started already this May in Sharjah and are expected to occur more frequently in the upcoming months.

Currently in the UAE, Mr. Hans Altmann stresses that there are few incentives to reduce energy consumption for private households. As at present, energy consumption is mainly measured on an area base at a high percentage, it is more difficult for consumers to control their costs. This measurement system can therefore be blamed for an excessive energy waste.

Accordingly, the biggest advantage of metering technology is that it allows customers to know the amount of energy they consume. Knowing exactly about the actual consumption at home can help customers reduce their usage immensely, Mr. Hans Altmann adds. He has experience with applying consumption-based cooling cost allocation methods, which is a common practice in many countries in the world: "When implemented properly along with two practical measures, energy savings of up to 25% are possible."



A comprehensive pricing policy that is based on consumer's actual consumption makes households more aware and creates an incentive for the careful use of energy over the long-term. This result is obtained from various programs in many European cities that Techem has conducted and Mr. Altmann is confident that the same positive returns are most probable to achieve here as well.

The second practical measure is the introduction of energy-efficient standards and regulations for buildings, which would enforce developers to boost the implementation and production of more efficient systems, appliances and equipment. Finally, a legal basis on rules and regulations to reduce energy consumption would increase consumer's level of awareness so that they pay for the energy they actually consume and get rewarded for that.

All in all, such a hybrid method of measures to reduce cooling costs and increase energy saving potentials will be key topics that will be discussed during the DC Dialogue.

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Notes to editors:

About Techem:

Techem is a leading energy service provider for the housing and property industry in the fields of recording, allocating and billing data on energy, water and cooling consumption. Techem stands for customised service packages for the real estate industry in the areas of Energy Services and Energy Contracting and services include consumption metering and the billing of heat, water and cooling. Additionally, Techem offers intelligent systems for saving energy (Techem adapterm), detailed consumption analyses and online services.

Techem in brief:

- Market leader in Germany and in other countries globally
- World market leader in installed radio metering devices
- 652 million Euros turnover worldwide
- More than 2,900 employees worldwide
- Market success for more than 55 years
- Subsidiaries in more than 20 countries

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