

## White Paper



### Weaving Oracle economy products around Utility Industry processes

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#### Abstract

Recent trends indicate a significant increase in the rate at which utility companies have been adopting ERP products. Two main reasons for this adoption are monitoring financials and keeping a tighter tab on processes. These ERP systems run in parallel to applications catering to specialized business areas specific to the Utilities industry. However, because different applications maintain their own sets of information, there are bound to be more than a few integration pain-points. To avoid such issues, Oracle has introduced a wide-variety of products that cater to the utility-specific requirements while making integration between applications much simpler.

With this paper, we attempt to explain how Oracle's e-Business Suite, together with its utilities-specific offerings, caters to most of the unique requirements of a typical electric utility company.

## Introduction

The utilities business value chain has several unique business functions that are not typically seen in other industries. Even within enterprise-wide functions that are common across other industries, the critical processes and KPI's differ for utilities. An attempt has been made to break the functions into manageable blocks and highlight processes within these functions that play a major role in the functioning of a utility.

Keeping in mind the growing story of Oracle in the utility arena, we have attempted to provide an insight into how Oracle attempts to satisfy these functions through different applications and modules that are part of the e-Business suite today. Some of these modules are also a combination of the companies that took-over in the past 2 years or so.

While trying to keep the function and business process names as standard to the industry as possible, in some places a reference to an Oracle based module or function may be also made due to the very nature of how ERP tends to build the business processes of the industry into its realm.

## General Overview of Utility Industry

It would be quite confusing to dive into business functions without providing a very high level overview of the industry. Due to the various participants in this industry, an understanding of this will help us proceed further by segregating different functions in the value chain of the industry.

The various parameters that determine the industry splits in case of Utilities are:

- *Industry market participants itself* - Especially due to de-regulation, there are a lot of market participants that have been formed and each of them has unique business processes leading to their own system needs and requirements.
- *Type of utility customers* - Since a utility has to serve all sections of the community the type of customer being served defines the unique business processes to be followed.

Besides these, some other applications are required and hence we see additional business processes based on the nature of the environment — like storm outage or a plant outage for maintenance operations. These are minor factors which are blended into the utility value chain while special business processes are highlighted as necessary.

### *Industry Participants*

The industry participants are segregated as follows:

- Generation
- Transmission/ ISO companies
- Distribution companies
- Retail Services and Marketing/ Customer Service companies

Though most of these apply to different utilities such as electric, gas and water – the primary focus has been on electric utilities. We should not forget to mention the old regulated utility which is an all encompassing utility. It handles all these functions but because of this some of the business functions may not apply to these utilities.

The different business processes unique to these market participants are highlighted in the table below.

| Stage in Value Chain            | Generation | Transmission | Distribution | Metering | Retail |
|---------------------------------|------------|--------------|--------------|----------|--------|
| Business Function               |            |              |              |          |        |
| Plant Maintenance               |            |              |              |          |        |
| Asset Maintenance               |            |              |              |          |        |
| SCADA                           |            |              |              |          |        |
| Project Management              |            |              |              |          |        |
| Meter Data Management           |            |              |              |          |        |
| Sales and Marketing             |            |              |              |          |        |
| Customer Service Management     |            |              |              |          |        |
| Billing                         |            |              |              |          |        |
| Enterprise Management & Support |            |              |              |          |        |

## Type of Customers

The utility customer base is also categorized as Residential Customers and Commercial and Industrial Customers. The commercial and industrial customers are unique in terms of business requirements and processes. We will highlight some of the key business process variations as we discuss each of these processes.

## Value Chain of a Typical Electric Utility

The operations in a utility concern are usually very complex. These operations involve huge amount of data to be managed under stringent regulatory conditions with a very wide and demanding customer base. As the players in this industry are operating in a highly competitive market, operational efficiency in terms of customer satisfaction and cost control are of utmost importance. The section below depicts the various business functions under each stage of the value chain.

### *Business Functions within Utilities*

The word “Business Function” here refers to a grouping of business processes performing activities related to a specific business area of the utility industry.

We have grouped the functions based on market participants below. Each of these will be broken into processes and sub-processes as we further discuss these.

