

NOVEMBER 2010

switchedon

Engineering brilliant solutions



**Environmentally
focused Fusegear
Products from
Switchgear UK**

Also in this issue

- Worldwide Joint Ventures
- ADDC forges ahead
- Saudi Lucy mid year review

www.lucyswitchgear.com

Welcome



Welcome to all our employees, partners and customers around the world as we come to the end of a very good year for Lucy Switchgear.

As in 2009 global economic problems and a downturn in some of our better markets were evident but we have managed to advance our position in some new markets thanks to the great efforts of our distributors, agents and our sales teams backed by our colleagues in operations and engineering. This year promises to be our best ever both for turnover and profit, a great effort by all and very much appreciated by the Company.

We had some notable successes in the year and despite some delays to some of our product developments we are well placed for 2011. We have expanded our sales presence in South Africa, we are

about to recruit more staff in Malaysia to cover South East Asia and we plan to open our first office in China early next year. We are also adding new staff in the UK to focus on technical marketing and increasing sales.

In this edition we highlight recent developments in Saudi Arabia and Abu Dhabi in Distribution Automation. We look at developments in Low Voltage engineering and there is a special feature on Joint Ventures. We also feature our success in what for us is a new market in Pakistan.

So thanks to all for your support and dedication in 2010 and we look forward to our continued success in 2011. As ever, seasonal greetings to all and a very Happy New Year!!

Carl Sellick, Global Sales and Marketing Director

Lucy Switchgear continues the introduction of new Fusegear Products

Once again Lucy Switchgear Design and Manufacturing Engineers have revealed their thirst for delivering new environmentally focused products in accordance with market demands and the Company's policy on recoverable resources.

Single Phase Fuse Handles

We have discontinued our previous range of J Type Fuse Handles, manufactured in glass filled Polyester DMC. They have been replaced with our new range – manufactured in PBT, with a glass filled thermoplastic polymer, and providing a robust, lightweight fuse carrier. They are suitable for 230/400V, 50Hz, 4 wire, Combined Neutral Earth or Separate Neutral Earth Electrical Distribution Networks incorporating BS88 J type fuse or solid links, designed in accordance with EATS 37-2: 2004, issue 4.

Our new range of Fuse Handles (ratings of 200/400/600A with 82 and 92mm fixing centres) is fully interchangeable with our previous range, having the added facility of test probe access and, in accordance with our environmental goals, is fully recyclable.



Link Box Fuse Handle with insert

MJWST J Type Fuse Handles



GFP10 Multi Service Distribution Board

The design brief, developed during extensive market consultation, stated a requirement for a fully insulated durable enclosure, suitable for installation in public areas, with function and footprint to remain generally in accordance with our existing product to minimise disruption in the event of a change out. The new unit should have a target life expectancy of 40 years and should be totally recyclable effecting a reduced through-life cost of ownership.

Newly introduced, our GFP10 MSDB fulfils the design criteria admirably. Manufactured in self coloured Polyamide thermoplastic glass filled polymer, it is available for termination to a Combined Neutral Earth or Separate Neutral Earth Electrical Distribution Network via a directly connected or integrally fused incoming 3 phase supply.

- Target Life Expectancy 40 years
- Totally Recyclable
- Fully tested to BSEN60439-1 and draft ENA Technical Specification for Multi Service Distribution Boards

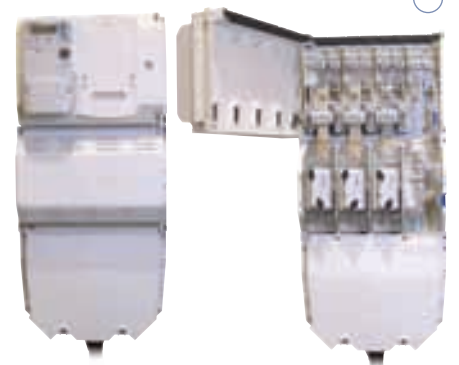
Integrated Metering and CT Chamber

Building on the successful launch of our range of Heavy Duty Cut-outs (first brought to your attention in the August 2007 edition of **switchedon**), we decided to complement the range to include an Integrated Metering and CT Chamber.

The outline design brief for this product was to produce an Integrated Metering and CT Chamber within separate but interlinked compartments. This affords secure, authorised levels of access and interfaces seamlessly with our HDC200/400/600 range of Heavy Duty Cut-outs with the minimum of on-site preparation.

