



**EUROPEAN ENERGY  
VENTURE FAIR 2007**



**Closed Gap**

European Energy Venture Fair  
September 17-18th 2007  
Zürich, Switzerland

# Problem Statement Energy Distribution Companies Emerging Economies

- **Very high energy losses of energy distribution companies in countries like India. They have very weak financial positions.**
- **This prevents them from:**
  - Improvement of the grid;
  - Development and implement sustainable energy technologies.
- **One of the major reasons for these losses is not having a reliable and cost effective Customer Information System; a predominantly paper based administration, typical 2 months from reading to invoice dispatching with high error incidence. Up to 50% of electricity delivered is not paid for.**



# Offering CLOSED GAP:

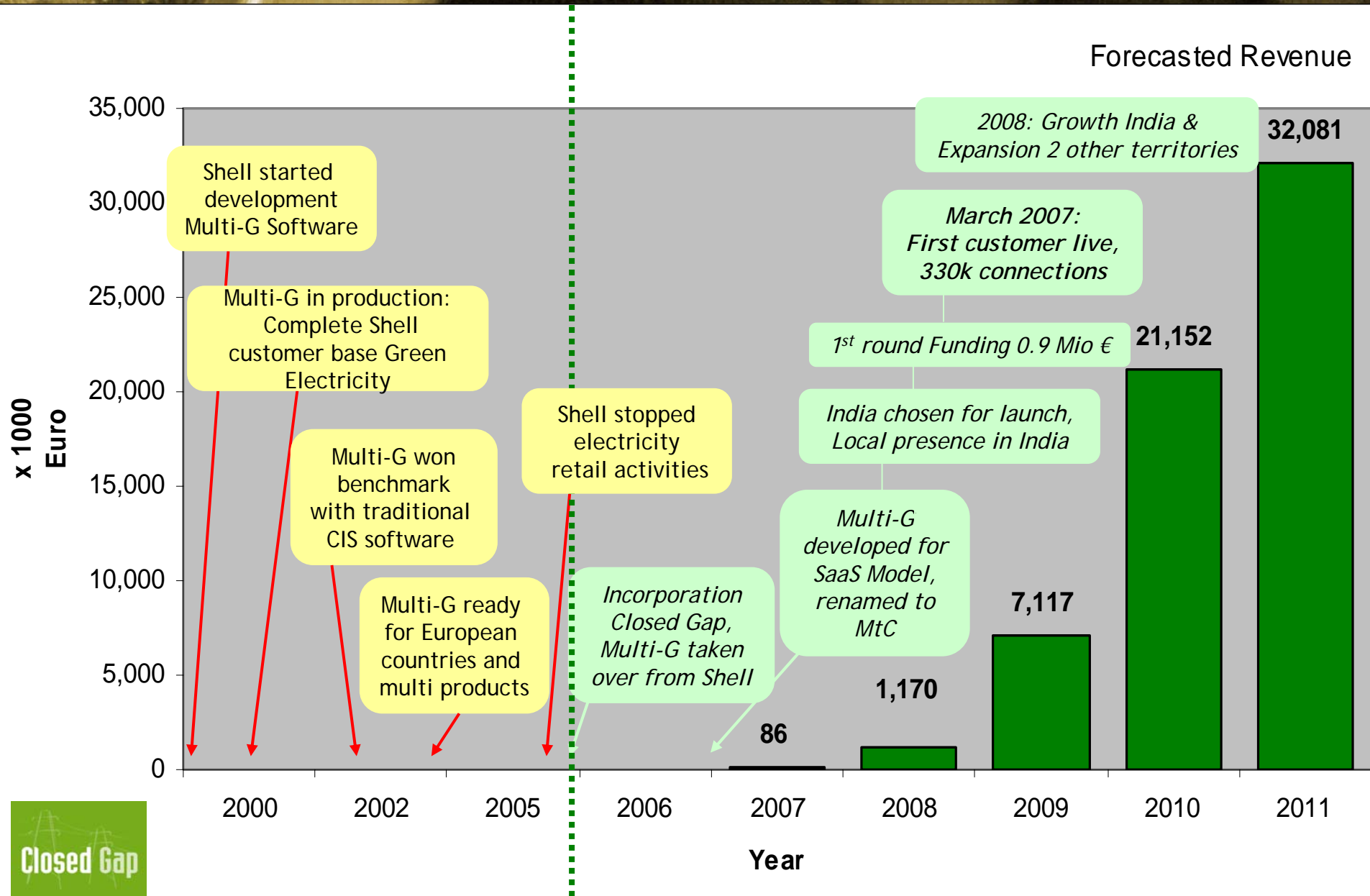


“Making a state of the art Customer Information System affordable for all utilities worldwide, without high up front capital expenditures through the SaaS model”

Advantages: real time management information via dashboards, analysis tools to reduce losses.

