

SOUTHERN AFRICA
REVENUE PROTECTION
ASSOCIATION

21st
Annual Convention 2017

20 Years
of Sharing Revenue
Protection Knowledge



24 and 25 August 2017 | Eskom Convention Centre, Midrand

Integrated Revenue Protection Strategy delivering Financial and Operational Sustainability for Utilities/Municipalities

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Introduction

Problem Statement

Proposed Solution

Realising Results

Concluding Remarks

Introduction: MCS Holdings (Pty) Ltd



- MCS Holdings is a business established with the primary purpose of assisting Municipalities and Utilities with their Revenue Protection and Revenue Assurance challenges.
- We realised that there is a serious gap in the market, where many technology providers flood the market with various technologies.
- These technologies are, at face value, generally very similar with little differentiation if any and the clients are spoiled for choice.
- However, many projects where these technologies are implemented do not seem to deliver the expected results for a variety of reasons.
- We have distilled these and came up with a solution to ensure that municipalities and utilities benefit from their investments in these technologies.



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- Many utilities and municipalities are working hard trying to resolve the energy/water and revenue losses challenge with **very limited and unsatisfactory results**, or at best achieving some results at the beginning, but these are **not sustainable**, for a variety of reasons.
- Secondary cities losses can be **as high as 40%** and metros losses on average **~10%** of the electricity they purchase.
- These losses, unfortunately represent a significant **financial burden** to the loyal paying customers or loss of revenue, which utilities desperately need for the provision/extension of services to other deserving customer.
- In their attempt to solve the problem, many utilities/municipalities generally use **one dimensional, isolated solutions** (e.g. technology), and the results are poor.





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Integrated Solution

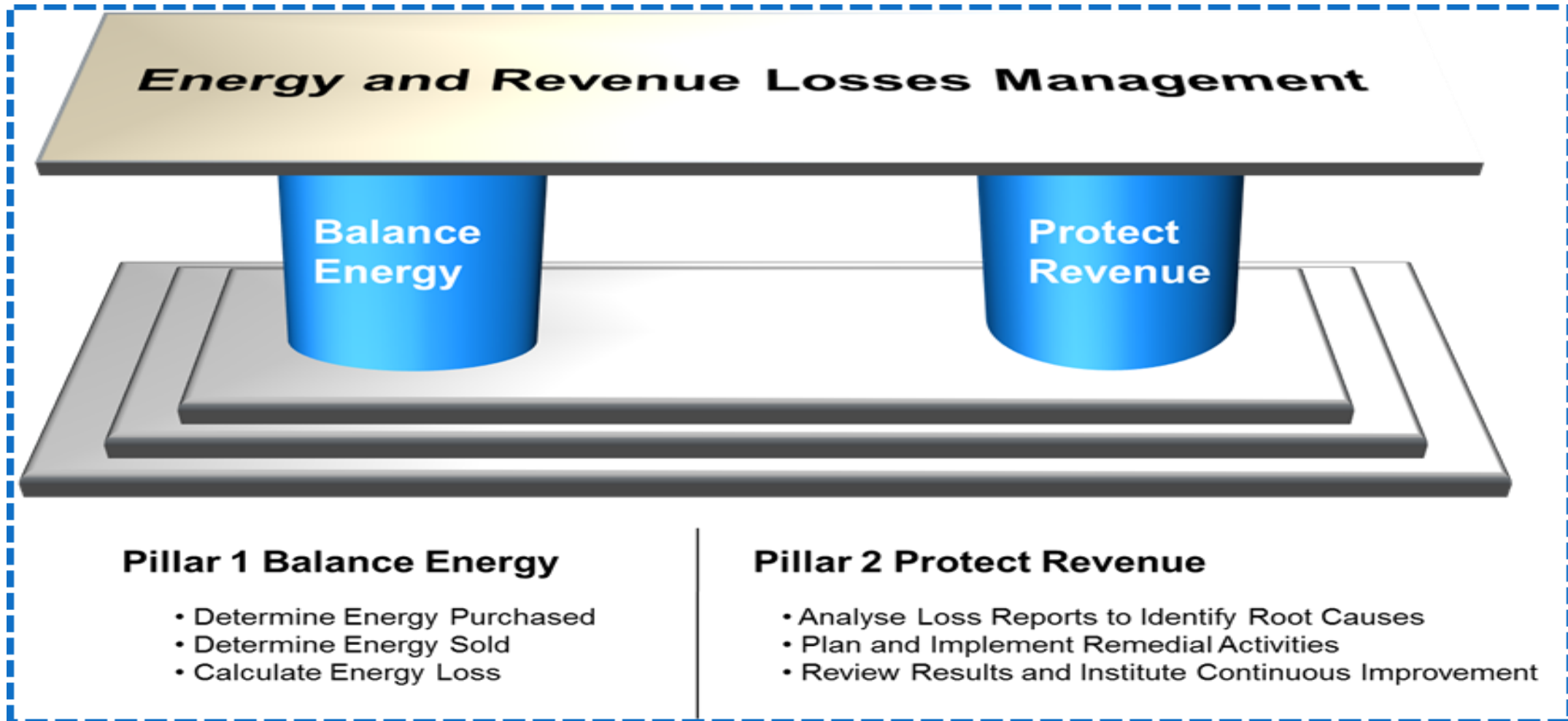
The Integration of **Systems, Technology** and **Processes** driven by competent human resources (**People**) has proven to be a winner in dealing with energy and revenue losses management.