## Generation

- Asset Management
  - Plant Engineering
  - Asset Maintenance (Plant Maintenance and Operations)
- Inventory Management
- Sourcing to Purchasing to Pay – Goods and Services
- HR Management/ Workforce Management (quite generic and less of utility specific needs)
- Energy Data Management (utilities are required to send data to other market participants – only in a de-regulated industry)
  - Energy Trading, Load Profiling
  - Portfolio Management

## Transmission

- Network Management
- Energy Data Management
  - Energy Trading, Load Profiling,
  - Portfolio Management
- Work force Management
- Field service

## Distribution

- Network Management
- Work force Management
- Field service

## Retail/ ISO and Customer Services

- Sales
  - Campaign Management
  - Marketing
  - Managing contracts/ quotations
  - Help desk
  - Managing accounts – billing policies etc (budget billing etc)
  - Service notification/ managing outages
  - Billing analytics
  - Account and Contact Management
  - Profitability analytics
- Energy Data Management
  - Load Profiling, Forecasting, Energy Trading and Procurement
  - Portfolio Management, Risk Management
  - Market Settlement
- Meter Data Management
  - Meter Data Collection, Data Validation, Editing and Estimation
  - Pricing, Billing
- Work force Management
  - Field service

- Customer Service Functions
  - Complaint and returns Management
  - Customer financials Management – AR, Closing etc
  - Customer care and billing
  - Support center/ customer service

### Regulated Utility

- Performs the entire gamut of operations in the value chain, i.e., from Generation to Sales and Customer Service

## Business Processes and their Uniqueness with respect to Utilities

Each of the business functions listed in the previous section is actually made up of multiple business processes and sub-processes. In this section, we have attempted to map different businesses under a business function to the product offerings/features from the Oracle Utilities Suite of products while also highlighting the uniqueness in the business process for utilities.

In order to be able to cater to the industry’s requirements from an IT standpoint, a product vendor needs to have multiple products that cater to all the specific requirements of various phases of the utility value chain. Oracle has a wide product range to offer to its customers to cater to their respective requirements.

### Asset Management

| Process            | Sub-Processes   | Oracle Modules  |
|--------------------|---|---|
| Plant Engineering  | <ul style="list-style-type: none"> <li>▪ Project Execution</li> <li>▪ Project Planning and Scoping</li> <li>▪ Document Management</li> <li>▪ Project Costing</li> </ul>   | a) Oracle EAM<br>b) Oracle Assets<br>c) Oracle Project Accounting   |
| Asset Maintenance  | <ul style="list-style-type: none"> <li>▪ Preventive Maintenance</li> <li>▪ Predictive Maintenance</li> <li>▪ Corrective Maintenance</li> <li>▪ Inspection               <ul style="list-style-type: none"> <li>– Resource and Time Management</li> <li>– Failure Mode and Effects Analysis (FMEA)</li> <li>– Work Clearance Management</li> <li>– Reliability Centered Maintenance (RCM)</li> <li>– Shift Log Management</li> <li>– Quality Management</li> </ul> </li> <li>▪ Maintenance Forecasting</li> <li>▪ Inventory Management</li> <li>▪ Shutdown Management</li> <li>▪ Environment Management</li> <li>▪ Industrial Hygiene and Safety</li> <li>▪ Maintenance Cost Budgeting</li> <li>▪ Plant Performance &amp; Efficiency Monitoring</li> </ul> | a) Oracle EAM<br>b) Oracle Assets<br>c) Oracle Inventory<br>d) Oracle Project Accounting<br>e) Oracle Spares Management           |
| Project Management | <ul style="list-style-type: none"> <li>▪ Job-wise resource allocation and availability information</li> <li>▪ Capturing the actual time spent by third party contractors</li> <li>▪ Tracking of material issued to maintenance and construction projects</li> </ul>   | a) Project Management<br>b) Project Accounting<br>c) Project Manufacturing<br>d) Project Resource Management<br>e) Time and Labor |

The key to the success of a utility is maximizing efficiencies in their plants during operation. Considering the type of operations (in terms of risk/ danger etc), a lot of emphasis is given to the area of asset management. Some of the key areas are mentioned below:

