

# **A NEW PRIORITY FOR GAS DISTRIBUTION R&D: DATA MANAGEMENT FOR GAS ALLOCATION AND BILLING PROCESS IN THE LIBERALISED GAS MARKET**

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23<sup>th</sup> WGC – Amsterdam – 8<sup>th</sup> June 2006**

## Liberalisation process and new needs for DCs – The approach

Unbundling and activities' separation have brought to the need of introducing instruments to manage commercial transactions. Among them:

- **Allocation process** - determination for each retailer of the monthly total amount of gas delivered through the city gate, starting from gas delivered to each delivery point;
- **Distribution billing process** - monthly billing of distribution service to retail companies, made for each single delivery point.

### **The objective:**

to implement IT tools in the existing SAP IS-U system in order to take advantage of all the information already available, as well as instruments already existing in SAP IS-U, to be fully compatible with all other IT instruments in use, exchanging information with other processes already running and flexible enough to manage different scenarios that can be foreseen in the next future



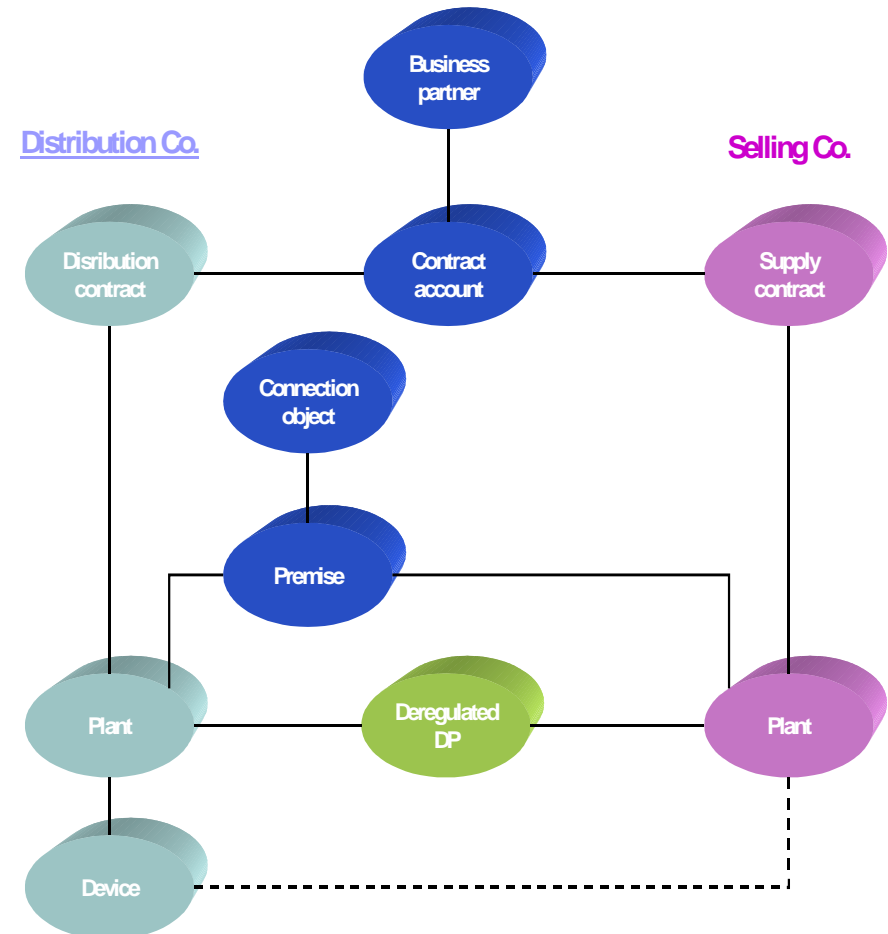
## Implementation in the existing system

SAP IS-U, as in use, is organised through two "chains":