Closed Gap

# Closed Gap, Achievements



# Closed Gap – Technology and Product

**MtC = Meter to Cash**

**Revenue Management System for Utilities**

**Supports full customer life cycle (contact, contract, metering, billing, reporting)**

**Software as a Service Delivery Model (SaaS)**

**Customer buys a service instead of software**

**Fully web based**

**Subscription based, no licenses needed**

**Multi Lingual**

**Configuration instead of Customization**

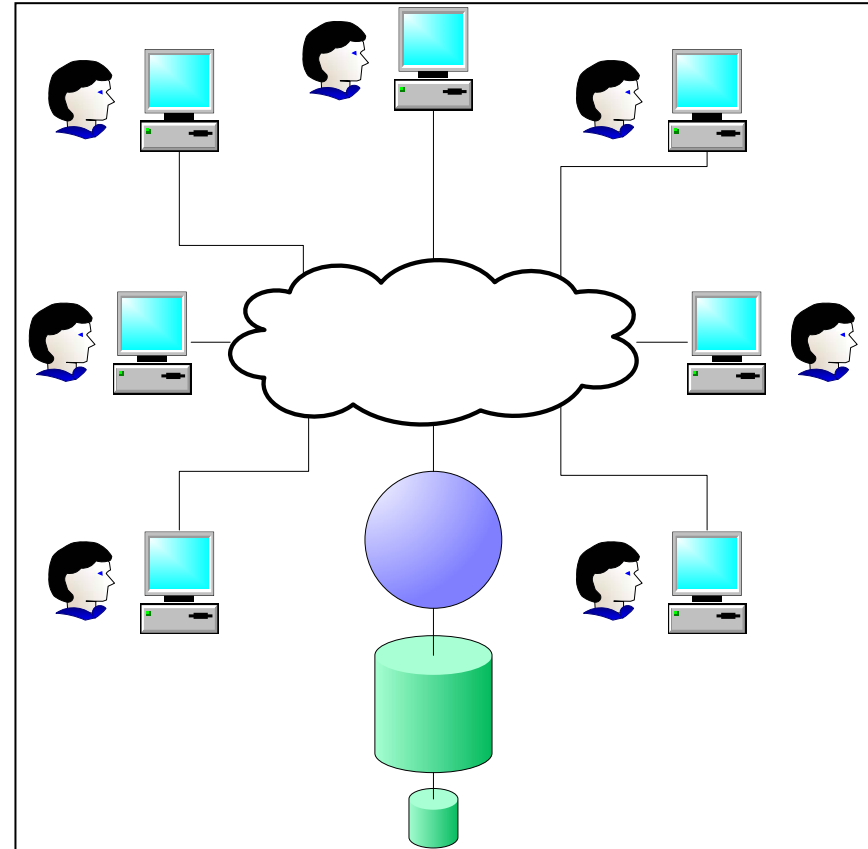
**Highly Scalable**

**Using Oracle 10G**



# Customer Advantages

- No upfront investments needed, pay as you use
- Unlimited number of users
- No hardware infrastructure needed, only PC with WWW
- Short time to go live (6-10 weeks)
- Real time management information
- High flexibility
- Best practices incorporated



## Energy Distribution Companies / Other Utilities

World wide roll out

Focus on developing countries, highest need

### Mid 2006: MtC launched in India:

- 130 mio electricity customers, will grow to 250 mio
- 25-45% losses of energy revenue (mainly because inadequate processes and information systems)
- 60 energy distribution companies
- Ministry of Power India:
  - *“IT is key enabler in reducing losses”*

### Proof of concept:

First customer, DHBVN, operational  
with >300k customers in MtC,  
since March 2007



