



## SOLUTION OVERVIEW

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### REVENUE ASSURANCE FOR UTILITIES

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#### **Revenue Assurance**

Revenue assurance generally refers to a methodology to increase a company's income by identifying where revenue gets lost, and minimizing such losses by eliminating revenue leakage and lowering operating costs.

Utility companies generally face mounting difficulties in safeguarding their revenues. In times of increasing data volume and complex systems, finding methods to detect revenue leakage and implementing an infrastructure to address it is challenging.

A number of activities contribute to revenue leakage. These include incorrect customer accounts and contracts, faulty metering, inaccurate billing, ineffective collections, theft, etc. Studies reveal that leakage accounts for 1% to 5% of utilities revenues in developed countries and as high as 20% in developing countries.

CaseWare™ Monitor enables disparate silos of information to be linked in order to provide a comprehensive 'meter to bill' view of the business, and to allow all stakeholders to access information in a common portal. This gives visibility into the business processes and fosters greater efficiencies resulting in revenue assurance.

#### **Preventative Controls**

The focus of the solution is to automate the monitoring of the company's service and billing processes. Detecting anomalies and alerting the relevant persons will prevent and/or minimize revenue leakage. Most errors that result in revenue losses occur in advance of the actual loss. For example, a customer whose account is incorrectly rated will not result in a loss until billing is done but if detected early, the loss is preventable.

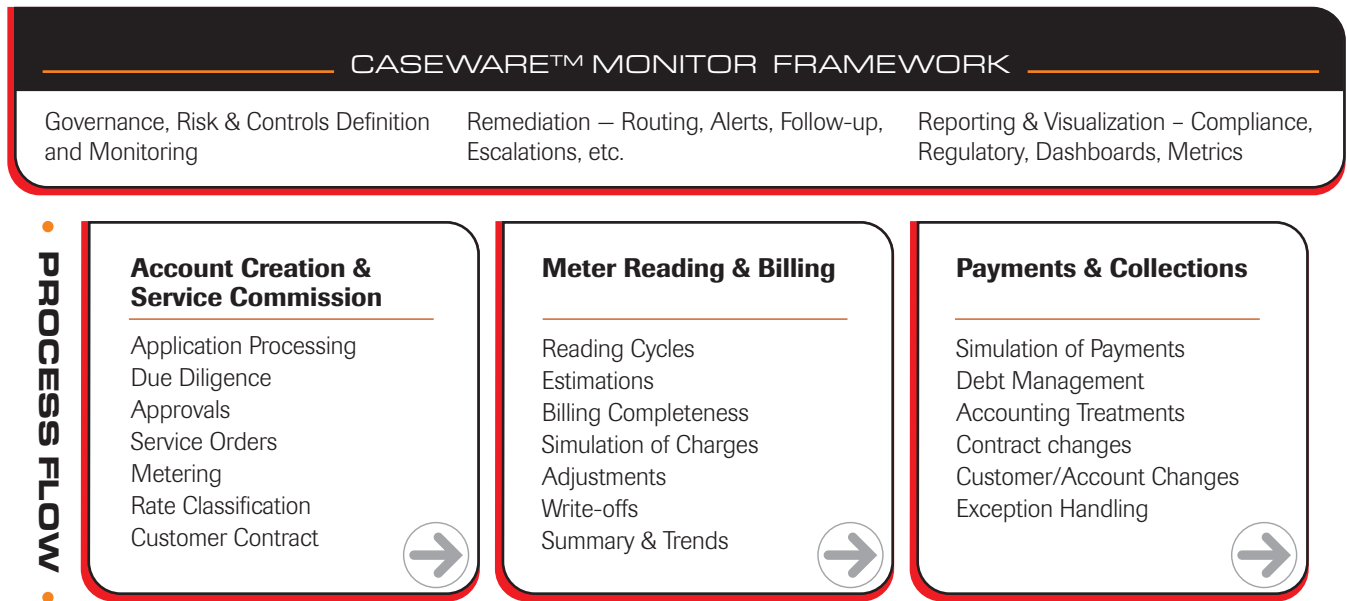
#### **CaseWare™ Monitor Revenue Assurance Solution**

As outlined in Figure 1, the utility company is allowed to define an end-to-end control environment including creation of customer accounts, commission of service, metering, billing, payment and collections. Once completed, the monitoring framework examines all electronic activities to detect control breaches and alert the relevant persons automatically.

