

Schneider Opens 3rd Local Plant

By Roland Oliphant

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A worker making an RM6 unit at Schneider's new plant, its third in Russia. Roland Oliphant

KOMMUNAR, Leningrad Region — French electric services firm Schneider Electric has opened a third Russian factory in a bid to keep up with increasing demand for "smart-grid" technologies in Russia and the CIS.

"We reached a critical point where we had to be in-country to keep up with orders and the demands of customers," country president Jean-Louis Stasi told The Moscow Times at the opening ceremony.

The basic idea of a "smart grid" is to use a combination of real-time monitoring technologies and software to closely tailor energy supply to demand, reducing electricity bills, increasing reliability and reducing energy waste during network peak and off hours.

Opened on a sweltering afternoon last week, the 10 million euro (\$14.5 million) plant near the small town of Kommunar in the Leningrad region will turn out RM6 ring main units for Russian utility companies and property developers.

The units, which resemble small upright pianos, act as circuit breakers and electricity distribution points in medium-voltage power distribution networks around city districts and large building projects. Prior to the opening of this plant, similar units were supplied by Schneider's factories in France and China.

Because they can be remotely monitored, faults can be identified and fixed quickly, reducing chances of service disruption.

Stasi and Frederic Adam, managing director of Schneider's EMEAS division, said the plant would turn out 6,000 units a year, and they hoped to get a complete return on their investment "this year or maybe next year."

Stasi explicitly linked demand for the products and plans for expansion to increasing interest in smart-grid solutions. The company has already sold more than 22,000 similar units in Russia and does not rule out exporting from the new factory to other CIS countries in the future.

It is estimated that Russia will need an additional 173 gigawatts of electrical energy by 2030 with an investment of \$328 billion in modernization and expansion of current electricity infrastructure.

The government has also set a goal of slashing energy waste, which is currently roughly equivalent to France's entire annual consumption.

Smart-grid technology is seen as key to meeting both goals, and companies including Siemens, Eaton, and General Electric have declared Russia a key strategic market and have started hawking their solutions to domestic utility companies in recent years.

Other players joining the smart-grid rush include New York-based Ener1, which is supplying a lithium-ion storage system to the Federal Grid Company to back up power supply during the Sochi Olympic Games, and London-based Invensys, whose general director Ulf Henriksson pitched his company's operations-management solutions to the Federation Council's innovation committee in February.

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