Emphasis has been given, without the need to disconnect outgoing supply cables, to rationalise the requirement to replace metering CT's in situ either as a result of a change in the consumers supply demand or through a fault.

Provision has been made to pre-wire the meter compartment in accordance with customer requirements, and to enable the meter to be mounted on the front door.



The unit can also be supplied as a stand-alone item to be interconnected with other manufacturers' equipment being currently installed or those having been installed previously.

The product entered testing and preproduction in August with the launch date set for the end of 2010.

- Manufactured in self coloured Polyamide thermoplastic glass filled polymer
- Configurable meter test block options available
- Tri rated metering class CT's fitted as standard
- Fully recyclable

Joint ventures

Lucy Switchgear has been operating successful Joint Venture (JV) and Localised Licensed Assembly (LLA) operations for over 20 years. With existing activities across the Middle East, Indian Continent, Asia Pacific region and North and South African regions, Lucy Switchgear is always looking to increase its partnerships to the benefit of all.



TCG Lucy SF6 Oil RMU factory in Nasik, India



CG Lucy Oil RMU factory in Nasik, India



Sabre 'a' range assembly at the EPE Switchgear factory in Kuala Lumpur, Malaysia

With a product range spanning Low Voltage feeder pillars and cut-outs, Medium Voltage SF6 insulated Ring Main Units (RMU), Oil insulated RMU, Pole Mounted air break load break switches and substation disconnectors, there are many opportunities for potential partners to consider. Having adopted a structured modular approach in its product design, Lucy Switchgear products offer JV's and LLA's the ability to select a content / competency level within the product assembly process that suits their local market needs and individual capability. To support the creation of new JV and LLA opportunities, Lucy Switchgear has a dedicated resource to provide a focal point for access to Lucy Switchgear's commercial, engineering, technical and quality assurance capabilities. Lucy Switchgear can provide all the support and guidance required to enable third parties to take on the local assembly of Lucy Switchgear products. Due to the variances in regional overhead costs and the increasing stipulations by end customers for local product content, entering into an LLA with Lucy Switchgear can offer a flexible solution to meet the most complicated local market demands.

What is a JV or LLA?

In terms of Lucy Switchgear's operations, a Joint Venture is a new legal trading entity formed between Lucy Switchgear and a partner (or partners) to undertake the local manufacture, assembly and sales of Lucy Switchgear products into a defined market area. During the setup of the JV, each party will contribute equity in proportion to their share in the JV. Each party will then share the revenue, expenses, assets and business control activities.

LLA operations are formed when an existing company is granted a license by Lucy Switchgear to undertake the assembly and subsequent sales of Lucy Switchgear products within a JV or LLA. Lucy Switchgear allows its partner to locally assemble Lucy Switchgear products from within a pre-agreed product portfolio. The local content of the product is dependent upon the capabilities and facilities available within any individual JV or LLA operation. Market areas for all the JV and LLA operations are pre-defined to provide structure and control ensuring that Lucy Switchgear and all its partners do not conflict with each other.

Why do we need JV or LLA's?

To permit access to certain markets, many governments and state controlled end customers stipulate that the product must have (or preference will be given to those with) a certain percentage of local content in terms of labour and material. Individual countries often implement high levels of import duty for completed product with lower values allowed for partially built products that will be completed locally. In some cases individual components or 'kits' attract very low duties.

In these situations, entering into a JV agreement or LLA with a local partner can meet the specific stipulations or and can give Lucy Switchgear products a financial advantage over its competitors in a local market.

JV or LLA?

There are many factors to be considered when deciding between a JV agreement and an LLA. The main aspects centre on the political advantages and legal requirements within the target market, along with the value of investment needed (by both parties) to achieve the level of indigenisation required. In most cases the required local content to gain tender preference and minimise import duties is such that an LLA will suffice, and is often the local partners' preference.

What is actually sold by Lucy Switchgear to a JV or LLA?

From within the selected Lucy Switchgear product to be indigenised, its components are jointly reviewed in terms of suitability for the JV or LLA to locally manufacture or assemble. This review takes into account the safety critical aspect of the item, the JV or LLA's own local capabilities and the cost benefit import or idigenisation. Any item identified as required from Lucy Switchgear is then supplied as either partially assembled or in full knock down kit form or a combination of both.