- Pre-defined preventive maintenance schedules trigger required work orders when asset is due for maintenance — thus, reducing chances of a breakdown due to improper maintenance
- Predictive maintenance based on meter readings/ triggers that can be set in the system for each asset
- Seamless management of work contracted to third parties
- Comprehensive project management features help in controlled tracking of major maintenance activities like annual plant shutdown etc
- Scheduling of work orders and deriving resource estimations (materials, equipments/ tools and labor)
- Permits and clearances before taking up each maintenance activity (before release of the asset to production and after the maintenance activity)
- Owing to the large-scale nature of operations, the task of managing inventory at Utilities is crucial. Oracle Inventory supports inventory concepts like “MIN-MAX”, “REORDER POINT” etc to ensure that none of the crucial items are out of stock. Advanced features like Vendor Managed Inventory (VMI) also help in keeping a tab on the inventory controlled by an approved third party contractor
- Provides detailed analysis to achieve asset reliability and performance
- Centralized data repository of all asset-related information along with their maintenance and depreciation schedules
- Supports the entire lifecycle of project/ portfolio management with a single and accurate view of all project-related activities. Any delays get highlighted so that corrective action can be taken in a timely manner
- Ability to view task-wise expenditure details help in keeping the total expenditure within the stipulated budget
- Inbuilt links with modules like HR and Inventory provide visibility in terms of the status of resources required to complete a task/ project
- Time capture can be done against a very detailed level task or sub-task level using a very user-friendly web-enabled interface. This comes in very handy for any offsite activities

### Source-to-Settle Cycle for Goods and Services

| Process                                   | Sub-Processes  | Oracle Modules   |
|---|--|--|
| Sourcing                                  | <ul style="list-style-type: none"> <li>▪ Spend analysis</li> <li>▪ Collaboration with suppliers</li> <li>▪ Contracts Management</li> <li>▪ RFX and auction processes</li> </ul>  | <ul style="list-style-type: none"> <li>a) Sourcing</li> <li>b) Procurement contracts</li> <li>c) iSupplier</li> <li>d) Purchasing</li> </ul>   |
| Requisitioning, Procurement and Receiving | <ul style="list-style-type: none"> <li>▪ Requisition entry and approval process</li> <li>▪ PO creation and approval process</li> <li>▪ Material receipt against PO</li> </ul>  | <ul style="list-style-type: none"> <li>a) iProcurement</li> <li>b) Purchasing</li> <li>c) Inventory</li> <li>d) Services Procurement</li> <li>e) iSupplier</li> <li>f) Sourcing</li> </ul> |
| Payment to Vendors                        | <ul style="list-style-type: none"> <li>▪ Matching of receipts against physical goods and PO price</li> <li>▪ For services, match the invoiced quantity against the number of hours entered and the invoice price against the contract rate</li> <li>▪ Invoice approval</li> <li>▪ Payment</li> </ul> | <ul style="list-style-type: none"> <li>a) Payables</li> <li>b) Purchasing</li> <li>c) Inventory</li> </ul>   |

The unique processes that are typical of utilities include:

1. Elaborate sourcing processes with numerous technical specifications of the required items
2. Accurate description of item in terms of manufacturing part numbers and specifications for suppliers to deliver the right material
3. Enabling suppliers to manage the pricing of the items sourced from them
4. Online collaboration during the entire sourcing cycle
5. Automation of as many low value add processes as possible
6. Accurate and multiple modes of communication to make available the purchasing documents to the supplier
7. Elaborate invoice approval processes and document management systems for invoicing

*Network Management*

| Process                           | Sub-Processes  | Oracle Modules   |
|-----------------------------------|--|--|
| Grid Engineering and Construction | <ul style="list-style-type: none"> <li>▪ Project Execution</li> <li>▪ Project Planning and Scoping</li> <li>▪ Document Management</li> <li>▪ Resource and Time Management</li> <li>▪ <b>Project Costing</b></li> </ul> | <ul style="list-style-type: none"> <li>a) Oracle EAM</li> <li>b) Oracle Project Accounting</li> <li>c) Oracle Field Service</li> <li>d) Oracle HRMS</li> <li>e) Oracle Time &amp; Labor</li> </ul> |
| Grid Maintenance and Operations   | <ul style="list-style-type: none"> <li>▪ Preventive Maintenance</li> <li>▪ Corrective Maintenance</li> <li>▪ Phase out equipment</li> </ul>  | <ul style="list-style-type: none"> <li>a) Oracle EAM</li> <li>b) Oracle Network Management System (NMS)</li> </ul>   |
| Connections Management            | <ul style="list-style-type: none"> <li>▪ Installation of connections</li> <li>▪ Inspection of installation</li> </ul>  | <ul style="list-style-type: none"> <li>a) Oracle Quality</li> <li>b) Oracle Field Service</li> </ul>   |

Network Management is the nerve center of the distribution network. It's a key enabler of the alliance between the customer (customer service) and the internal support organization (distribution). Network management is all about effectively knowing where a problem occurs and helping reduce the overall downtime of any service that a utility has to offer to its customers. This is also one of the key ingredients for customer satisfaction.