# Key Personnel

**The Netherlands: 6 FTE**

**India: 8-10 FTE**

## **Management:**

**Ronald van Oijen, MD CG Netherlands**

*Founder CG, 10 years experience E-Distribution, founded utility back office service provider ANY-G*

**Jean Paul van Wieringhen Borski, MD CG India**

*12 years IT experience, CTO AND, (Navigation and Geographical Data, AEX: AND), 7 years active in India*

## **Board of non executive directors:**

**Gerrit Schipper, chairman RAI Data Centre**

**Marco Pieterse, managing partner Planet Capital**

**Piet de Visser, former chairman REMU (Dutch E-Distribution Company)**

# Business Model / Financials

## Transaction based

- Customer pay per use, based on number of customers in MtC
- Monthly payments

## Revenue projections:

2007: 100k €

2008: 1,1 Mio €

2011: 32 Mio €

# Funding Requirements

**2.5 million Euro required**

**Use of proceeds:**

- Grow partner network India**
- Expansion to new territories**
- Product enhancement**

**Current shareholders participating in current financing round**

# SaaS versus Traditional Software

- **Example: Salesforce.com, CRM application**
- **Example: Google Apps (Docs and Spreadsheets)**
- **“10% market enterprise software will migrate to SaaS by 2009” (IDC, March 2005)**

<i>Traditional Software</i>	<i>Software as a Service</i>
<b>Single Tenancy</b>	<b>Multi Tenancy</b>
<b>Major upgrades sold to customers infrequently</b>	<b>Frequent upgrades not disrupting customers</b>
<b>Designed for customers to install, manage and maintain</b>	<b>Designed from the outset up for delivery as Internet-based services.</b>



**DHBVN Goes Live on SaaS Solution**



Dakshin Haryana Bijli Vitran Nigam (DHBVN), an electricity distribution company has deployed an internet based revenue management solution.

The solution is based on Software as a Service model (SaaS). It will integrate and manage customer information, metering and billing.

According to a press release, Closed Gap Enzen (CGE) has set up a customer care center at DHBVN's circle to offer integrated customer care and billing solutions.

The release claims that DHBVN is the first distribution company to have deployed the SaaS model.

The Revenue Management Solution of CGE would provide ON LINE access to Customer, Billing and Metering information and also provide critical Management Information which would enable and ensure Operational Efficiency and Customer

**THE ASIAN AGE**  
**Solution for electricity distribution**

By KAVITHA SRINIVASA

Bangalore, Aug. 16: As the distribution of electricity is one of the main priorities in rapid growth, it comes as no surprise that a city-based company Enzen Global Solutions, is attempting to address problems. These are related to billing solutions and by tying up with Closed Gap, a Netherlands-based company, which provides state-of-the-art, energy backend solutions, to solve distribution hiccups. This joint venture offers an integrated customer care and billing solutions to power distribution companies.

**With an integrated solution at hand, they can continue distributing energy to a growing population, as investments related to product, software, tools, infrastructure license procurement, commissioning, maintenance and support will be managed by CGE.**

maintenance and support will be managed by CGE.

The tie-up results in an integrated end-to-end Internet-based billing and metering solution to the state electricity boards (SEB) and the distribution companies (Discom).

"Closed Gap provides the meter-to-cash product for metering and billing. Enzen offers the domain consulting, systems integration, and implementation in a SaaS (software as a service) model," said Mr Sateesh Kumar, chief executive officer, Enzen Global Solutions.

This product enables SEBs and distribution companies to focus on their core competencies. With an integrated solution at hand, they can continue distributing energy to a growing population, as investments related to product, software, tools, infrastructure license procurement, commissioning,

"We have made a beginning here with a written proposal to government regulated bodies like Bescom and KPTCL. We intend to approach the state government soon with a written proposal," he added.

The company aims to reach out to tier II cities in the state like Hubli and Dharwad, with a value proposition tailored to suit the local needs. Basically, the product is an Internet-based solution which can be customised to meet the requirements of the rural and urban sector.

Encouragement for taking this new initiative forward comes from the way the power billing segment operates. According to him, 52 per cent of the billing in India is inaccurate, where inefficiency of the collection is even higher!

**Net-based billing system for power consumers soon**

By OUR CORRESPONDENT

Hyderabad, May 5: An Internet-based customer care, metering and billing system is to be launched soon to benefit power consumers of the twin cities.

This will help them to check their power consumption on a daily basis and control it according to their monthly budgets.

