

ENERGYCAP[®]

7 Lessons from 40+ Years of Utility Bill Data Excellence



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Executive Summary

For over 40 years, EnergyCAP has been a pioneer in utility bill data processing, evolving alongside technological advancements and industry dynamics. This eBook encapsulates the rich wisdom and insights gained from four decades of experience, highlighting the transformative power of utility bill information in energy management and sustainability.

The lessons outlined in this eBook underscore the evolving nature of utility bill processing and its crucial role in energy management and sustainability. Throughout our extensive experience in energy and utility bill data, it's become clear data plays a crucial role in achieving energy savings and is fundamental to any effective energy management strategy. It represents an accessible opportunity for those involved in building management—regardless of ownership or leasing status.

After more than 40 years in the business of utility bill management, we at EnergyCAP have distilled our wisdom into seven key lessons that reflect the evolution and significance of utility bill processing. These lessons are a testament to our commitment to innovation and excellence, offering valuable guidance for organizations navigating the intricate landscape of utility bill processing and energy management.



EnergyCAP does bill data better

Before we kick things off, let us first explain our authority on this topic.

EnergyCAP has cemented its position as a leader in the energy and sustainability space, serving over 850 organizations and empowering more than 10,000 energy and sustainability professionals across the globe. For over 4 decades, our customers have relied on the robust and reliable data we provide to make well-informed decisions that generate significant savings and drive their sustainability goals forward.

We proudly manage a vast and varied portfolio of vendor bills that amasses to over \$20B+ annually. These bills, averaging around \$2,000 each, range widely, covering both major and minor costs. Our meticulous attention to detail ensures that every facility—from the sprawling corporate headquarters to the solitary park restroom—receives the same level of scrutiny and service.

Our customers harness this foundational data to strategically drive savings, which in turn supports further efficiency projects in their buildings. The principle is clear: quality data input leads to valuable insights and outcomes, exemplifying EnergyCAP's dedication to excellence and leadership in energy management.

“**Implementing EnergyCAP was a game-changer, it allowed us to transition into a more dynamic and responsive way of managing our utilities.**”

Jaime Cervantes // Sound Transit



10K+

Energy and sustainability users



\$20B+

Worth of vendor bills tracked annually



\$500M+

Verified annual energy savings

Myth busting the utility bill industry

Let's explore the contrast between common misconceptions and the realities of receiving utility bills and the capabilities of utility vendors. We'll start by dispelling some myths:

Myth 1

Utility bills are simpler now.

- ▶ **FALSE.** The complexity of utility bills has ramped up, with more details and factors to consider than ever before.

Myth 2

Utility companies provide easy-access APIs.

- ▶ **FALSE.** Many believe utility companies offer APIs for straight-forward bill retrieval, but such developer-friendly access is rare.

Myth 3

Green button services make data retrieval easy.

- ▶ **FALSE.** Green button services are thought to simplify data download, yet they often lack the depth for detailed billing and can't manage rebills or cancellations.

Myth 4

Vendor websites offer comprehensive data access.

- ▶ **HALF FALSE.** Vendor sites do give data access. They are primarily for accounting and payments, not detailed energy management, and usually require manual data entry.

But why are utility bills so complicated?!

- ▶ **Diverse data sources and formats.** For many organizations, managing data from numerous utility companies, each with its unique formats and delivery methods, can be incredibly challenging. Standardization is lacking, making data integration a complex task.
- ▶ **Complex data exchanges.** The utility billing landscape involves various data exchange formats and methods. One commonly referenced format is EDI 810, but even this standard isn't universally adopted and can be challenging due to the dynamic nature of utility billing.
- ▶ **Vendor websites.** These platforms provide access to data and documents but may lack the ability to consolidate accounts or offer a comprehensive view when dealing with multiple utility companies.
- ▶ **Summary bills.** While summary bills streamline the payment process, they often remove detailed information that is crucial for energy management, such as individual line items or usage charges.
- ▶ **Electronic billing and EDI 810.** EDI was introduced in the 1990s to revolutionize the exchange of electronic bills and payments. However, it hasn't been widely adopted in the utility billing sector. Implementation can be complex and unique to each vendor. While it can be valuable for high-volume billing, other options like OCR and web scraping have become more accessible and effective for many organizations.
- ▶ **Timeliness of data.** The speed at which utility bills are delivered varies, from paper bills with a short processing window to digital or automated methods that offer quicker access.



Let me just say that you guys always do a good job. It's always easy with you. It's not so easy with others."

EnergyCAP customer

The reality is that receiving and managing utility bills is far from simple. While there have been improvements and innovations over the years, including the introduction of EDI, the utility billing landscape remains highly diverse and intricate. The key lies in adopting a flexible approach that suits the specific needs and volumes of your organization, whether that involves electronic billing, vendor websites, or other data retrieval methods.

Bill errors happen

Here's what to look out for.

The most common source of savings are utility bill errors.