Oracle Network management system provides a real-time distribution network management system, integrating customer service systems and field support systems with the distribution network monitoring systems such as GIS and SCADA. Oracle NMS helps utilities in:

- Improving distribution network's availability and reliability
- Improving overall operational performance in terms of SAIDI, SAIFI, CAIDI\* and thus improving customer satisfaction (\* System Average Interruption Duration Index, System Average Interruption Frequency Index, Customer Average Interruption Duration Index)
- Empowering asset management decisions with more specific and real-time information; thus achieving cost and effort savings
- Improving performance in planned and emergency maintenance tasks in terms of duration, safety and resources requirements

## Energy Management

| Process                                | Sub-Processes   | Oracle Modules                                     |
|--|---|--|
| Energy Data Management                 | <ul style="list-style-type: none"> <li>▪ <b>Load Profiling</b></li> <li>▪ <b>Energy settlement</b></li> </ul>   | a) Oracle Utilities LPSS (erstwhile Lodestar LPSS) |
| Energy Ledger and Portfolio Management | <ul style="list-style-type: none"> <li>▪ Forecasting energy consumption and procurement</li> <li>▪ Monitoring energy procurement and sales/consumption</li> </ul> | Oracle Utilities Portfolio Management              |
| Energy Trading                         | <ul style="list-style-type: none"> <li>▪ Deal Capture Management</li> <li>▪ Managing expenses</li> <li>▪ Managing financial risks</li> </ul>                      |  |

In the Energy Management area, many utilities have certain key requirements, such as:

- Load profiling, estimation, aggregation capabilities
- Market settlement processes, including day-ahead settlements, final load settlements and associated financial settlements
- Portfolio management solutions which let utilities assess their procurement and trading positions vis-à-vis their load obligations, thus offering risk assessment and mitigation opportunity
- Load forecasting capabilities and mechanism to check and improve by making comparisons with actual data

Oracle has strengthened its Utilities application portfolio with the acquisition of certain key industry-specific products. Lodestar Customer Choice Suite is one such acquisition amongst others. With this acquisition, the Oracle Utilities Suite of products is now capable of addressing these key requirements.

## Sales and Marketing

| Process  | Sub-Processes  | Oracle Modules   |
|--|--|--|
| Campaign Management  | <ul style="list-style-type: none"> <li>▪ Marketing Planning and Budgeting</li> <li>▪ Segmentation</li> <li>▪ Campaign Analysis</li> <li>▪ Campaign Planning</li> <li>▪ Campaign Development</li> <li>▪ Campaign Execution</li> </ul> |  |
| Contact Center (CC) Marketing  | <ul style="list-style-type: none"> <li>▪ Customer Information and Feedback capture</li> <li>▪ Lead Processing</li> </ul>   | <ul style="list-style-type: none"> <li>a) Siebel Contact Center</li> <li>b) Oracle Sales Online</li> </ul>                                     |
| Sales Management for Residential and Industrial/Commercial customers | <ul style="list-style-type: none"> <li>▪ Mobile solutions for intermittent connectivity</li> </ul>   | <ul style="list-style-type: none"> <li>a) Siebel Sales Force Automation (SFA)</li> <li>b) Oracle Sales Online</li> </ul>                       |
| Account and Contact Management                                       | <ul style="list-style-type: none"> <li>▪ Opportunity and Account Processing</li> <li>▪ Activity processing</li> <li>▪ Account planning and Sales Performance Analysis</li> </ul>   |  |
| Integrated Sales Analysis  | <ul style="list-style-type: none"> <li>▪ Activity Analysis</li> <li>▪ Sales Pipeline and Funnel Analysis</li> <li>▪ Contract Profitability Analysis</li> <li>▪ Sales Analytics</li> </ul>  | <ul style="list-style-type: none"> <li>a) Oracle Service Contracts</li> <li>b) Oracle Sales Online</li> <li>c) Oracle Utilities MDM</li> </ul> |

Oracle has a wide range of products to offer from its EBS and Siebel suite of products that provide important advantages to the Sales & Marketing team:

