POWER REPLY FULLY SUPPORTS DOLOMITI ENERGIA IN THE SELECTION AND IMPLEMENTATION OF AN AUTOMATIC METER MANAGEMENT SOLUTION

The Dolomiti Energia Group, together with other industry players of Trentino Alto Adige, has developed a program aimed at purchasing technology and services to deploy an Electrical TeleManagement System complying with the latest regulatory changes and requirements of this industry. Under the leadership of Dolomiti Energia Group, the program also involves a group of local energy providers. As the implementation of TeleManagement solutions has a strong and innovative impact on processes, organization, technology tools applications of Energy Distribution Companies, the Group Dolomiti Energia has leveraged Power Reply's collaboration to ensure an accurate supervision of the whole organization; moreover, the contribution of Power Reply has been crucial considering the tight scheduling of the multiple activities and players involved in the development and implementation of the new system. The expertise gained by Power Reply's professionals in the management of complex projects, in the deployment of TeleManagement solutions as well as in the design of Automatic Meter Management applications has proved to be crucial for the project success.

© Reply
www.reply.eu

DOLOMITI ENERGIA GROUP

The Dolomiti Energia Group is a multi-utility located in the Trento region, operating in more than 180 Municipalities of the Provincia di Trento in the industries of Public Services, Energy, Gas, District Heating, Integrated Water Cycle and Environmental Services Management (waste collection and disposal, lab analysis). The Gruppo Dolimiti Energia has always shown a strong environment-oriented approach and is characterized by a tight relation with the territory; this results in an attentive management aimed at improving the present and future impacts on the environment, as generated by the Group's activities affecting the economic and social development and the quality of life of the territory itself. During 2007, the Group made important investments to protect natural resources and the sustainability of energy resources. Moreover, Mediobanca has included Dolomiti Energia Group in the list of the 24 Italian most dynamic companies. For the third successive year it ranks among the first Utilities in terms of quality of the service provided to end customers; it reports a power supply interruption of 26 minutes yearly that - compared with the 50-minutes average interruption of Italian providers – is one of the reasons for Dolomiti Energia Group's success.

SCENARIO

Recently, the AEEG (Authority for Electrical Energy and Gas) has bound more than 100 electric energy providers in Italy to install new electronic meters in all low-voltage withdrawal points so that they can be remotely managed, programmed and read. Another requirement envisages that data measured with telematic procedures shall be available to all people entitled. From 2008 to 2011, every provider shall install the electronic meters, being free to purchase them from specialized companies; the providers shall however follow an installation path envisaging minimum thresholds and consequent penalties.

According to the AEEG requirements, Dolomiti Energia Group has set up a consortium with the other Utilities of the Region to deploy a detailed program envisaging the purchase of Technology and Systems to deploy the TeleManagement of the electricity grids. Once installed, the electronic meters will be able to communicate, via powerline, using a proprietary protocol with thousands of concentrators installed within the transformer rooms; these will be linked, through a VPN network on a GPRS carrier, to a TeleManagement system integrated with the sales and technology systems of SAP IS-U. This new solution, called AMM (Automated Meter Management), integrated with the currently existing systems, will enable Dolomiti Energia Group to deeply innovate its core processes.

The comprehensive system, available to more than 300,000 customers, will be composed of an IT network enabling the Group to improve the service quality, to implement an effective and efficient management of frauds and casual losses that occur along the distribution grid: this does not only result in remarkable savings and less loss of profits; it also means to be able to timely detect losses that can generate extremely dangerous situations and to report events requiring urgent actions. Thanks to Tele-reading and the new meters it will be possible to remotely read consumption recorded; personnel will be no longer required to carry out the relevant readings , but only to ensure control or maintenance activities. Thanks to the electronic meter that can differentiate hours, days and months of consumption, every customer will be able to choose - among multiple rate options - the one that best fits to his relevant requirements and attitudes, ensuring remarkable savings. Moreover, the

