



By John Schott

**W**hen it comes to paperless billing adoption rates, 12% and 27% are figures that take center stage.

The latter percentage represents utility companies' adoption rate versus that of other vertical industries. The disparity occurs because utilities are struggling to keep up, especially the small and medium ones (which have less than 5% adoption rates).

This fact is understandable. Smaller utilities often do not possess the resources to develop and implement effective paperless programs. The cost to implement is much higher than the incremental savings of converting your customers to paperless billing and electronic payments.

Quite simply, utilities with fewer than 80,000 meters often do not have enough customers for the savings to add up when compared with the cost of the investment. Yet having a successful eBill-ePay solution is critical to cash flow, customer service, and a staff's ability to do its jobs well.

### The Right Solution

The emergence of single-vendor cloudsourcing is a viable solution. It levels the playing field, allowing small to medium utilities to obtain the same electronic billing and payment programs as their larger, better-known peers, while reaping the benefits from such programs. Utilities must embrace the benefits, both short-term and long-term, of having a single-vendor cloudsourced solution.

Cloudsourcing is a software delivery model where all customer-facing eBill and ePay software is centrally hosted within the cloud. The third-party cloudsource vendor develops, hosts, and maintains the complete infrastructure for the utility. Because these utilities are able to share a common set of business applications, costs for these software services are distributed across "the many," making the project scale more economical.

The cloudsourcing vendor is able to focus its resources on solutions that promote usage and adoption of paperless billing and electronic payments. This ability to specialize creates a unique alignment between vendor and utility that manifests itself in top shelf solutions that are user-friendly and useful to end-customers and drive paperless adoption higher.

Advantages of this type of cloudsourcing include:

- **An all-in-one solution:** All essential aspects of a successful eBill-ePay program are available including online payments, mobile payments, paperless billing, automated customer notifications, credit card and eCheck processing, IVR phone payments, and even bill print and mail;
- **Continuous improvement:** A specialized vendor is able to continuously develop new and better features for the benefit of its many customers; feature updates are pushed simultaneously to all utilities;
- **One-call issue resolution:** One call is all that is needed to quickly resolve issues that may arise at any point of the billing and payment process;
- **Better reliability:** Average uptime is 99.99% for cloud providers versus 98.5% for in-house data centers—that is a difference of six days per year;
- **Security/privacy/PCI:** The cloudsourced vendor is able to devote hundreds of thousands of dollars to address the complex security and privacy requirements that are necessary when managing customer data and banking information;
- **Consolidated reporting and reconciliation:** All payments from all channels are viewable from a single console, allowing for straightforward account reconciliation; and
- **Rapid deployment:** Cloud solutions only need to be integrated to the utility's existing data and processes and are ready to go.

A traditional investment in eBilling and ePayment technology that provides all of the foundational components for each utility, regardless of size, can cost hundreds of thousands of dollars and take up to a year to develop, implement, and train. But this is changing. A number of utilities across the nation are moving to hosted, cloud-sourced solutions to drive down cost without sacrificing quality.

### Bethesda Water Supply Corp.

Bethesda Water Supply Corp., a Texas utility with 10,000 service accounts, is an example of such a utility. Bethesda is similar to many small utilities that work hard to provide outstanding service for their customers without increasing service rates. Bethesda wanted to provide online billing and payment services for its customers but did not have the resources to put in place a quality solution on its own. By moving forward with a single-vendor cloudsourced implementation, the utility has been able to deliver a feature-rich solution for its customers without added costs.

In the end, regardless of the size of utility, customers still expect big service. With cloudsourcing, all types of utilities—from Woodville, Texas (1,600 services accounts) to Collier County, Florida (70,000 service accounts)—are able to not only implement a total solution quickly, but do so in such a way that fully and efficiently meets the needs of customers. Best of all, it improves customer relationships and frees up customer service staff to focus on other core issues. **www**

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Software delivery model aims to help utilities stay efficient, adopt paperless billing

### ARTICLE SUMMARY

**Challenge:** Smaller utilities often do not possess the resources to develop and implement effective paperless programs.

**Solution:** Single-vendor cloudsourcing provides eBill and ePay software centrally hosted within the cloud.

**Conclusion:** Cloudsourcing helps utilities of all sizes become more efficient.