

# Cooperation, Commitment and the Right Tool for Complex Billing

## background

### Background

Great River Energy (GRE), of Elk River, Minn., is a generation and transmission rural electric cooperative formed in 1999 when two Midwest cooperatives consolidated operations. GRE provides electrical energy and services to 29 distribution cooperatives in Minnesota and Wisconsin, serving nearly 550,000 customers.

their own rates eliminates one of the most difficult steps in the process, translating the billing analyst's knowledge of the complex rate structure into program specifications.

The standard implementation process for MV-PBS Express includes several weeks of training. The first week of training concentrates on concepts and navigation; the second week focuses on rate configuration and the MV-PBS scripting language. To make this training as effective as possible, one of the customer's actual rates is modeled during the second week of training.

The rate chosen to be part of GRE's training was the rate used to bill all member cooperatives, plus two of the many riders to the rate. The member's rate structure defines energy, demand, transmission, ancillary service and previous month's power cost adjustment charges. It also involves seasonal demand and both energy and demand load management credits.

It is a GRE philosophy that everyone involved in a process should understand it from beginning to end. GRE staff attending the MV-PBS training included billing personnel, those responsible for the MV-90 meter data, and IT support staff. Involving personnel from all areas created opportunities for business process improvements to be identified, and emphasized management's commitment to the project.

Basic training began in the middle of March, 2003, and went so well that the instructor was able to move on to more complex rate modeling concepts early. By the end of the second week of training the class was discussing (and scripting) more complex riders

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*—Doug Paumen, GRE*

## opportunity

### Opportunity

GRE's complex billing system calculated monthly invoices, but the monthly billing process was extremely time-intensive and inefficient. Interval meter data had to be imported and exported to the billing system, a separate application was written to view and print the invoices, e-mail distribution of the invoices was manual, and another third-party application was used to meet all the reporting requirements. It took about eight workdays each month to generate and distribute 46 invoices.

When GRE decided to use MV-90, Itron's meter data communications and management system, to manage all their interval meter data, they took the opportunity to evaluate their complete monthly billing process. After extensive research, GRE selected Itron's MV-PBS Express, a complex billing solution that interfaces directly to MV-90.

## solution

### Solution

Successfully modeling a complex rate is one of the most difficult exercises in complex billing. MV-PBS differs from many complex billing solutions because its scripting language was designed to allow billing analysts to create and modify rates without help from developers. Allowing billing analysts to model



and additional functionality. The GRE team began to discuss implementing MV-PBS within a few months, rather than waiting for the end of the year as previously planned.

Doralisa Eatherton, the accounting specialist responsible for configuring and scripting the rates and performing the user testing, was willing to commit to completing all the rates within three months. As it turned out, she was able to complete the scripting and initial testing of the rates by the middle of May. “I absolutely love the system,” she said. “I didn’t spend as much time as I was thinking I’d have to on the script.”

GRE’s implementation plan required two months of parallel testing, so the invoices for May and June were run in the existing system and in MV-PBS. The new invoices were shared with GRE’s member co-ops to allow their input into the new format before GRE put MV-PBS into production.

## results

### Results

On Aug. 1, 2003 the first production invoices were generated. Four business days later, all invoices were complete – cutting the time spent on the billing process in half. The accounting department was able to provide revenue results for the month to senior

management in time for the monthly board meeting – something that was never possible with the old system.

“From a management perspective, the project accomplished its objective,” said Doug Paumen, GRE’s Manager of Financial Services. “We knew we needed to streamline the process and provide more timely information to the board and management. We were successful in both areas and the fact that the team completed the initial installations ahead of schedule was outstanding. We saved time – cut the time spent in half.”

There are many reasons why the GRE implementation of MV-PBS went so well. The individuals on the team had the required skill sets and the determination. GRE management committed the appropriate resources and made the implementation a priority. GRE’s member cooperatives were informed and involved. Finally, GRE understood their complex billing needs and selected a product that met those needs.

In January of 2004, GRE will change their member rate structure and will need to make many changes to their current rate components. With the new billing system in place, GRE is ready for the challenge.