The flag ship JV companies of Saudi Lucy and Crompton Greaves Lucy have become recognised leaders in their market areas of Saudi Arabia and India respectively. A combined annual sales value of over £35m highlights the potential success levels available for third parties wishing to work with Lucy Switchgear. Operating as a JV since 1987, The Saudi Lucy Company commenced local assembly of oil insulated ring main units utilising kits supplied from Lucy Switchgear. These contained all the safety critical items and were combined with local fabrication and assembly to produce the finished product. With localised assembly of Fused SF6 insulated RMUs introduced in 1995, Circuit Breaker RMU's and Pole mounted air break load break switches in 2005, the company continues to expand.

Saudi Lucy is currently working closely with the Saudi Electricity Company (national authority) to introduce Automation across the national MV network. It is one of the few companies to be evaluated by SEC to a 'top manufacturer'. Recent expansion has enabled Saudi Lucy to be capable of offering market specific design solutions, testing and Contract Management, along with full After Sales Service and Technical Assistance.

CG Lucy was incorporated as a JV in 1994 with the introduction of oil RMU technology using the familiar format adopted with Saudi Lucy. Further indigenisation and product introduction has seen CG Lucy adopting full localised fabrication and assembly of oil and SF6 insulated RMU. Having acquired additional land in 2006, an expansion of the CG Lucy facilities (officially opened in 2007) has seen the introduction of robotic welding and full clean room assembly capabilities. Having focused on the original Sabre SF6 Circuit Breaker, CG Lucy is now in the process of indigenising the complete Sabre 'a' range to enhance product variability to its customers.

Due to the variances in regional overhead costs and the increasing stipulations by end customers for local product content, entering into an LLA with Lucy Switchgear can offer a flexible solution to meet the most complicated local market demands. Lucy Switchgear's wide product portfolio across LV, MV, ground mounted and overhead line switchgear has been the catalysts for developing thriving LLA operations in South Africa, Malaysia, Oman, Libya, Syria, Sudan and has imminent operations commencing in Pakistan. With new Lucy Switchgear MV and LV products being released into the market place now, additional opportunities will be generated and we welcome new partners from around the world.



ADDC forges ahead with Distribution Automation Programme

Abu Dhabi Distribution Company (ADDC) has an ambitious programme for the widespread implementation of Distribution Automation in order to enhance the service to its customers.

Over many years, Lucy Switchgear has been a key supplier of MV ring main equipment to ADDC and a considerable proportion of their network is populated with our ring main units (RMU). ADDC approached us for a turnkey solution that would offer retrofit automation capability for their existing 11kV network.

and equipped with suitable automation facilities. The refurbished units could subsequently be returned to the 11kV network as fully automated ring main units with the necessary Gemini-RTU2, communication device and cabling. On-site installation times were minimised by plug-in connections between components and pre-RTU configuration.

The Lucy Switchgear Solution

To meet ADDC's requirements, the Automation division within Lucy Switchgear implemented a package of added value measures and these included:

- Achieving compatibility between our GEMINI-RTU 2 (Remote Terminal Unit) technology and their existing Control Centre
- Communications across a Wi-mesh (wireless Internet) network for the very first time
- RTU stocking issues were simplified by designing a single RTU format to cater for the most common RMU configurations

ADDC's contractors received full training on all aspects of installation and commissioning of the automated ring main units. Feedback on the ease of installation has been very positive. Installation works have continued at a pace and it is expected that over 150 substations will have been upgraded to automation by the end of 2010 – a considerable achievement given the original timescales.

What does the future hold?

It is clear that this substantial investment in DA will bring enormous benefits to ADDC's customers in terms of supply security and availability and will provide ADDC with real time data that can be archived for future network planning purposes. Having greater visibility and control of the 11kV network will also increase network operational flexibility, defer reinforcement investment and reduce both manpower and transportation costs.

In order to protect ADDC's original investment in our ring main units, Lucy Switchgear offered a service whereby existing Lucy Switchgear ring main units could be recovered from the network and refurbished at our manufacturing facilities in Dubai

The future for ADDC's customers is certainly looking brighter.

