

# ENERGY UTILITIES

## TRANCHE MANAGEMENT IN DISTRIBUTION

Ordering, back selling and billing of tranches  
in energy distribution with SAP® IS-U

Tranche procurement helps purchasers reduce energy acquisition costs. Prices are set in part quantities at times they select themselves.

### Challenge of energy distribution

Responsible energy buyers in large companies purchase energy in a price-oriented manner. One option for this is tranche-based energy procurement. This divides the price risk into several purchasing times. This balances price fluctuations on the energy procurement markets and results in a lower acquisition price.

In tranche-based procurement, the energy requirement is purchased in part quantities at prices close to the market price. With the help of various procurement models, part quantities are automatically or manually priced by the energy buyer. In addition to the procurement of energy quantities, the models can also be used for selling back tranches that are already fixed, such as for new coverage at a later time at lower market prices.

### Reduced market price risk

The market price risk for the energy buyer is significantly reduced with the help of tranche-based energy procurement. Dividing the energy requirement into several tranches therefore offers a high level of flexibility and the possibility of participating in market development.

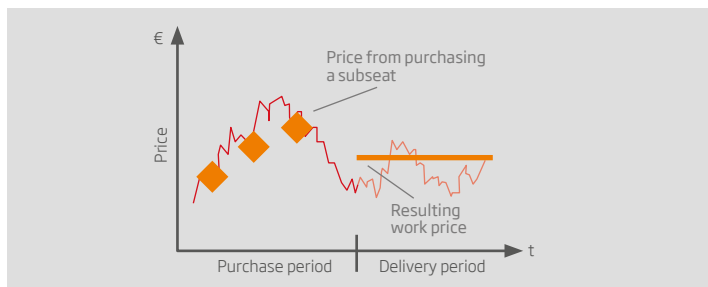


Fig. 1: Tranche-based pricing

### Procurement at prices close to market prices

Energy buyers today must respond flexibly to customer demand for procurement at prices close to market prices and offer corresponding products and services. This also means that energy procurement and billing for these products are much more complex than for fixed-price products.

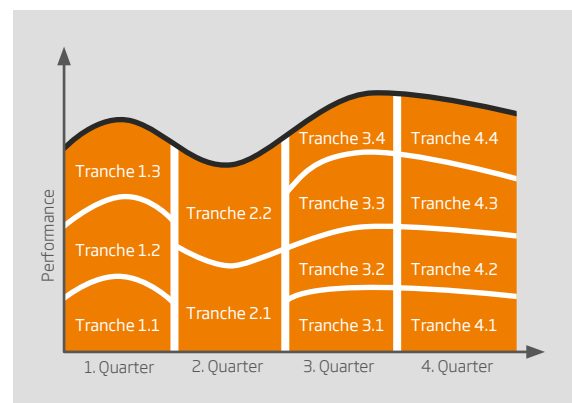


Fig. 2: Division of a schedule into vertical tranches

SAP® IS-U is the standard billing system in Germany and does not offer any processes to display the procurement and billing of tranches. Market-relevant CRM systems do not provide a solution either.

## Our solution

Our TRANCHE.easy solution, from our RT.easy® product suite by Sopra Steria Consulting, shows tranche ordering, tranche back selling and tranche billing processes. TRANCHE.easy can also be seamlessly integrated into your CRM system, portfolio management and SAP® IS-U. Accepting a relevant offer in your CRM system creates a tranche book in TRANCHE.easy. This receives the necessary tranche data for ordering, back selling and billing.

Ordering a tranche in portfolio management can then be automated per contract or carried out manually via the tranche book. An order report keeps the customer informed of their orders and creates a customer contact in the CRM system or SAP® IS-U for every order. You can even specify the specific structure of the process and the tranches.

TRANCHE.easy supports forward market, spot market or OTC tranches as well as horizontal and vertical tranches.

Tranche prices and quantities are created via TRANCHE.easy and provided to SAP® IS-U billing via an interface. Also, further billing components such as tolerance level, third-party delivery or feed-in can be combined as per your requirements.

## Overview of advantages and benefits

- System-supported ordering, back selling and billing of tranches with no media discontinuities
- Traceability and transparency from ordering and billing, right up to the invoice form
- Increased process efficiency, as manual steps are minimised
- Support for horizontal and vertical tranches in the electricity and gas sectors
- Interface to your web portal
- Flexible structure of order processes
- Automated calculation of billing price
- Itemisation of billing price by billing period in individual tranches
- No additional system: TRANCHE.easy runs as an add-on within SAP® IS-U
- Online interface to the CRM system and portfolio management (file upload also possible)
- Interface to invoice form for presenting tranches

## Contact us

We would be happy to explain our services in a personal meeting. Get in touch.

RT.easy<sup>®</sup>



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