- Maximizing sales effectiveness in real-time by accelerating the quote-to-cash process and aligning sales channels
- Comprehensive industry-specific Sales Force Automation (SFA) capabilities
- Availability of mobile solutions (like Oracle Sales Online) for disconnected access
- Sales analytics provide a large number of KPIs and reports with customizable dashboards. These analytics provide real-time, ready-for-action insight into every sales opportunity at the point of customer contact

## Meter Data Management

| Process   | Sub-Processes  | Oracle Modules  |
|---|--|---|
| Meter and Device Management                     | <ul style="list-style-type: none"> <li>▪ Procurement and Quality Management</li> <li>▪ Meter and Device Installation</li> <li>▪ Device Inspection</li> </ul>                                   | Oracle Utilities MDM (erstwhile Lodestar)   |
| Consumption / Usage Data Collection             | <ul style="list-style-type: none"> <li>▪ Consumption Data Determination</li> <li>▪ Reading Meters</li> <li>▪ Managing Business Process Exceptions</li> <li>▪ Managing Schedule Data</li> </ul> | Oracle Utilities MDM  |
| Billing for Residential Customers               | <ul style="list-style-type: none"> <li>▪ Simple Billing</li> </ul>   | a) Oracle Utilities Billing Component<br>b) Oracle Customer Care and Billing<br>c) Oracle Receivables |
| Billing for Industrial and Commercial customers | <ul style="list-style-type: none"> <li>▪ Complex Billing</li> </ul>  | a) Oracle Utilities Billing Component<br>b) Oracle Customer Care and Billing<br>c) Oracle Receivables |
| Billing of Unmetered Services                   | <ul style="list-style-type: none"> <li>▪ Customer-specific issues requiring assistance from field service personnel</li> </ul>   | a) Oracle Customer Care and Billing<br>b) Oracle Receivables  |

- Oracle Utilities Meter Data Management (MDM) is a comprehensive tool that caters to most of the requirements of a utility company with respect to its metering operations. It provides out-of-the-box functionality to support loading, validating, editing and estimating of meter data
- Designed for extremely high levels of automation and scalability to meet the current and future needs of utility companies
- It is built on a robust platform that includes an Interval Data Management tool, Process Management console, Reporting Framework, and Security. The Business Rules language helps in simple application of complex business rules
- Allows accurate and quick import, storage, organization and validation of large volumes of complex usage data

This is where the type of customer makes the difference. Residential customers typically need simple billing based on scalar meter readings, whereas commercial and industrial customers require complex billing using interval data.

While a majority of systems can help do simple billing, it's the complexities of interval data that are not supported by many products in the market. The erstwhile Lodestar which is a part of the utilities complex billing component of the Oracle ERP is one such product that has unique capabilities in managing and editing/ manipulating interval data based on in-built industry used functions.

- Every aspect of utility customer billing can be addressed by Oracle Customer Care and Billing products (in terms of both scalar and interval data)
- It is also capable of performing associated functions like payment processing, collections, field service and meter management
- It has the ability to handle a wide range of customer base — starting from a few thousand to a few million customers
- Oracle Customer Care and Billing clients reliably meet market windows and regulatory deadlines while enjoying a low

total cost of ownership and a high return on investment

- It has the ability to deliver the billing data to the specified interface in a specific format

### Customer Service

| Process                        | Sub-Processes  | Oracle Modules   |
|--------------------------------|--|--|
| Service Order Management       | <ul style="list-style-type: none"> <li>▪ Service Order Quotation</li> <li>▪ Service Order Processing</li> <li>▪ Service Confirmation Processing</li> <li>▪ Billing Enquiry</li> <li>▪ Service Contract and Quotation Analysis</li> <li>▪ Service Order and Quotation Analysis</li> </ul> | <ul style="list-style-type: none"> <li>a) Oracle Service Contracts</li> <li>b) Oracle CRM</li> <li>c) Oracle Receivables</li> <li>d) Oracle Customer Care &amp; Billing</li> </ul> |
| Customer Service Processes     | <ul style="list-style-type: none"> <li>▪ Helpdesk</li> <li>▪ Master data management</li> <li>▪ Processing move-in and move-out</li> <li>▪ Bill Correction</li> <li>▪ Processing Payments</li> <li>▪ Malfunction or Service Notifications</li> <li>▪ Change Billing Plan</li> </ul>       | <ul style="list-style-type: none"> <li>a) Oracle CRM</li> <li>b) Siebel Contact Center</li> <li>c) Oracle Customer Care &amp; Billing</li> <li>d) Oracle NMS</li> </ul>            |
| Complaint Management           | <ul style="list-style-type: none"> <li>▪ Logging customer complaints</li> <li>▪ Routing them to appropriate resources for quick resolution</li> </ul>  | <ul style="list-style-type: none"> <li>a) Oracle CRM</li> <li>b) Oracle NMS</li> </ul>   |
| Customer Financials Management | <ul style="list-style-type: none"> <li>▪ Receivables and Collections Management</li> <li>▪ Reconciliation and Closing</li> </ul>   | <ul style="list-style-type: none"> <li>a) Oracle Receivables</li> <li>b) Oracle Advanced Collections</li> <li>c) Oracle Customer Care &amp; Billing</li> </ul>                     |

