

Con Edison Gains a Valuable Analysis Tool to Prepare for Deregulation



THE CLIENT

Con Edison is a subsidiary of Consolidated Edison, Inc. [NYSE: ED], one of the nation's largest investor-owned energy companies, with approximately \$10 billion in annual revenues and \$16 billion in assets. The utility provides electric, gas and steam service to more than three million customers in New York City and Westchester County, New York. For additional financial, operations and customer service information, visit Con Edison's web site at www.conedison.com.

Consolidated Edison, Inc. provides a wide range of energy-related products and services to its customers through its two regulated subsidiaries: Consolidated Edison Company of New York Inc. and Orange and Rockland Utilities Inc., and its four unregulated businesses; Con Edison Solutions, Con Edison Energy, Con Edison Development, and Con Edison Communications.

THE CHALLENGE

With the era of exclusive utility service territories coming to an end, Con Ed was changing to prepare for the new age of customer choice. Con Ed felt it needed significant information systems improvements to meet customer needs, gain better insights into their Customer Operations, and therefore, enable Con Ed to gain competitive advantage in the wake of deregulation. Under their current systems, data was 8 – 10 days old and did not meet the needs of their ever-increasing speed of business. Con Ed needed an on-line analytical processing (OLAP) tool that would provide it with quick turnaround and empower its decision-making abilities.

THE SOLUTION

Con Ed engaged Praxinet to develop and implement an Essbase solution, allowing it to analyze key performance measures. Con Ed believed that Praxinet possessed the resources to assist in the development and delivery of Customer Assistance Key Indicators using Essbase (JARRS) and had a deep understanding of customer care and operations and the Utilities industry.

The Praxinet engagement team conducted joint requirements planning meetings (JRPs) to define the requirements of the new Con Ed system. The team separated the engagement into several phases, each taking into account future developments and expansion of the solution. The engagement team began with designing and constructing the Essbase cube, which initially contained nine dimensions of data. Once data extract and loading routines were automated, Praxinet created an Adjustment template that allowed endusers with specified access to modify data. The engagement team then created reports that would be available over Con Ed's intranet based on needs determined in the earlier JRPs.

Once the initial data mart and reports were complete, Praxinet collaborated with Con Ed to determine subsequent phases in the development of its IT needs. They determined that Con Ed needed an additional Essbase cube for four additional performance measures. The additional cube would completely integrate with the first phase.

Finally, the engagement team created the necessary documentation and conducted end-user training. It led Con Ed through production roll-out to complete the engagement.

THE TECHNOLOGY

Hyperion Essbase Multidimensional database
Wired for OLAP (for EIS)
Microsoft Windows NT Server
IRED Application Server

THE BENEFITS

The solution that Praxinet developed and implemented made a significant improvement to the quality of Con Ed's data. Con Ed's analysts went from utilizing data that was 8-10 days old to a process that kept them updated on a daily basis with an added ability for analytical analysis. The analysis focused on cash flow planning, allowing them to perform trend analysis on a daily, monthly, and past year basis. Additionally, collections performance, alternate payment method, on-time payment of bills and deregulation analysis were also catered to.

During this engagement, Praxinet also implemented high-level access to analyze the Essbase data using Wired for OLAP and viewed over the company intranet.

Lastly, the system Praxinet designed was scalable to meet Con Ed's future needs brought on by either growth or changes in strategic focus.

About Us...

Praxinet, Inc. provides consulting and software solutions that improve business performance across government and private enterprise. Praxinet leverages its core competencies in strategic consulting, Internet technologies, and business intelligence to enable its clients to manage their operations more efficiently and intelligently. Praxinet has designed and developed mission-critical solutions for major clients such as Avaya, Swiss Re, Pitney Bowes, GE, Star Gas Partners, Deloitte & Touche, PricewaterhouseCoopers, Citibank, Pfizer, Verizon, UPS, IRS, NH Dept. of Health & Human Services, and Tishman Speyer Properties.

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