- Selling
- Distribution

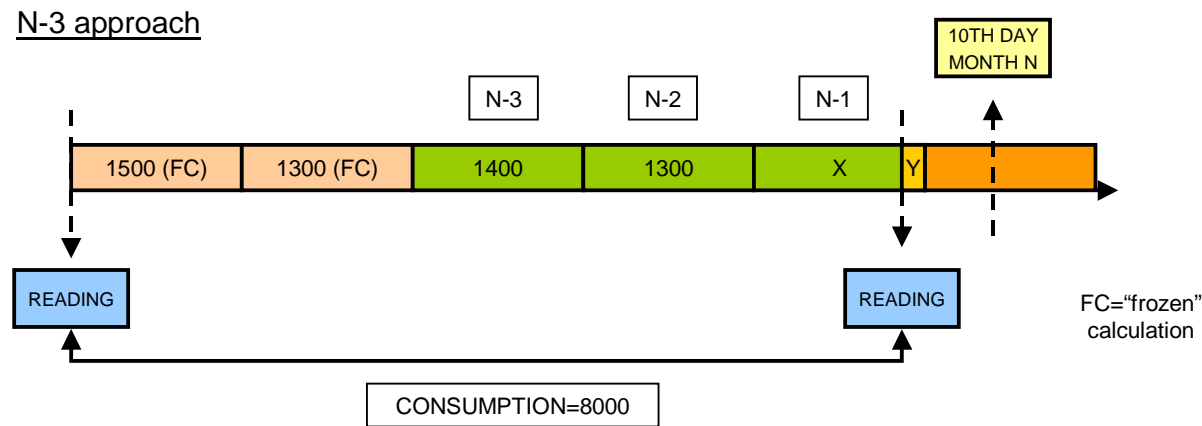
Both chains share the technical object "device", as both processes of selling and distribution billing are based on the common data measured by the device. All the activities connected with the acquisition of reading data and validation activities are shared by both distribution and selling chains.

Allocation and billing tools have been created in order to avoid any change in the structure, while using opportunities offered by information sharing



## Allocation issues

- Managing differences between consumption from actual readings and estimation process
- Managing errors



The difference between the amount already communicated and the amount coming out from the real readings is distributed in months n-3, n-2 e n-1 using load profiles

$$\Delta = 8000 - 1500 - 1300 = 5200$$

New allocation, using load profiles

N-3:1600

N-2:1800

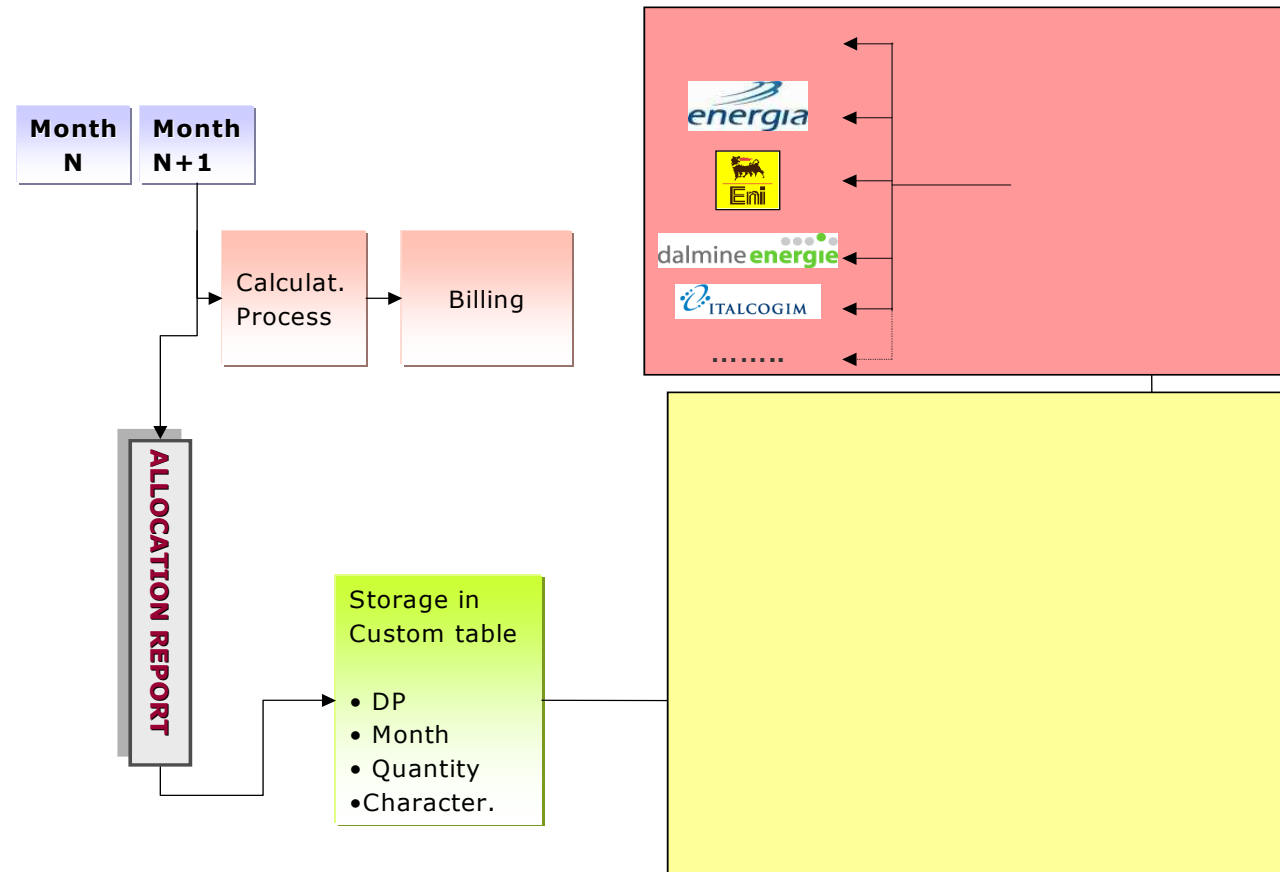
N-1:2800+Y(calculation till the end of month N)