Customer service also varies based on the customer mix. Processes usually vary for industrial customers where each customer may have an account manager within the utility to handle all the first level needs of marketing and customer management. However, the same is not true for residential and commercial customers who would need to use the customer service helpdesk to log in their requests

Oracle can be of great assistance to a company's customer service desk in terms of providing access to all the necessary information in a very easy fashion. Some of its key advantages are:

- Automated service order initiation
- Rapid service order dispatch
- Direct/ redirect field personnel to respond to emergency service calls
- It can upload data from completed field service tasks to a centralized database so that call center personnel can access it in real-time
- With access to applications like Oracle Network Management Systems, the customer service representatives (CSR) will be able to provide clients with the latest information on the status of an issue in a specific locality
- Through Computer Telephony Integration (CTI), complete caller details can be provided to the CSR thus providing better customer experience

| Process                    | Sub-Processes  | Oracle Modules  |
|----------------------------|--|---|
| Analytics                  | <ul style="list-style-type: none"> <li>▪ Financial, Operations and Workforce Analytics</li> <li>▪ Strategic Enterprise Management</li> </ul>   | Oracle Financial Analytics<br>Oracle Sales Analytics                                    |
| Financials                 | <ul style="list-style-type: none"> <li>▪ Financial Accounting</li> <li>▪ Management Accounting</li> <li>▪ Corporate Governance</li> </ul>  | a) Oracle Financials Family Pack<br>d) Oracle Project Accounting<br>e) Oracle Inventory |
| Human Resources Management | <ul style="list-style-type: none"> <li>▪ Talent Management</li> <li>▪ Workforce Process Management</li> <li>▪ Workforce Deployment</li> <li>▪ Training</li> <li>▪ Internal Communications</li> </ul>                                   | Oracle HRMS Suite   |
| Corporate Services         | <ul style="list-style-type: none"> <li>▪ Travel Management</li> <li>▪ Incentive and Commission Management</li> <li>▪ Real Estate Management</li> <li>▪ Facilities &amp; Fleet Management</li> <li>▪ External Communications</li> </ul> |   |
| Compliance and Governance  | <ul style="list-style-type: none"> <li>▪ Corporate Governance</li> <li>▪ Statutory Compliance</li> <li>▪ Environmental Compliance</li> <li>▪ Health Safety Compliance</li> <li>▪ Quality Management</li> </ul>                         | Oracle Quality  |

- Utilities are facing a stiff challenge in maintaining regulatory compliance. This is due to the varying compliance requirements for different geographies and for different stages of the utilities value chain. Oracle EBS helps in making utilities compliant by enabling a multi-organization structure with its own set of compliance guidelines. Most of these compliance requirements can be met by standard reports from Oracle or with the help of some simple product configurations.
- The large scale operations in a utility necessitate a tight control over the financial operations. This constant monitoring ensures that critical tasks are completed on time. To achieve this, a few crucial day-to-day operational reports (related to finance) need to be generated and the data required for these reports needs to be collated from multiple sources. The inbuilt analytics of the Oracle Utilities Suite takes care of most of the reporting requirements

