

***THE WORLD MARKET STUDY
OF
SCADA, ENERGY MANAGEMENT SYSTEMS
AND
DISTRIBUTION MANAGEMENT SYSTEMS
IN
ELECTRICAL UTILITIES: 2005-2007***

VOLUME III

WORLD ASSESSMENT AND FORECAST

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NEWTON-EVANS RESEARCH COMPANY, INC.

Section 1

INTRODUCTION

THE WORLD MARKET STUDY OF SCADA, ENERGY MANAGEMENT SYSTEMS AND DISTRIBUTION MANAGEMENT SYSTEMS IN ELECTRICAL UTILITIES

2005 - 2007

VOLUME III

WORLD MARKET ASSESSMENT AND FORECAST

The eight sections comprising Volume III of the EMS, SCADA and DMS world research program series are:

- I Introduction
- II World Market Assessment and Forecast and
World Regional Markets for EMS, SCADA and DMS

Specific World Markets are in Sections III through VII

- III North America
- IV Europe (East, West and Central)
- V Latin America (Central and South)
- VI Mid-East, Mediterranean, and Africa
- VII Asia Pacific and South Asia
- VIII Market for Substation RTUs and PLCs by World Region

Section 2

World Market Assessment and Forecast

- Volume Three of the EMS, SCADA and DMS world research program series of reports has been prepared to enable suppliers to gauge the relative size and shape of the current and near-term market for EMS, SCADA and DMS systems, applications and related services during the 2005-2007 period.
- As of November 1, 2005 approximately 200 North American surveys, and more than 50 international surveys from nearly 40 countries had been received and tabulated for use in preparing the final editions of Volumes One and Two of this series.
 - *These surveys, together with supplier viewpoints, and Newton-Evans' own estimates and projections, serve as the basis for the World Market Assessment and Forecast.*
- The group of North American utilities represented in this study provides electricity services to approximately 50% of the served North American electricity market.
- Newton-Evans estimates that about 22% of the world's served electric consumer market is served by utilities participating in the international portion of the study. Such large international utilities as ELIA (Belgium), ESB National Grid (Ireland), EDP (Portugal), Iberdrola (Spain), CFE (Mexico), CLLP Power (Hong Kong), Korea Electric Power Corp (Korea), Tenaga Nasional Berhad (Malaysia), Manila Electric Power (Philippines), and Taipower (Taiwan).

World Regional Markets for EMS, SCADA and DMS

- Volume Three is separated into sections based on the major world regions. Each section provides summary information for the world market.
- The 2005 survey data support the viewpoint that spending for mature or traditional control center technologies such as EMS and SCADA systems is holding “steady” at best, dependent upon the world region being discussed. Real growth for this related group of computer-based control and monitoring systems derives from increased spending on distribution *systems* and intelligent electronic devices and transmission *equipment*.
 - This new study corroborates similar findings reported in the comparable 2001 and 2003 studies.
- If we extend the definition of distribution management systems to encompass distribution substation integration and automation programs and feeder automation initiatives now taking hold in several countries, then a different and somewhat more positive picture of related investments by utilities emerges.
 - *With the combined effects of new substation construction and load growth in developing nations and the impact of deregulation on improving customer services via improved system reliability, there is definitely support for the view of a sustainable six percent or higher annual growth rate in combined worldwide spending for control-center based control and monitoring systems.*
- On a global basis, Newton-Evans estimates that about SAMPLE million (range of SAMPLE million - SAMPLE million) will be spent in 2005 on EMS systems, software licenses for EMS applications, field and control center hardware to support EMS systems, and related engineering, training, and maintenance and support services.
 - Global forecast ranges are found in Table 2-1, Figure 2-1, Figure 2-2, Figure 2-3, and Figure 2-4.

- Over the three-year forecast period (2005-2007), low estimates of a little over SAMPLE dollars will likely be spent for EMS systems and related software and services. If all projected procurements were made during this same three-year period, then contracts worth SAMPLE dollars could be awarded.

- Worldwide spending for SCADA and DMS systems, software licenses, control center hardware and related engineering, training, and maintenance and support services will reach SAMPLE DOLLARS, possibly ranging as high as SAMPLE in 2005.
 - *About SAMPLE % of this amount will be spent on DMS-related activities (applications licenses, engineering support, training services, etc.).*
 - *This amount does not include any spending for DA or IEDs. Protective relays alone represent a SAMPLE \$\$\$ global business area.*
 - *Descriptive SUBSTATION EQUIPMENT spending breakouts for electronic and automation components and subsystems can be found in the Newton-Evans series “World Market for Substation Automation and Integration Programs in Electric Utilities: 2005-2007.”*

- Over the three-year forecast period, Newton-Evans projects spending will reach SAMPLE dollars for SCADA and DMS systems and related software and services. The expected range of SCADA and DMS-related spending is from SAMPLE to SAMPLE for the 2005-2007 period.

- Internationally, forecast ranges are found in Table 2-2, Figure 2-5, Figure 2-6, Figure 2-7 and Figure 2-8 depict the international forecast ranges for EMS/SCADA/DMS and PX/ISO/RTO.

- Also included in this section are specific listings excerpted from Volume Two of this series of reports that indicate respondent plans over the next several years. The listings are included in their original form as Table 2-1 and Table 5A.