

RAO ENERGY SYSTEM OF EAST: “ORDER IN THE HOUSE” WITH MECOMS™

BACKGROUND

The Holding JSC “RAO Energy Systems of the East” (RAO) is the largest supplier of electricity and heating in the Far East.

JSC “RAO Energy Systems of the East” decided to implement the unified billing system that could provide transparency and accuracy of in our billing process, control over the cash flow and so on.

PERSPECTIVE

The system will be launched into commercial operation and than RAO will move directly to the development of the project and replication of the solution in all branches.

RAO and GMCS continue to be partners.

73 000
LEGAL ENTITIES

2.1 MILLION
INDIVIDUALS



THE COMPANY

The Holding JSC “RAO Energy Systems of the East” is the largest supplier of electricity and heating in the Far East. The company includes 16 energy companies in Russia. RAO is the sixth largest company in the world in the production of thermal energy. The generating companies of RAO account for two-thirds of the total production of electricity in the Russian Far East with a total generating capacity of 9 086,9 MegaWatts. The length of the power grid controlled by sub-

siidiaries exceeds 100 thousand km, which is two and a half times the length of the equator. The thermal network spans nearly 4000 km. RAO Energy Systems of the East is among the top ten producers of thermal energy in the world. The total thermal capacity equals to 17 912,7 Gcal. The companies within the RAO holding serve more than 73 000 legal entities and more than 2.1 million individuals.

CHALLENGES & PRECONDITIONS

The need for a unified billing system was associated primarily with the fact that RAO serves a third of the country - 6.7 million km². Cities, where we are present, are geographically separated. Historically, every division operated with different software solutions. “We did not have a unified standard accounting system nor corporate understanding of how it should work. The software products, used in the RAO divisions,

could hardly work together. We couldn’t even update the software, nor did we have any support or manuals.”, explains Lishansky.

In this understanding, RAO decided to implement the unified billing system that could provide transparency and accuracy of in our billing process, control over the cash flow and so on.

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If it is necessary, the implemented system can carry out any billing services (gas, water, etc.). Until we do not have such a need, but if the market conditions require us to diversify the business, we already have a platform of convergent billing.

IMPLEMENTATION

At the moment, the system consists of four large “blocks” - settlements for heat and electricity with legal entities, as well as settlements with individuals for similar processes. The testing of a fifth block is also in its final stage - settlements of housing facilities with taking into account the Resolution № 344 of the Russian government. At this moment, the project is live in terms of settlements with legal entities. In the near future, the model of settlements with individuals and

settlements of housing facilities - based on the implementation in Milkovo, Kamchastky region - will be evaluated by our implementation partner GMCS. According to the results of this work, the system will be launched into commercial operation and we will move directly to the development of the project and replication of the solution in other branches as we planned.





Why MECOMS? “If it is necessary, the implemented system can carry out any type of billing service for any commodity (gas, water, etc.). Until now we do not have such a need, but if the market conditions require us to diversify the business, we already have a platform for convergent billing.

During the implementation, we took a look at our organisational structure and our processes. We decided to revise the regulations for interaction between different departments to make them even better and efficient. Also, it is necessary to mention a word about the advantage that MECOMS brings for the management. We are now able to follow up on how our personnel execute their tasks. Looking at the actual value in the system, the head of each department gets the opportunity to improve his/her management- and decision-making processes.

The task of every company - “keep your house, your belongings in order.” Thanks to the system, we can always keep track of when we need to replace or service meter device, what problems may arise in the relationship with the client or the management company of public utilities. This allows us to be more flexible and proactive.

Now we are also developing a personal account of the user, based on the portal of “Kamchatskenergo” that will enable consumption data tracking, and is of potential interest not only for customers, but also for the management company of public utilities.”

*Ilya Lishansky,
Deputy General Sales Director at RAO*