## Utilities Focus @ Infosys

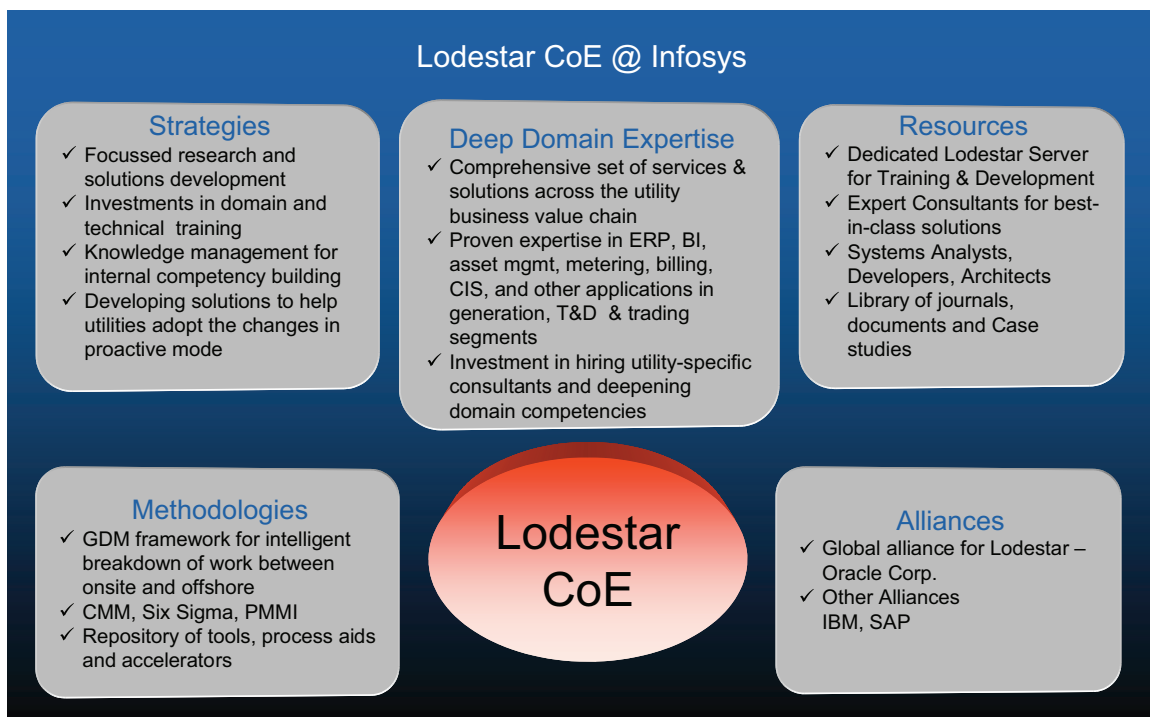
The Oracle Center of Excellence (CoE) at Infosys along with the Energy, Utilities and Services (EUS) vertical has travelled quite a distance in terms of understanding the typical pain points of the utility industry. This has led to providing solutions using the in-built capabilities of the Oracle E-Business Suite and the Oracle Utilities Suite of Products.

The EUS vertical has a special focus on the AMI and the MDM functional areas. The AMI practice team within EUS attends to various clients/ prospects requirements by understanding their pain areas, identifying possible solutions, matching them with the best practices in the industry and then implementing the best possible option. During this process, the team evaluates various products (Oracle being one amongst them) to identify the best possible fit according to the client's situation.

The Oracle CoE team works closely with the EUS vertical team to analyze Oracle's fitment into the projected requirements. Once the seeming fit is detected, the Oracle team then designs solutions, builds prototypes and conducts demos of the same in order to show how the client's situation can be addressed using the Oracle Suite of Products.

In the area of AMI/ MDM, Oracle CoE has instituted a separate competency center for Oracle Utilities Meter Data Management (better known as Lodestar). The primary charter for this group is:

- Building/ devising strategies for R & D efforts in the area of developing solutions
- Developing ready-made solutions on the MDM front that would cater to industry-specific requirements. The idea is to reduce the client's time-to-market in implementing the solution
- Building a human talent pool that would be able to provide all the functional and technical assistance required for any client during an implementation
- Keeping a tab on market developments to understand if any new products have been added to the Oracle economy that can help the utilities MDM function
- Understanding the integration points of Lodestar with various ERP and BI products
- Constant interaction with alliance partners like Oracle to understand latest developments and requirements in the industry



