

CASE STUDY

LIBERALISATION – UNBUNDLING & ICT

European Integrated Gas Company

The Business Challenge

Despite the German energy sector being in principle deregulated in 1998, one of the leading integrated, national gas companies had been slowly moving towards compliance with the EU Gas Directives. It had carried out a review of possible software products some two years before this activity but had yet to conduct the necessary exercise to assess exactly what was required to operate for the company in the market now, and to envision this in a possible unbundled company state. The assignment was to assist the in-house company team in the process of confirming new business requirements and to develop specific functional specification documents for software procurement to support the implementation of third party access and compete successfully in the new gas trading arrangements with third parties and hubs.

Approach

Consultant assignment was to challenge preconceived ideas and assist the company to respond to the new liberalised gas market by establishing and confirming the necessary business functionality, communications & information transfer links for the supporting IT systems requirements for this 'new gas world'.

1. The first phase involved a highly confidential review of the major software products on the world market that might form part of any bidders list. This review was carried out from consultant personal knowledge and experience and used non-published information and knowledge.
2. The second phase consisted of a series of facilitated, detailed process workshops with representatives from all key business areas of the integrated gas company allowed the development of a broader, common understanding of how they would be required to operate in the new liberalised TPA market, and possibly as unbundled, stand-alone entities in the future.
3. The results of these workshops drove the third phase which was the production of a series of detailed ICT software specifications

The Benefits

The gas company was greatly assisted with information and practical, operational process from the industry expert Consultant, who had in-depth knowledge and experience of this problem and the liberalised market operation.

The workshops highlighted a number of previously un-considered areas and relationships that caused some change to the gas company's proposed way forward and removed one business area from the process. The gas company was extremely pleased with both the result and consultant process which allowed them to be fully involved throughout the process.