In most instances these processes are managed by multiple systems. However, there are no "blind spots" in the CaseWare™ Monitor framework approach because there is a virtual consolidation of the systems to create a single view of the business.

This solution is deployed to all the relevant stakeholders; assigning them revenue assurance tasks and ensuring that they are addressed in a timely manner.

**Figure 1 – CaseWare™ Monitor Revenue Assurance for Utilities**



**Workflow and Reporting**

When a revenue assurance event occurs, alerts are triggered and a stringent remediation process is followed to ensure that high risk activities are addressed as stipulated by the business process owners. Failure to resolve the issue will result in it being escalated to another user as stipulated in the workflow.

The alert mechanisms include:

- Dashboard updates
- E-mail
- Text messaging (SMS)

**SAMPLE OF REPORTS**

**Customer Account Creation and Commissioning**

- Delays in entering customers on billing system
- Errors in customer classification
- Errors in rate classification
- Products incomplete (e.g. customer not flagged for sewer charges)
- Flat-rated customer consumptions too low
- Accounts with missing supply/meter information
- Incomplete customer records
- Customer data quality issues
- Service activated, but no billing account created
- Status is closed but service still provided
- Duplicated customer records

## Meter Reading, Billing and Servicing

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Meters not being read

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Irregular consumption patterns

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Consumption falls outside tolerable average for the account/class/area

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High levels of estimation in zone/route/district/etc.

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Temporarily disconnected accounts not reactivated

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Disconnected accounts not read in excess of tolerance

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Delinquency analysis/reports

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Delinquent accounts still active

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Disconnection service orders still open

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Billing errors – rates, status, classification, consumption, charges, taxes, discounts, etc.

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Suspicious rescheduling, write-offs, refinancing

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Tampering/bypass of meters

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Inaccurate transfer of meter readings to billing system

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Estimation errors

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Suspicious changes to customer accounts

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Unauthorized adjustments/write-offs

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Duplicated billing

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Accounts not being billed but consumption recorded

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Negative and nil consumptions

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Service orders outstanding for excessive periods

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## Payments and Collections

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Errors in updating payment information

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Payments that far exceed amounts owing

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Delinquent accounts not being disconnected

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Reconciliations and posting to G/L inaccurate

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Customer ratings inconsistent

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Disconnection service orders not being completed

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Collection reports

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Debt management reports

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Collection metrics and Key Performance Indicators (KPI)

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## BENEFITS

### BUSINESS CHALLENGE

### CASEWARE™ MONITOR SOLUTION

#### STAKEHOLDERS' REQUIREMENTS

Escalating risk and compliance requirements

- Provide enterprise-wide definition and monitoring of controls and assurances that they are effectively implemented across all business processes

#### AUTOMATION

Automating control breach detection and remediation

- Detects breaches at the data source
- Distributes results across the enterprise by customer-defined rules via dashboards, e-mail, SMS
- Provides workflow for remediation including automatic detection of resolution of errors
- Allows the user to define controls in multiple business processes with a consolidated view
- Increases efficiency by making analytics repeatable with the ability to adjust tolerances
- Business rules and parameters are customizable and new logic can be built by the organization
- Monitoring can also be applied to business metrics
- Issues are identified as soon as they occur

#### INTEGRATION

Seamlessly integrate into existing solutions

- No changes required to underlying systems being monitored
- Non-intrusive access to data and cannot amend source data
- User and group security with LDAP support
- Strong encryption

#### PROCESS OPTIMIZATION

Makes the process more efficient and less costly

- Issues detected on a more timely basis
- Lower recovery costs
- Greater level of automation
- Compliance and other reporting automatically generated
- Knowledge and expertise captured in the control systems and made repeatable



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