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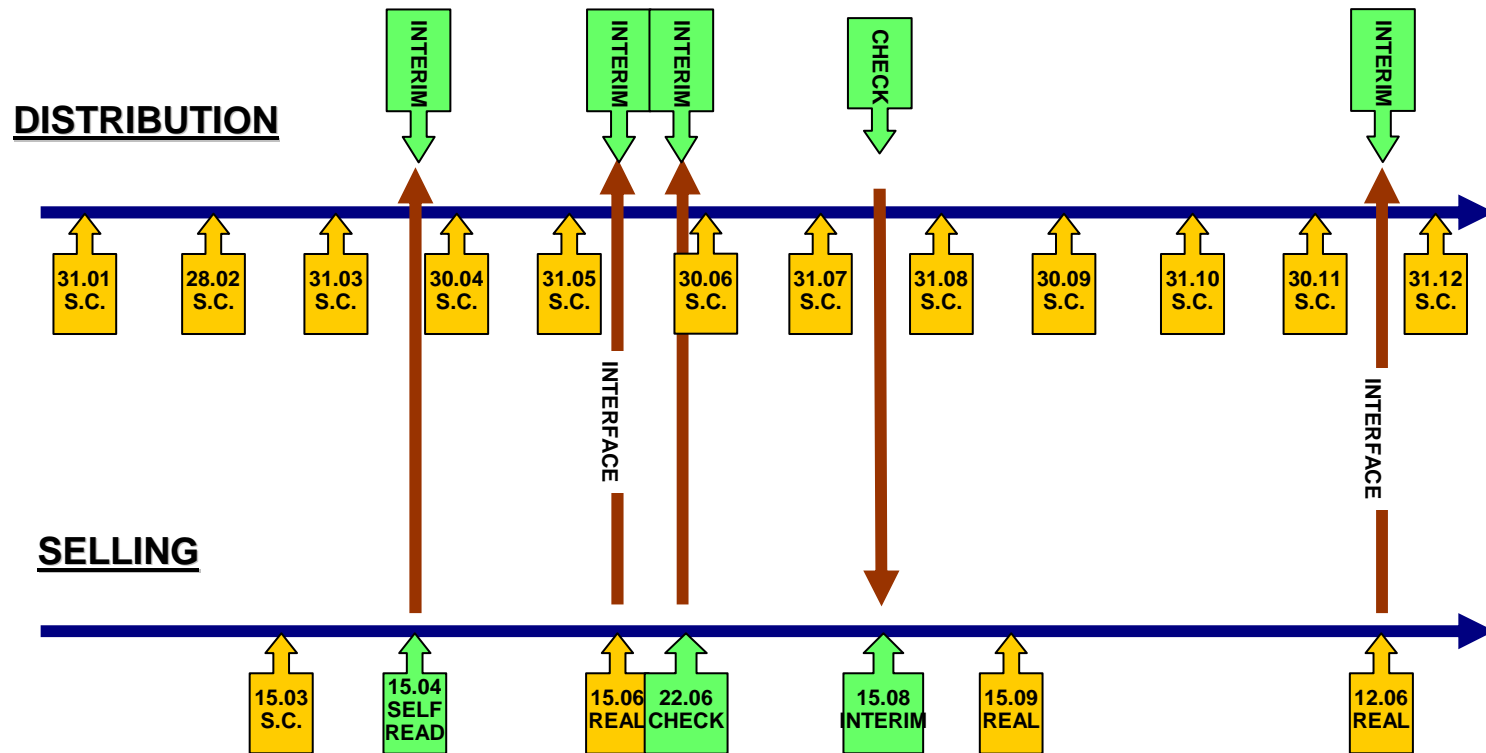
## The allocation tool

- Aggregation of data from the Delivery Point level to retailers' one
- Transmission of information to interested parties



## Billing issues

- Managing consumption calculations for distribution and selling purposes in different ways
- Sharing real reading data



SC = Consumption calculation

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## The billing tool

- Working during available free time, in order to split work as much as possible, and considering as much information as possible