Lucy Middle East is visited by National Industrial Parks of Pakistan

We recently welcomed Mr Qazi Shehryar, General Manager Projects of NIP accompanied by Engineer Hafiz Hamid Ahmed, Chief Engineer of Consulting Engineers NESPAK and Khalid Masood Managing Director of Quality Builders Ltd.



Through our representative Salman Qureshi we have supplied our Scimitar type SFRMU Ring Main Units to the Korangi Creek Industrial Park Project in Karachi. The Industrial Park is Pakistan's first Industrial Park and is spread over 250 acres.

And Lucy Switchgear's Export Sales Manager Andrew Evans was no where to be seen... or was he?



Left to right: Engineer Hafiz Hamid Ahmed – Nespak, Qazi Shehryar – NIP, Frank McCarthy – LME, Abhijit Luktuke – LME and Baskar Kothandan – LME.

Arabian lights

At the end of the third quarter a review of the Saudi Lucy business shows that we are ahead of budgeted sales; our new office and sales team in Riyadh which covers the Central region of Saudi Arabia is responding to the challenges they have been set and the forecast for year end indicates we are ahead of our annual targets; our Western region team based in Jeddah is also indicating in the sales forecast a very strong finish to the year. It is worth adding that we have never had a physical presence in the Western Region and the two guys across there have done an excellent job in raising the Saudi Lucy profile.

Over recent months we have won significant volumes of SF6 Ring Main Units from SEC (Saudi Electricity Company) as part their RMU tenders for 2011.

A major focus for Saudi Lucy in the first half of 2010 was to gain approval from SEC for the new

AEGIS product. This has been difficult given the timescales involved but we have succeeded. Throughout this time period we have received excellent support from all the various departments in Lucy Switchgear – John Casey's team, Graham Briggs' team and Phil Williams' team in FZE. We have also been awarded our very first Aegis units

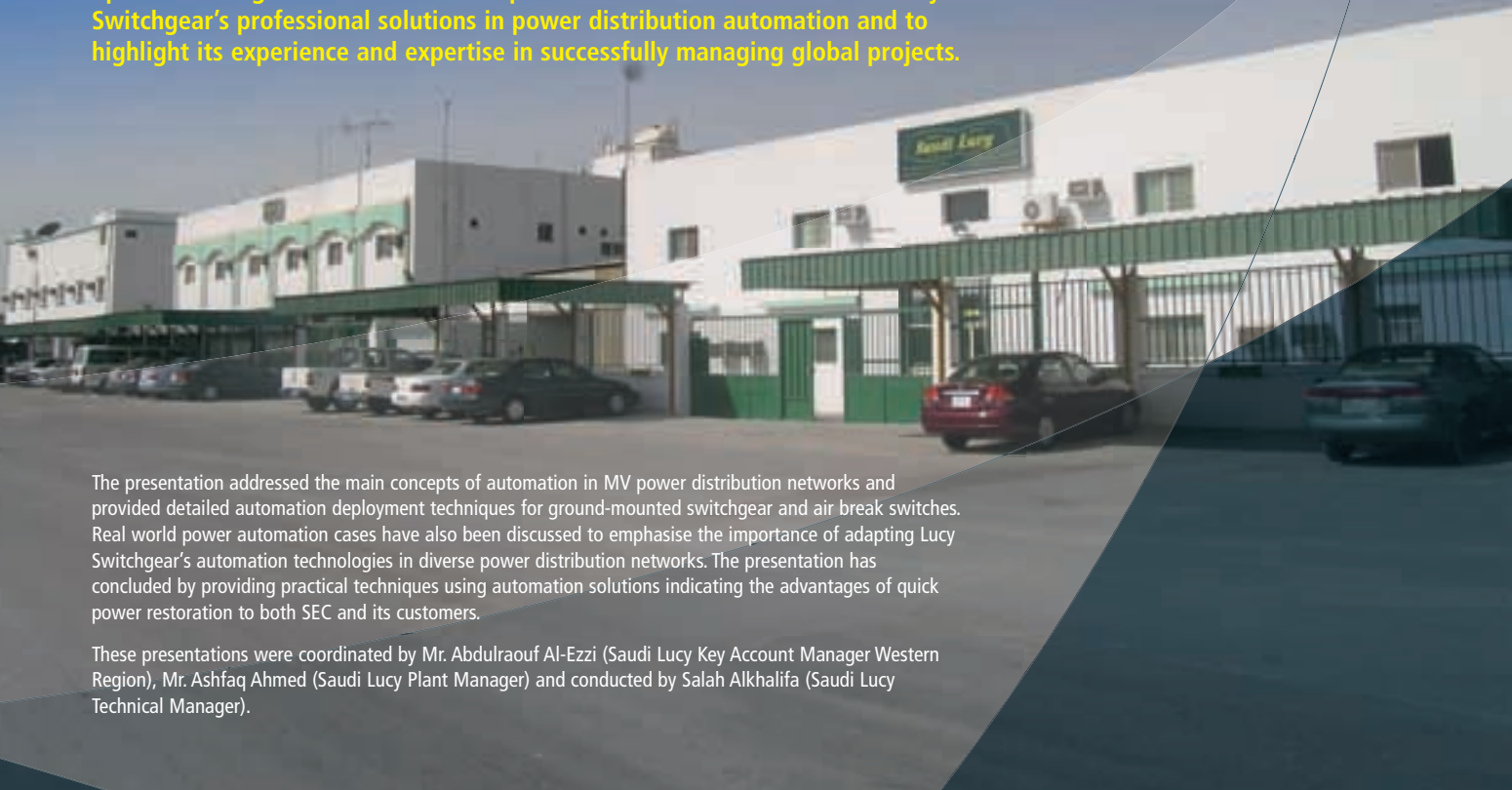
which have been very well received by SEC. We will be delivering these units through November and December for installation early next year.