The central Discom is all set to finalise a deal with the Netherlands-based Engen Gap to set up the new system. It will be launched as a pilot project for consumers in the city and will be expanded to other parts of the State in phases. "This is part of the reforms being introduced in the power sector and is basically intended

to solve recurring meter problems of our consumers," said a Discom official.

A consumer will be able to access his rate of consumption of power and can also pay his bills sitting at home.

Moreover, he can take the help of customer executives to solve problems related to bills. The official pointed out that this system was prevalent in some Western countries including Canada.

Discom has asked software providers to customise the software to suit the conditions prevailing in India. "Data collection will be handled through hand-held devices while billing and customer information services will be handled through Internet," said CEO of Engen Gap, Sateesh Kumar.

**एन्डेन ग्लोबलच्या क्लोज्ड गॅपशी संयुक्त सहकार्य करार भारतीय ऊर्जा वितरण बाजारपेठ आता एसएएस मॉडेलच्या मार्गाने जाणार**

मुंबई, शनिवार : एन्डेन ग्लोबल सोल्यूशन्स या सोल्यूशन्स सल्लागार कंपनीने इंटरनेटच्या माध्यमातून अत्याधुनिक संपूर्ण एकात्मिक ग्राहक काळजी, मीटरिंग आणि बिलिंग सोल्यूशन्स पुरविण्यासाठी 'क्लोज्ड गॅप' बरोबर संयुक्त सहकार्य करार केल्याची घोषणा केली आहे. ही सोल्यूशन्स एसएएस मॉडेलवर अर्थात 'साफ्टवेअर अॅज अ सॉल्यूशन्स' या धर्तीवर पुरविण्यात येणार आहे. आजच्या घडोला जागतिक पातळीवर विविध उपयोगिता कंपन्यांना या स्वरूपाचे सोल्यूशन्स पुरविण्यात जात नाही.

या संयुक्त कराराबद्दल आपले मत व्यक्त करताना एन्डेन ग्लोबलचे मुख्य कार्यकारी अधिकारी सतीश कुमार यांनी सांगितले की, केंद्र सरकारने सर्वसाठी ऊर्जा कार्यक्रम (२०१२) हाती घेतला असून तो प्रोत्साहनजनक असा आहे. याचाच अर्थ आपला देश २०१२ सालापर्यंत ६०० दशलक्ष व्यक्तींना ऊर्जा पुरविणार आहे

आणि सध्याच्या १,२१,००० मेगावॉट क्षमतेच्या तुलनेत हे प्रमाण दुप्पट आहे.

सर्काच्या या पुढाकाराला कमी खर्चात आणि कोणत्याही जास्त गुंतवणुकीशिवाय पाठिंब्या देण्याचे वचन आम्ही दिलेले आहे. वितरण कंपन्यांजवळ आता सर्वोच्च मूल्याची सीआयएस प्रणाली उपलब्ध होईल. परिणामी, त्यांच्या सक्षमतेत वाढ होऊन त्यांची सर्वसाधारण कागपिरी तसेच आर्थिक स्थिरतेत सुधारणा होऊ शकेल. यामुळे सर्वसाठी ऊर्जा कार्यक्रमासाठी जास्तीत जास्त भांडवली गुंतवणूक होण्याची शक्यता आहे. आपल्या दृष्टीने ऊर्जा वितरण क्षेत्रासाठी ही अत्यंत महत्वाची बाब आहे. कारण सध्या या क्षेत्राला जवळपास ५० टक्के सरासरी तांत्रिक आणि व्यावसायिक तोटा सहन करावा लागत असून जगाच्या तुलनेत भारताचे हे प्रमाण सर्वोच्च आहे.

# Functionalities Meter to Cash (MtC)

- **Metering**
- **Invoicing**
- **Contract Management**
- **Management Information**
- **General Ledger**
- **Payment Information**
- **Customer Contact Information**

# Summary

**Innovative product, Software as a Service delivery model**

**First customer: DHBVN, Haryana, India**

**Proof of concept delivered in India, market with great potential**

**Other territories to be developed soon**

**Links: [www.closedgap.com](http://www.closedgap.com), [www.cge.in](http://www.cge.in)**

**Thanks for your attention!**

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**Closed Gap b.v.**

**“New Energy Docks”, Amsterdam**