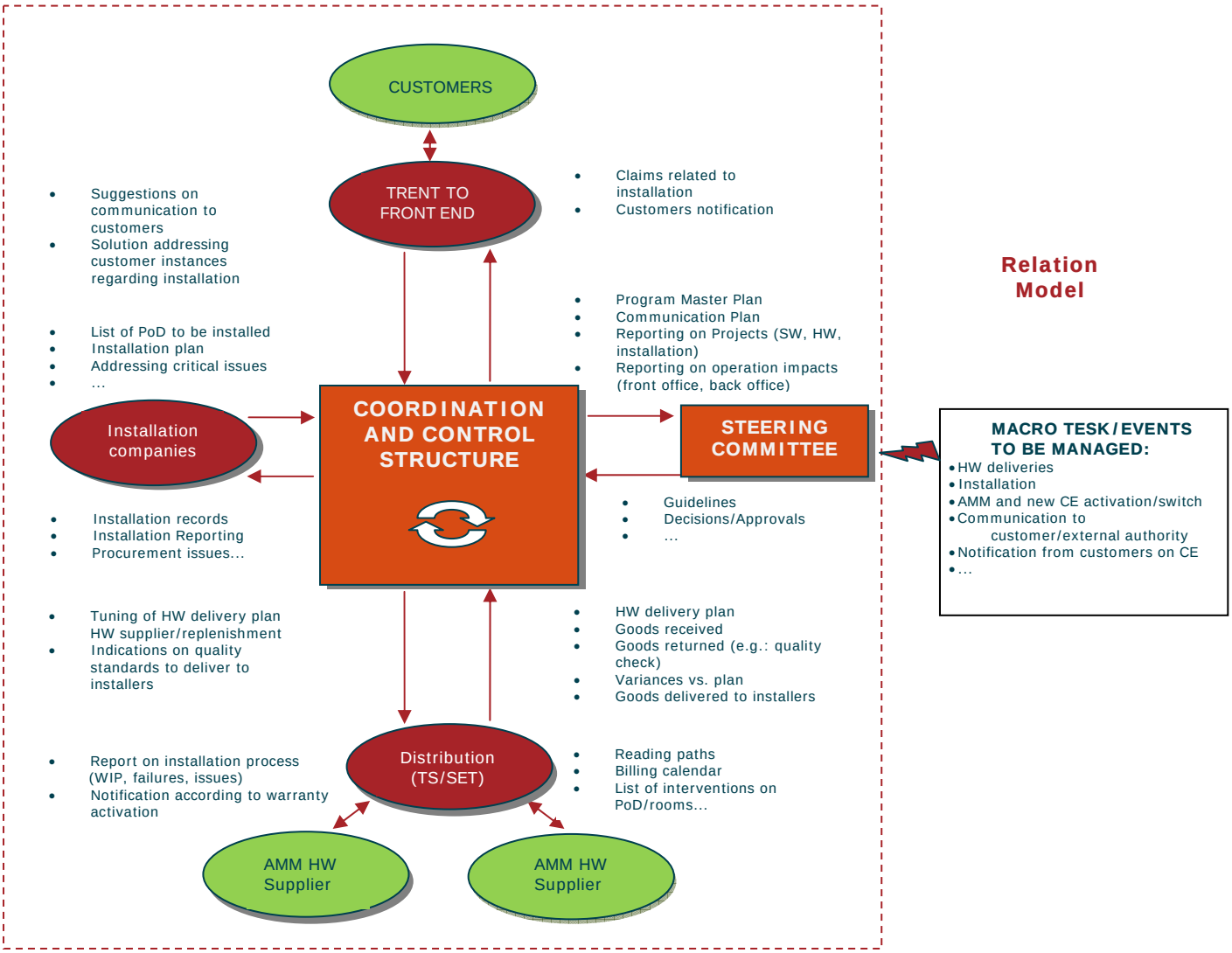
TeleManagement will enable to considerably reduce intervention times and to streamline the customer-Utility relationship; for example, it will be possible to carry out many “remote” sales operations in a simpler and faster way, including power increases, activation, move-ins and contract terminations.

SOLUTION

The attentive control of the organization and of the tight scheduling with regard to the multiple activities and players involved in the development and implementation of the new TeleManagement system in the Trento region has played a success-critical role within the project.

For this reason, Dolomiti Energia Group has leveraged Power Reply collaboration which at the very beginning of the project was involved as Advisor to define the master plan of the overall project, the drawing up of the tenders, the selection of the technologies and the project framework organization; in a second phase Power Reply has supported the Group in the governance of the project, the change management and the review of the sales and technical processes to be carried out by the Sales Company and the Distribution Company.

The reference model proposed by Power Reply for the program governance is shown in the following figure; it shows the involved players and the relationship type among the same, ensuring full consistency with the main events/initiatives which must be addressed during the roll-out phase of the TeleManagement solution for Dolomiti Energia Group.



A critical success factor for the management of such an articulated project is the existence of a central structure enabling the management of the unbundling among the main players involved, playing a coordination and controlling role as well as supporting the acquisition, processing and fulfillment of every project instance that represent a relevant operation overhead for the multiple business entities involved in the project.

Consistently to this model and with reference to a blueprint of the macro-activities/components of the Electrical TeleManagement project led byDolomiti Energia Group, Power Reply has provided its support deployed in the following areas:

- Operation prearrangement and organization;
- Go-live support and installation coordination;
- Project Governance (Project Management).

Some activities carried out by Power Reply are listed below.

OPERATION PREARRANGEMENT AND PREPARATION

It includes all the activities targeted to the definition and documentation of governance processes and standards with regard to the different project initiatives, the activation of the Program Management structure and the relationships to be maintained with the business areas and suppliers involved in the Project (provider of field devices, SW provider, installers, etc).

