

CASE STUDY

Packaged Application Services
US Power Generating Company

ABOUT EMTEC[®]

Emtec is the right size provider of technology-empowered business solutions for world-class organizations. Our local offices, highly-skilled associates, and global delivery capabilities ensure the accessibility and scale to align your technology solutions with your business needs. Our collective focus is to continue to build clients for life: long-term enterprise relationships that deliver rapid, meaningful, and lasting business value.

PACKAGED APPLICATION SERVICES

Emtec is a leading implementer of Packaged Applications. We help reduce costs by streamlining processes and providing application package expertise around the entire lifecycle of your application. Our specialty practices include, Microsoft, Oracle, PeopleSoft, Hyperion and SAP.

- ERP
- CRM
- BI

FIRM PROFILE

US Power Generating Company (USPG) owns and operates fifty-eight generating units at six facilities, with a total capacity of over 5,000 Megawatts (MW). USPG subsidiaries sell their energy and capacity into the New York and New England deregulated markets. The combined company represents generation sufficient to serve approximately 20 percent of the overall load in New York City as well as approximately 50 percent of the overall load in the Boston metropolitan area.

THE BUSINESS CHALLENGE

The biggest challenge at USPG was their desire to issue a system implementation with the intent of going public, without having good consolidated results. USPG was faced with a 90 day window to get a new system up and running that would allow financial results to be published publicly.

Emtec found that USPG had manual close processes, which were inconsistent in the way it closes and reports. This made it challenging to meet internal and external reporting deadlines. The current process of separate systems was not sustainable.

USPG needed to consolidate all locations using a single consolidation system, incorporating both actual, forecast, and budget data in one system, to streamline reporting processes and to simplify and automate all manual processes which will improve internal control procedures.

Emtec and USPG determined that Hyperion Financial Management would be the best solution to overcome all the challenges and they undertook a project to implement it.

APPROACH & METHODOLOGY

Emtec worked jointly with the USPG team to assure that they were comfortable with all phases of the implementation from design to

delivery. It is important to the Emtec team that a knowledge transfer occurs and that end users are comfortable with the new reporting tools available to them. In addition, Emtec made sure that the administrators were in a position to take over when the project is complete.

Emtec also provided USPG with a “Train the Trainer” approach, where Emtec would train USPG personnel to deliver the USPG customer materials and would then only act in a support role for training delivery.

THE SOLUTION

The proposed solution for USPG is to develop a HFM application that will support Financial, Managerial, Budgetary and Statistical reporting requirements. This application will be available to remote users and potentially plants via the internet and through the Smartview Excel interface. The Phase I implementation will only result in Balance Sheet and Income Statement data. The mandate of the HFM team was:

- Prepare and analyze monthly internal consolidated financial statements and other consolidated reports in a timely manner.

CASE STUDY

Packaged Application Services US Power Generating Company

“ I would recommend the BPM team to anyone pursuing an Enterprise BPM engagement. The next few years will be a challenging and exciting time for USPG and we look forward to continuing our partnership as USPG attempts to rise to the challenges of our industry. ”

- Create one system or one version of the truth that will enhance communications between the Boston, Astoria and the corporate management team.
- Create more detailed reports that are more meaningful to management, utilizing a standard chart of accounts. Reports should be delivered to management more consistently and efficiently.
- Prepare consolidated quarterly and annual financial statements for reporting. The HFM application will not require the ability to separate external and internal reporting.
- Maintain appropriate internal controls over consolidated financial reporting and financial statement preparation.
- Have the ability to provide ad hoc reporting to senior executives as requested.

While forecasting requirements of USPG were not addressed in this project, design accommodations were made so they can be implemented at a future date without a significant amount of rework to the application design.

All entities were consolidated in one system which increased efficiency and reduced cycle time.

- Additional functionality was built into the system that allowed for automatic intercompany eliminations
- Reduced time spent on consolidating data from disparate systems and allow for more analysis
- Provided full integration between the actual and budget data which will improve the quality of variance analysis and management KPI's
- Improved the tracking of workflow for improved efficiencies and reduced cycle time
- Improved the transparency/quality over data loaded and owned by the sites and uploaded to corporate

TECHNOLOGY

- HFM 9.3.1
- HFM SDK 9.3.1, HFM Consultant Utilities
- HFM Service
- EPMA 9.3.1 Configuration

RESULTS

At the end of the implementation Emtec had created a robust consolidation process, providing management with more efficient delivery of reports and consistency in the process. Additionally, USPG achieved reduced financial close cycle time by automating the loading of data from disparate systems. Overall internal control structure was enhanced with automated controls that are future SOX 404 compliant. This includes the use of the journal entry module for data adjustments.

USPG now has better analysis of actual results versus plan and forecast with a centralized financial consolidation database, as well as, increased collaboration and efficient sharing of key financial data between locations and improved data integrity and the consolidation process. Lastly, the implementation achieved the ability to generate SEC, banking, S1 and internal financial statements.