Korea Telecom and its role in Smart City development

- For SSC Workshop ITU-TRAI -



KT Global Business Group | March, 2015

Contents

1	Introduction to KT
2	Smart City Development in Korea
3	KT's effort in sustainable smart city development
4	Major References
5	Direction of development

Contents

1	Introduction to KT
2	Smart City Development in Korea
3	KT's effort in sustainable smart city development
4	Major References
5	Direction of development

01 Company Overview

	Established	December 10, 1981
	Revenue	USD 17.4 B (2014)
NL	Stock Listing	Korea, New York, London
Korea Telecom	No. of employees	23,800 (2014)

KT Group

Consolidated Revenue : USD 21.4B (2014)
 Consolidated Assets : USD 30.7B (2014)
 Number of Subsidiaries : 56
 [The Full List of Subsidiaries]

Global Awards and Recognitions 02





DJSI Industry Super Sector Leader (2010 ~ 2014)



Global Mobile Awards 2012 (Feb. 2012)

WBA WiFi Industry Awards (Nov. 2012, 2013)

GSMA joyn Innovation Challenge 2012 (Feb. 2013)







Contents

1	Introduction	to KT
---	--------------	-------

2	Smart City Development in Korea
3	KT's effort in smart city development
4	Major References
5	Direction of development

01 Background: Urbanization in Korea

The concentration of population in the Seoul Metropolitan area brought the need for developing phase1 and phase 2 new towns.



02 Background: Increased Needs for Life Quality

The problems generated by rapid urbanization threaten the quality of life.

High Population Density



High Crime Rate



Factors Impacting Life Quality



Waste Manageme





Traffic congestion

03 Background: Social & Technical Trends

Global trends affecting society and personnel lives can be observed beyond physical boundaries by virtue of ICT.

Emerging Trends



ICT as a Facilitator

Source: City as a customer : Identifying Growth Opportunities in Cities of Tomorrow by Frost & Sullivan, April 2013

04 Smart City development in Korea

KT proposed Smart City concept to the Korean government as a new model of city development

R&D for Smart City Model Development



- Develop Technology,
 Operation Model of Smart City
- Test-bed for IT and Construction Convergence

<u>Government</u> <u>organizations facilitate</u> <u>Smart City Development</u>



- MOCT and MIC sign a MOU on Smart City implementation
- Define roles of related government agencies

Applying Smart City concept for Dongtan City



- LH(Land and Housing Corp.) leads city development
- Successful initial implementation leads to development of other smart cities

* Ministry of Construction & Transportation

** Ministry of Information and Communication

Major Stakeholders in Smart City Development

Major Stakeholders

Central Government

• Supports the industry through establishing Smart City law



 Standardization of relevant technologies



Public Land Developers

- Plan and develop selected land based on Smart City Concept
- Fund Smart City Projects



City Municipalities

- Smart City assets are transferred to Municipality
- Operation and maintenance
- Prepare Local regulations

Private Companies

 Lead Plan/Design/Implementation of Smart City projects

06 Regulations regarding Smart City

U-City Law

Background

- Smart Cities are consisted of various services; whereas multiple government organizations are related
- The Korea Government with the support of major Smart City developers have developed the U-City Law which regulates and give guideline to U-City implementation



Major Contents

- Smart City Comprehensive Planning
- Permits and license
- Technology development
- Management & Operation
- Privacy
- Smart City Steering Committee

Contents

1	Introduction to KT
2	Smart City Development in Korea
3	KT's effort in sustainable smart city development
4	Major Reference
4	Major Reference Direction of development

01 Values for KT Smart City

Sustainability will realize four areas of benefits that should be resolved through an experienced service provider

Energy Savings

- Utilize alternative energy resources
- Seamless connection between IT and physical services

Efficient Operation

- Less man managed service features
- Centralized operation and management

Reliable Infrastructure

- 24/7 uninterrupted smart services
- High speed reliable network service

Quality of Living

- Enhance life quality through information and devices
- Safety of residents and visitors, operators & management
- Safety in and around common areas, residence

02 Efficient Operation through Integrated Operation

KT's Integrated Operation Platform can integrate smart services, monitor and control all the services through the City Operation Center



03 "3MP": KT's city platform

The 3MP is an IoT based city platform that offers productivity, cost efficiency, and timely entry into new markets.