1 of 16

bills are flagged as possible issues

55%

of flagged bills result in action

35,000+

cases of systemic estimated bills

~100,000

duplicate bills have been flagged

Over \$166M

of flagged bills were voided in EnergyCAP

After processing hundreds of thousands of bills a year, we looked at the data and found that one out of every sixteen bills we process (about 6%) raised potential issues. This figure is quite substantial, and it underscores the importance of meticulous bill management. Notably, 55% of these flagged bills led to some form of action being taken, meaning our customers identified and fixed the error, likely saving them a ton of money and time.

We've uncovered over 35,000 cases where the primary issue was related to estimated bills. Estimated bills can be problematic as they are based on approximations when vendors cannot access your meter for accurate readings. This practice can lead to discrepancies in your billing. Addressing this issue is paramount to maintaining accurate financial records.

Additionally, we identified around 100,000 instances of duplicate bills. This happened when customers inadvertently entered the same bill twice. Our system efficiently flagged these duplicates, preventing the risk of overpayment due to simple data entry errors.

In total, we voided flagged bills amounting to over \$166 million. This serves as a clear indication of data collection challenges and underscores the significance of rigorous data auditing.

Our auditing processes have become increasingly sophisticated over time. We no longer rely solely on historical data for benchmarking. Instead, we employ predictive methods to estimate what a bill's value should be. Our audits are designed to identify discrepancies and inconsistencies against these predictions, helping to maintain financial accuracy and transparency.

Spot billing errors before they become a problem

Software can help you identify these billing errors before they become an issue. Utility bill errors typically belong in three categories:

1 Account ownership

Changes in building ownership or structure can result in mismatches in meter data. Regular physical inspections are vital for accuracy.

2 Meter multipliers

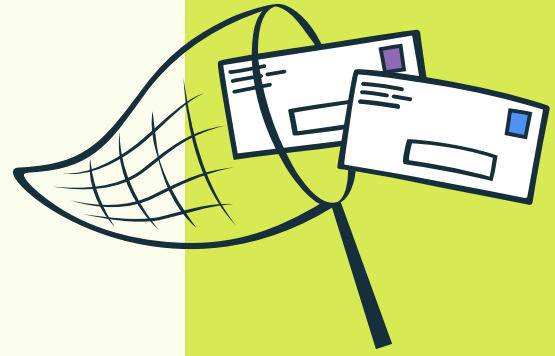
Faulty multipliers can cause errors in usage calculations. Ensuring these are correct is key to accurate billing.

3 Taxes and fees

Organizations may be exempt from certain taxes and fees, which should be accurately reflected to prevent overcharges. It's crucial to verify these details regularly.



Introducing EnergyCAP Bill CAPture



EnergyCAP Bill CAPtureSM addresses the full spectrum of challenges that come with handling utility bills. Our goal is straightforward: to make your workflows as effortless as possible by tackling the intricacies of receiving, understanding, processing, and leveraging utility bills. Drawing from our extensive experience and employing the latest technologies, we are committed to delivering exceptional service that meets these needs.

Our pioneering work began with the adoption of electronic billing via EDI 810 technology, a groundbreaking step in the '90s. We led the charge in creating a seamless bridge between accounting systems and vendors for electronic transactions. As the landscape of utility billing evolved, so did our services. Recognizing the limitations of electronic file availability, we incorporated Optical Character Recognition (OCR) technology in 2009, broadening our ability to process a wider array of bill formats, including scanned documents and PDFs, thereby serving an even more diverse clientele.

Now, EnergyCAP processes hundreds of thousands of bills annually across a multitude of formats such as electronic, EDI, and OCR-scanned PDFs. Our reach extends to over 4,000 distinct vendors across the world, affirming our role as an ever-expanding hub for bill management expertise. Our services accommodate a wide range of needs from managing a small batch of bills to overseeing thousands.



Bill CAPture does a great job of being that liaison between us and the processing center, and adding managed services will be an added time saver.”

EnergyCAP customer

Maximizing time efficiency with EnergyCAP Bill CAPture

Never want to touch a bill again? No problem!

Time is one of our most valuable commodities. Capturing and meticulously reviewing utility bills is a time-intensive task that can detract from other critical energy and cost saving activities. Accounting departments often focus on cost tracking and vendor management, which means the finer points of utility billing might not receive the scrutiny they require. This oversight can result in delays, incur late fees, and create arduous processes that need to be navigated just to complete a payment.

The traditional method of handling bills—receiving them by mail, manually opening, sorting, and distributing them for approval—is a laborious process. Additional tasks like assigning General Ledger (GL) codes, batch processing, and verifying charges only add to the workload. Manual data entry and the subsequent verification and reconciliation processes are time-consuming and prone to human error.

EnergyCAP's Bill CAPture managed services transforms this tedious cycle into a streamlined, efficient process. By automating bill capture, we liberate your staff from these burdens, allowing them to dedicate their efforts to more strategic and impactful tasks. One of our customers, after switching to our automated process, reported a time saving of over 40 hours per month. This shift from labor-intensive tasks to higher-value work (such as building energy management and sustainability program execution) is a significant advantage that many of our customers enjoy.