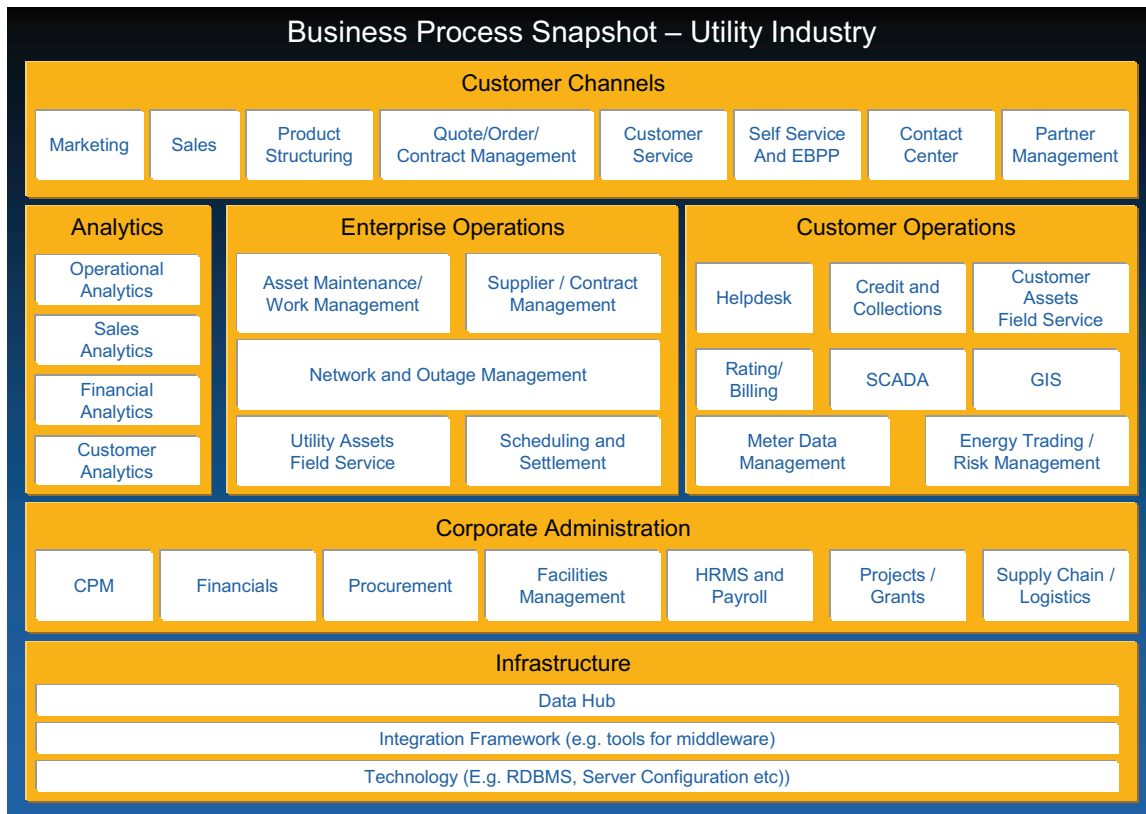
The CoE also has a ready-made solution built on the Oracle e-Business Suite platform which addresses the specific needs of the utilities industry, around the procurement of services and indirect materials. This solution has already been implemented at a few client locations and has raked in huge amounts of savings in return. In fact, the press release by one of the client's senior management states that the amount of savings could add up to well over USD 25 million a year.

This Procure-To-Pay solution for Indirect and Services Procurement was developed after understanding the feature deficiencies that the standard Oracle product has – in terms of addressing the industry requirements. In order to fill this gap, Infosys had developed this solution that addresses almost all the features that the standard product misses out on.

Infosys is currently working on a joint-development program with Oracle to ensure that this proprietary solution can further be standardized in order to meet industry-wide requirements.

## Summary

Thus, utilities have quite a few unique processes even in support functions like procurement or financials. Also, the utilities environment is changing day to day due to a lot of environmental factors like regulations, industry consolidations, cost control etc. It has thus been challenging to implement a single packaged solution in this space for quite some time.



There have been typically specialized packages that have met individual needs of each area like Asset management or Billing or Customer Service. The world in general and utilities specially are looking for ways to consolidate the applications and have an ERP backbone that runs through the enterprise for the key business functions. In such an arena, Oracle with its latest acquisitions of numerous specialized products for the Utilities provides for solutions almost in every area, barring very few exceptions. With its new technology backbone, the Oracle Utilities Suite promises to deliver an advanced solution to interface with specialized applications in these areas.

## About the Authors

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