With reference to the figure shown above and with regard to the envisaged project model, the focus of this phase aims at setting up a detailed map of the relationships among the different players; therefore, it was of paramount importance to:

- Identify recurring event types and/or task to be managed with regard to the various project initiatives;
- Define management process/method in order to identify the players involved, entrust tasks and responsibilities, specify levels, times, as well as communication and reporting tools.

DUE ACTIVITIES:

- DEFINITION OF THE REFERENCE MODEL: design of management and control processes:
  - Delivery of goods in stock and assignment to installers;
  - Installation of meters and field devices (planning, coordination and help desk);
  - Activation and commissioning;
  - Switch on AMM and TeleManagement go-live;

- DEFINITION OF PROJECT PROCEDURES AND CONTROL TOOLS:
  - Identification of project modules/components to be monitored;
  - Preparation of project control tools, especially of activities management/monitoring of external providers (HW TeleManagement and field devices solution; SW/application; installation companies);
  - Process definition and design of the tools to manage project documentation.

- ORGANIZATION START-UP AND PROJECT GO-LIVE:
  - Support the definition and start of the project organization (structure, sizing, required profiles, units to be involved);
  - Support the start-up of relevant project initiatives.

- PROJECT PLAN DRAFTING:
  - Support the definition of the overall work plan and the relevant milestones through the consolidation of work plans provided by third parties and by in-house structures with regard to applicable activities/initiatives, as well as

through the identification and discussion/solution of possible inconsistencies.

- DELIVERY PLAN VALIDATION:
  - Set up of a delivery plan - HW supplier (the plan is monitored and maintained throghout the whole project).

- INSTALLATION PLAN VALIDATION:
  - Set up of the installation plan.

GO-LIVE SUPPORT AND INSTALLATION COORDINATION

The installation of the electronic meters is a very critical phase of the project with regard to volumes to be monitored, number of players involved in the installation, adequate identification of strategy and installation plan, impacts of the operation on customers and business processes.

DUE ACTIVITIES:

- INSTALLATION PLANNING:
  - Concept and design of the installation plan related to the different field devices basing on:
    - Monthly target volumes
    - Available installers
    - Down times (periodical billing);
  - Plan Tuning/Change, during the installation phase in order to consider delays, repeated activities related to the points of delivery (e.g. failures, customer unavailability).

- COORDINATION AND MONITORING OF INSTALLATION PHASES:
  - Installer coordination;
  - WIP Management;
  - Help desk for installers.

- DELIVERY PLAN MONITORING:
  - Management of the Delivery Plan according to the installation plan.

PROJECT GOVERNANCE.

The Project Governance is made up of a set of activities carried out by the “control room” of the project - the Program Management – governing the plan execution, the monitoring of WIP/results achieved by the project vs. planned activities; it also includes the management of critical issues and corrective measures, the WIP of the communication plan. Each project initiative is continually monitored and envisages meetings of the various project managers aimed at defining progress and analyzing variances and deviations. For each single project a risk analysis has also been set up and a periodical check of the WIP related to corrective measures is envisaged.

- MONITOR THE MASTER PLAN OF PROJECT INITIATIVES:
  - Addressing and synchronization of single project initiatives;
  - WIP analysis of single project initiatives;
  - Monitoring the overall project plan and individual initiatives' plan;
  - Scheduling Project Communication;
  - Consolidation of Reporting/WIP;
  - Presentations concerning WIP to steering committee and project members;
  - Detection and notification of anomalies / critical issues and deviations to the program manager / steering committee;
  - Risk Plan.

REPLY VALUE

Power Reply's professionals boast expertise and experiences gained in the management of complex projects, in the design and coordination of TeleManagement solutions as well as in the deployment of applications for the Automatic Meter Management.

These are the main reasons why Power Reply has successfully satisfied the Dolomiti Energia Group requirement to rely on a partner able to provide substantial support with regard to the following crucial issues:

- Design, go-live and governance of the single operation lines of the Project;
- Execution of critical Project activities, particularly difficult to manage;
- Reorganization of the Distribution operations of Dolomiti Energia Group.

Power Reply is the Reply Group company [REY.MI] specialized in the Energy & Utilities industry. Power Reply's mission is to support customer businesses in the process of optimizing IT investments by offering innovative solutions and services oriented toward introducing greater efficiency into processes. Power Reply is the ideal partner in terms of Value Chain Management, Process Consulting and System Integration.
Power Reply professionals:

- have worked successfully for more than ten years in the Energy & Utilities industry where they have led large and complex transformations in the major core areas of this industry (Marketing/CRM, Trading & Risk Management, AMM/AMR, Network Control, etc.);
- combine technology and business skills and expertise to address strategic, organizational, and implementation initiatives throughout the entire industry value chain.