

Implementing SAP HANA helps a leading Australian power retailer brace for the “data tsunami” from 2.5 million smart meters

Electrical utilities around the world are joining the smart grid movement, updating infrastructure based on networked digital power meters that enable dynamic real-time pricing, power load forecasting and demand response functions. Customers with access to their own smart meter data can fine tune the way they use electricity. Smart meter data enables utility companies to better understand their customer base - especially when it comes to segmenting that base in real-time and marketing other products to it.

However, as soon as all of these advanced meters are plugged into a utility company’s information system, they cause a tidal wave of real-time data.

About the Client

AGL Energy, one of Australia’s largest power retailers, is replacing its electromechanical meters with interactive smart meters in 2.2 million homes and 300,000 businesses throughout the state of Victoria, including its capital, Melbourne. The average utility currently reads a meter just once a quarter, but the smart meter revolution allows utilities to process data at 30-minute intervals. This is nearly a 4,320-fold increase in daily data processing for electricity providers. It’s also the start of a “data tsunami,” swelling up from these 2.5 million smart meters and flowing into AGL Energy’s billing and operations systems.

Client
AGL Energy

Industry
Power

Offering
SAP HANA

Business Challenge

To brace for this, the company turned to TCS to introduce new tools and databases to lay the foundation for a broader spectrum of its business units to access the new data - thus enabling AGL Energy to work smarter in forecasting and data analytics to improve business performance. TCS' specific role as a system integrator is to plan, design and build an analytics solution for wholesale forecasting powerful enough to handle the massive data flow. To accomplish this, AGL Energy and TCS selected SAP HANA - together with new analytical capabilities - which are being developed in 14 "sprints" using AGILE software development methodology.

The SAP HANA platform - a combination of multipurpose, in-memory software and leading SAP partner hardware - enables businesses to query multiple types of data sources in real time, at unprecedented speeds and volumes.

The AGL Energy customer team and TCS account team collaborated with TCS EntSol SAP CoE team to build the first sprint on the TCS large SAP HANA appliance environment housed at its SAP Global Center of Excellence supporting SAP HANA located in Cincinnati.

By incorporating SAP HANA, AGL is able to decommission many non-integrated, outdated and high maintenance legacy systems. This is reducing IT maintenance costs, improving data accuracy and helping to improve AGL's real-time forecasting capacity.

AGL's business requirements

- For wholesale energy: Improved settlement reporting
- For merchant energy portfolio management: Better load forecasting; accuracy and data analytics/segmentation with better reporting
- For retail energy: More accurate pricing
- For billing: Improved processing
- For analytics: better forecasting and reporting

*"I'm particularly impressed with the way the new project methodology has been adopted and deployed within the DI project, there is a real sense of excitement . . . **Agile and sprint concepts allow us to see the delivery of real, tangible benefits along the way,** keeping the excitement and momentum fresh around the project for the duration."*

Mark Brownfield
General Manager, Marketing & Retail Sales

Experience certainty

True certainty of success comes from working with a partner you trust to provide the insight, support and expertise that will propel your business forward. Experiencing certainty with TCS means you can count on results, partnership and leadership.

Results

Once the implementation is complete, the solution will speed the execution of forecasting scenarios, enabling AGL to make faster decisions and launch new offerings for its customers.

- More focused business decisions across merchant, retail and corporate business areas
- Greater certainty in financial reporting and load forecasting
- Reduced operational and hedging costs
- Certainty over financial outcomes
- Better operation of portfolio during extreme weather events (trackable financial positions for subsequent days)
- Ability to segment customers
- Single source of truth for all data

About the TCS Center of Excellence in support of SAP HANA

Based in Cincinnati, Ohio, the TCS Global Center of Excellence in support of SAP HANA enables research and development focused on building transformational applications powered by high-speed analytics delivered by SAP HANA. The CoE is delivering demo offerings for TCS customers across multiple Industries - retail, telecom, high tech, insurance, life sciences, manufacturing, utilities and others. Built on one of the largest available SAP HANA hardware platforms, the TCS CoE environment enables its customers to build joint prototypes for evaluation, and to adopt new technology faster.

Contact

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