04 Integrated monitoring benefits

3MP's integrated monitoring and control of operation flow enables quick resolution of city issues



05 Energy Savings

KT has participated and played an important role in government-led initiatives for energy

Government led Initiatives	Smart Grid Pilot ('09~)	Micro Energy Grid ('13~)
Participation Area	Smart Market Place Implementation	TOC Platform Implementation
Major roles of kt	 Implementation of Integrated Operation system Implementation of Smart Grid Management Infra (AMI, EMS, ESS) BEMS Implementation & commercialization Implementation of charging infra. for electric vehicles 	 System Integration and Interconnection System implementation for Analysis of Energy data Implementation of DR service platform
MOTIE MINISTRY OF TRADE, INDUSTRY & ENERGY	WCDM/ WiBro Basestation Access Point Access Point Bata Concentrator	

06 Energy Savings case – for Campus



07 Energy Savings case – for Building

BC Card Future Center Building



- Site : BC card Future center, Seoul, 2012
- Implementation Description: Energy management platform,

Legacy BAS/FMS interface, Environment-based control (CO2, external air temp), Analytic advanced BEMS

- Energy Analysis Overview
 - Period: January 1, 2013 ~ June 30, 2014 (18 months)
 - Base year : 2011.1~2012.12 (2year)



Improvement: 14.2% (1 year average) reduction against base year

08 Reliable Infrastructure – Facility management

Smart City is implemented to efficiently manage and operate city infrastructure for decrease of maintenance cost and increase usability



- Site : Dongtan Smart City, Paju Smart City etc.
- Sensor based urban facility management
- CCTV monitoring
- 3D monitoring of underground water/gas pipelines
- Road monitoring
- Network Management

Values

- Increased usability of infrastructure
- Decrease of maintenance cost
- Increase of user satisfaction

⁰⁹ Quality of Living – Increased access to information

Data collected through sensors and wireless devices will be used as a information for public access



e-government portal

- Government information open to public with easy access
- Tax payment, Application for public document etc.

Transit Information system

- Real-time Bus/train Arrival Time
- Route information
- Transfer information
- Vicinity Area Map
- Information collected through Wi-Fi, GPS & Sensors

Public API Sharing

- Public Data API opened to be used for extensive development by the general
- Brings various options and better service for users

Contents

5	Direction of development
4	Major References
3	KT's effort in sustainable smart city development
2	Smart City Development in Korea
1	Introduction to KT

Dongtan Smart City

01 Dongtan, the first Smart City in-operation

Dongtan City Map



General Information

- 40km South from Seoul
- 9.04km²(2,169 acre)
- 120,692 population
- 39,827 households
- Project Period : May 2006 ~ Sept. 2008
- Budget : 50.8 M USD

Major Features

- Residential that disperses population from Seoul
- Implementation of Green City concept with greenway connection throughout the city
- Strong connection with semiconductor/logistics industry for job security
- Road design that brings easy connection to city amenities

O2 Smart Services of Dongtan

Dongtan aims for a safe and convenient city through the citywide implementation of smart services and network infrastructure



Dealing with issues during development

Related government organizations and resident committee has made a Steering Committee to mediate developing issues of Smart city



Songdo Smart City

01 Songdo – Sustainable Smart City

Songdo Smart City is pursuing the establishment of four development directions to become an international business hub



General Information

- Total area : 53.4 km² (5,340 ha)
- Expected Population : 252,500 by 2020 (Current 55,000)
- Total Budget : 7.6B USD
- Locates World Bank, GCF (Green Climate Fund) HQ

Development Directions

- **1. Composition of a Cluster** consisting of industrial, academic and R&D org.
- 2. Development as a hub for multinational companies in Asia Pacific
- 3. Setting a complex of high-tech, knowledgebased industries
- 4. Developing an **International business center** including Convention Center and Exhibition Centre, etc.

02 PPCC Model for Songdo Smart City

To overcome the issues of public based Smart City development, Incheon U-City Co. was created for a sustainable business model structure and stable city infra operation

Challenges facing Smart City development



Uncertainty in public service value proposition

Difficulty in securing budget for operation

Stable and reliable service management

Launch of Public-Private Cooperation Company



Incheon U-City Co. established as a publicprivate cooperation company

- Shareholding Structure: KT & Cisco (Centios), Incheon City, local SMBs of Incheon
- Main Business : Implementation & Management of Incheon smart city & buildings

D3 Engagement model for PPCC

To overcome the issues of public based Smart City development, Incheon U-City Co. was created for a sustainable business model structure and stable city infra operation



Contents

5	Direction of development
4	Major Reference
3	KT's effort in sustainable smart city development
2	Smart City Development in Korea
1	Introduction to KT

Direction of City Development





Fixed computing, one way information transfer

- A one way information transfer from services to user
- PC oriented smart service : limited information access

Increasing Operation and Upgrade cost

- Operation cost of smart city infrastructure and services increase bringing burden to city budget
- Accelerating aging of city and infra and resources





Mobile and IoT based services

- The change to mobile based services can increase customized and location based services
- The use of big data of government for wider service options for the citizens

Cost savings, prolongation of city resources

- City facilities and infra can benefit from the use of sensors and IoT technology
- Cloud based computing for efficient demand control



irene.seo@kt.com