Oceania LED and Smart Street Lighting: Market Forecast (2018 – 2027)

Public Outdoor Lighting Market

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Australia and New Zealand will see significant investments in smart street lighting deployments and could become the most developed markets in the world by the end of the forecast period. Until recently, these two countries lagged behind the global leaders such as the UK and US and even today there are comparatively few LED and smart street lighting deployments, particularly in Australia. But the market has changed significantly in the past three years since the region’s smart streetlight roadmap was first developed. Australia and New Zealand are now on pace to reach nearly full LED penetration and over 70% smart penetration by the end of the forecast period.

Most notably, both Australia and New Zealand have significant regulatory drivers. In New Zealand, the government is funding 85% of smart and LED streetlight conversions through 2021, while Australia has set a nominal goal of achieving full smart streetlight penetration by 2027. To achieve this target, Australian states have been funding conversions and altering lighting codes to incentivize utilities (which own almost all the streetlights in Australia) to convert to smart streetlights.

Meanwhile, many of the barriers that had previously held up the market are now being addressed. Prices for both LED luminaires and controls are declining (both on the global level and in Oceania, where previously small volumes had driven up per-endpoint costs). Australia and New Zealand are also now adopting international standards, which will facilitate a competitive vendor landscape and smoother conversions. Finally, as deployments have increased, so has local knowhow, and models are now in place for large-scale conversions. There are still important obstacles to overcome – most notably, there are conflicts of interest for utilities that own the streetlights but also generate revenue from energy sales and streetlight maintenance contracts. As much as there is clear momentum, most projects are still at the pilot level in Australia and regulations are still being adjusted. But with an improving framework in place, a rapidly developing market in New Zealand, and declining prices for luminaires and controls, the region as a whole looks poised to develop one of the most complete smart streetlight markets in the world by 2027.
Key questions answered in this study:

- How are LED and smart streetlight deployments advancing at the largest cities and utilities in both Australia and New Zealand?
- What are the market shares of both the leading streetlight communications and controls vendors?
- What cities have upcoming RFPs or have just begun streetlight and smart city projects?
- What new regulations are driving the markets in Australia and New Zealand?
- What is the ten-year forecast for LED and smart street lighting across all segments?

Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>i. Executive Summary</td>
<td>1</td>
</tr>
<tr>
<td>1. What’s new in 2018?</td>
<td>4</td>
</tr>
<tr>
<td>2. Oceania street lighting overview</td>
<td>15</td>
</tr>
<tr>
<td>3. Market forecast</td>
<td>30</td>
</tr>
<tr>
<td>4. Vendors</td>
<td>37</td>
</tr>
<tr>
<td>5. Appendix</td>
<td>60</td>
</tr>
<tr>
<td>5.1 Methodology</td>
<td>60</td>
</tr>
<tr>
<td>5.2 List of abbreviations and companies covered</td>
<td>62</td>
</tr>
</tbody>
</table>

List of Figures, Boxes, and Tables

- US LED and smart street lighting: key takeaways 3
- Figure 1.1: Recent smart streetlight activity in Australia & New Zealand 4
- Figure 1.2: Annual smart streetlight deployments by project type 6
- Box 1.1: New Zealand streetlight financing 7
- Table 1.1: Progress and notable developments since IPWEA roadmap of 2015-16 9
- Figure 1.3: Smart city activity in Australia & New Zealand 10
- Table 1.2: Smart city applications 11
- Figure 1.4: Australia-NZ streetlight networking market share 12
- Figure 1.5: Australia-NZ streetlight nodes/controllers market share 12
- Table 1.3: LED deployments in other Oceania countries 14
- Figure 2.1: Australia-NZ streetlights by luminaire type 16
- Figure 2.2: Streetlights in Australia by state 16
- Table 2.1: Streetlight ownership in Australia 17
- Table 2.2: Sample regulatory suggestions from SLSC roadmap 18
List of Figures, Boxes, and Tables (cont.)

Figure 2.3: Largest cities in Australia and New Zealand 20
Table 2.3: Largest cities in Australia-New Zealand and streetlight conversion status 21
Table 2.4: LED and smart streetlight costs and benefits 24
Figure 2.4: Smart streetlight benefits (10-year savings) 25
Table 2.5: Additional benefits to smart streetlights 26
Table 2.6: Challenges to implementing smart and LED streetlight projects 28
Figure 3.1 Cumulative investment in LED and smart streetlights 30
Table 3.1: Cumulative investment in LED and smart streetlights 31
Figure 3.2: Cumulative LED streetlight forecast with installation separate 31
Figure 3.3: Installed base of legacy streetlights and annual shipments of LED streetlights 32
Figure 3.4: Oceania LED and smart streetlight penetration rate 34
Figure 3.5: Annual LED and smart streetlight shipments 35
Figure 3.6: Average cost per streetlight of smart LED projects 36
Figure 4.1: Australia-NZ streetlight networking market share 38
Figure 4.2: Australia-NZ streetlight nodes/controllers market share 38
Figure 4.3: Smart lighting value chain 39
Figure 4.4: Major smart streetlight projects by vendor 39
Table 4.1: Smart street lighting communications vendors 40
Table 4.2: Streetlight control hardware vendors 47
Table 4.3: ESCOs and smart city integrators 51
Table 4.4: General LED lighting vendors 54
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