Automation presentations at SEC

Saudi Lucy's Technical Manager, Salah Alkhalifa confirms that technical presentations on MV distribution automation for Saudi Electricity Company (SEC) were completed in May. Conducted at two locations, WOA-Jeddah and SOA-Abha sites, the presentations were attended by SEC management and operational engineers. The aim of the presentations was to demonstrate Lucy Switchgear's professional solutions in power distribution automation and to highlight its experience and expertise in successfully managing global projects.

The presentation addressed the main concepts of automation in MV power distribution networks and provided detailed automation deployment techniques for ground-mounted switchgear and air break switches. Real world power automation cases have also been discussed to emphasise the importance of adapting Lucy Switchgear's automation technologies in diverse power distribution networks. The presentation has concluded by providing practical techniques using automation solutions indicating the advantages of quick power restoration to both SEC and its customers.

These presentations were coordinated by Mr. Abdullaouf Al-Ezzi (Saudi Lucy Key Account Manager Western Region), Mr. Ashfaq Ahmed (Saudi Lucy Plant Manager) and conducted by Salah Alkhalifa (Saudi Lucy Technical Manager).



Exhibitions 2010 – 2011

Lucy Switchgear will be attending the following exhibitions and Conferences in 2010 and 2011. We would be delighted to see you there.

For more information on the conferences please visit the websites below, or if you can't make it to any of the shows and would like some information on our range of products, please contact us on marketing@lucyswitchgear.com

Name	Date	Location	Website
MEE 2011 (Middle East Electricity)	8-10 February 2011	Dubai, UAE Stand No. 2-D10 (Hall No.2)	http://www.middleeastelectricity.com
WETEX (Water, Energy Technology and Environment Exhibition)	8-10 March 2011	Dubai, UAE Stand No.G-62 Tentative (Za'abeel Hall)	www.wetex.ae/
AUW	14-17 March 2011	Cape Town, South Africa	www.african-utility-week.com
EP China	21st – 24th Sept 2011	Shanghai Pudong Expo, 200135 201 He Huan Road, Shanghai, China	
Power-Gen 2011 (Power Generation & Water Middle East)	October 2011	Abu Dhabi, UAE	
Electrix 2011	TBC		
North Africa Exhibition 2011	TBC		

Email address update

We have updated all email addresses so we can separate and deal with all sales enquiries more efficiently and quickly.

Instead of 'sales@lucyswitchgear.com', each office now has their own sales email address which is listed below. This is so that each office can process their enquiries straight away instead of forwarding onto the relevant country or area etc.

Please see below all new email addresses:

Lucy Switchgear
salesuk@lucyswitchgear.com

Lucy Middle East
salesme@lucyswitchgear.com

Lucy South Africa
salesza@lucyswitchgear.com

The Saudi Lucy Company Ltd.
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