For many organizations, bills often come in, are spot checked, and then processed for payment. While you may be familiar with the typical cadence of your bills and have a good idea of what to expect enabling you to catch any outliers, having software that intelligently detects errors can be much more powerful. The most common source of savings we've observed is identifying billing errors. Utility companies are not perfect, and mistakes can occur. Having bill data arrive in a timely and accurate manner provides an opportunity to catch these errors, with our EnergyCAP Utility Management system serving as an automatic error-checking tool, ensuring data accuracy and financial savings.



Seven key lessons

After more than 40 years in the business of utility bill management, we have distilled our wisdom into **seven key lessons** that reflect the evolution and significance of utility bill processing.

1 Outsourcing saves time

We've learned that entrusting bill processing to the experts isn't just about efficiency; it's a strategic move that lets organizations concentrate on what they do best.

2 Software aids in error detection

Our experience has shown that while human error is a given, software is a game-changer, dramatically reducing inaccuracies and ensuring data integrity.

3 Importance of detail

We can't overstate the value of detail. Diving into the nitty-gritty of utility bills can reveal hidden opportunities for savings and more effective energy use.

4 Data-driven leadership

Quick, informed decision-making is the hallmark of effective leadership, and that's only possible with a solid grasp of utility bill data.

5 Better data, better processes

Our journey has confirmed that the quality of data is directly proportional to the quality of business processes. From automated entries to audits—good data is the cornerstone of excellence.

6 Expanding teams virtually

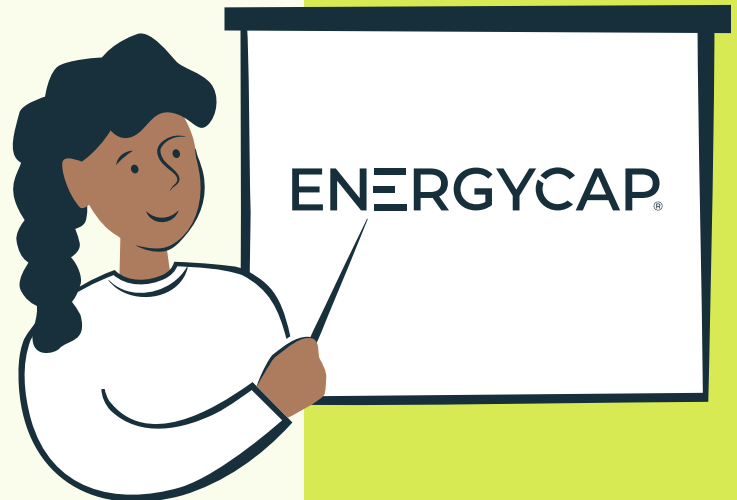
Technology has allowed us to expand our team's capabilities virtually, without the need for a physical increase in workforce.

7 Prioritizing high-impact activities

Finally, we've seen that when bill processing is optimized, it frees up resources for high-impact activities that are crucial for strategic growth and sustainability.

Conclusion

These seven lessons encapsulate the crucial role that utility bill processing plays in energy management. The path we've traveled with EnergyCAP demonstrates the growing complexity and importance of utility bills. It's a journey through changing costs, usage patterns, and a deeper understanding of demand value and environmental impact. The insights shared here serve as a guiding light for organizations looking to navigate this complex landscape with a commitment to innovation, excellence, and a sustainable future.



About EnergyCAP

EnergyCAP is the leading Energy and Sustainability ERP, empowering customers with full control and understanding of their energy and sustainability data to reduce their carbon footprint and drive savings. For over forty years, thousands of public and private institutions have been using EnergyCAP to streamline accounting processes, reduce resource consumption, and identify opportunities for sustainable operations. EnergyCAP helps customers who are drowning in paper bills, manual processes, and cumbersome spreadsheets and enables them to execute, analyze, and report on the energy and decarbonization projects needed to create a more sustainable world.

Solutions to empower your energy and sustainability data journey

Seamlessly bundle or choose à la carte from EnergyCAP's array of energy and sustainability solutions. Whether you're starting small or expanding big, we've got you covered. Empower your data-driven transformation, anywhere you are.

Visit www.EnergyCAP.com to learn more.



ENERGYCAP
UtilityManagement™

Financial-grade greenhouse gas accounting

An advanced, holistic view of financial-grade emissions data across your business with automatically applied factors to meet your ESG reporting needs.

Customer Data Type

GHG activities

Persona

Sustainability



ENERGYCAP
CarbonHub™

Portfolio-level energy and sustainability reporting

Get accurate and reliable energy and utility data across your entire portfolio and streamline energy and accounting workflows.

Customer Data Type

Utilities/bill/resources

Persona

Finance/energy



ENERGYCAP
SmartAnalytics™

Real-time energy and sustainability analytics

Dive deep into the real-time performance of assets, devices, and sensors. Make quick, data-driven decisions for high-performance, net-zero buildings.

Customer Data Type

Time-series/Interval energy

Persona

Energy facilities

CAPture Services: CAPture Services: Bill CAPture, Bill Processing/Managed Services