Utilities where this has been implemented are recording **excellent, sustainable results**.

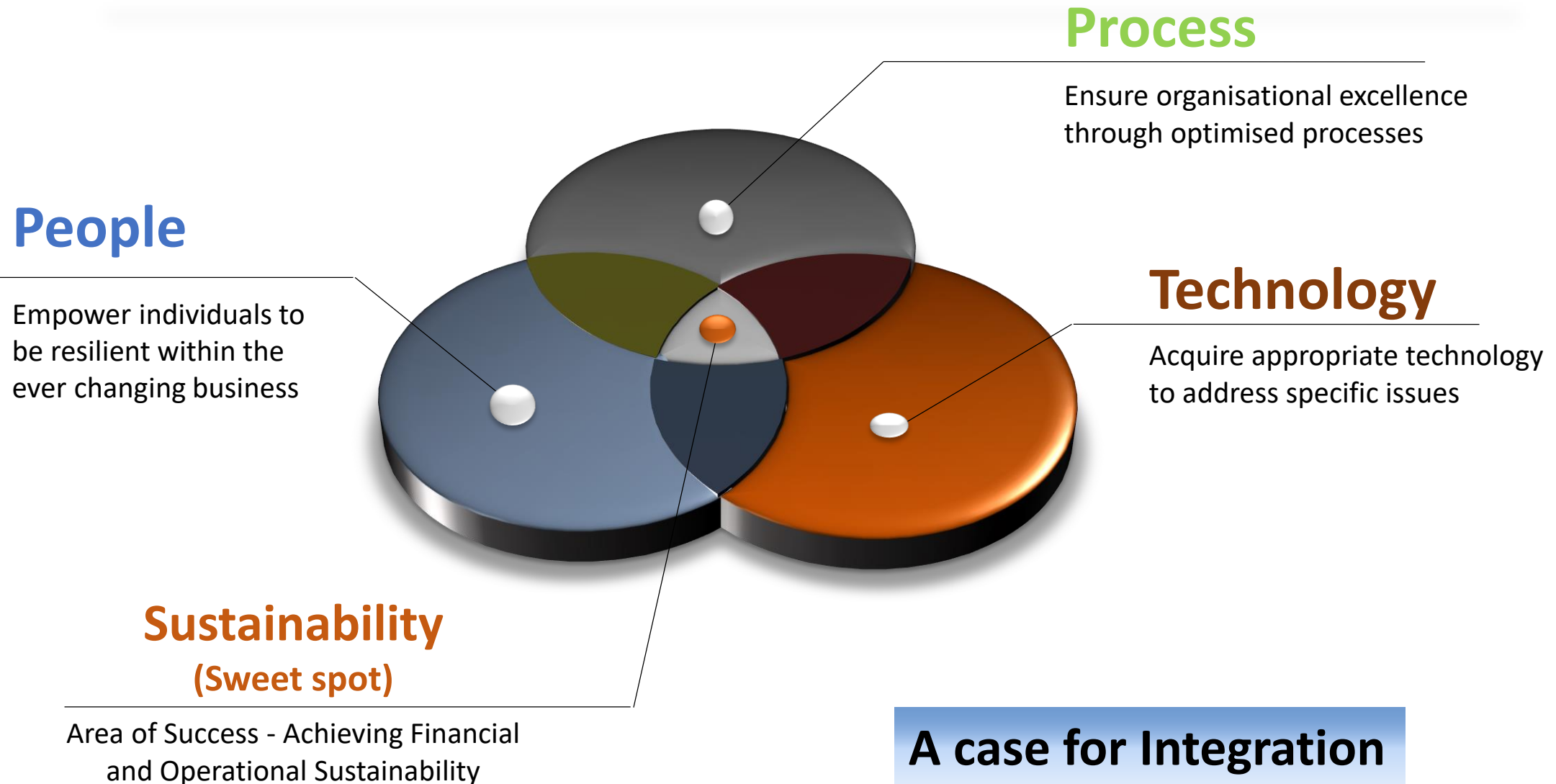


Ensure that your strategy is technology “agnostic”, but is anchored on sound efficient processes, and driven by competent people with positive attitude and always willing to learn. Solutions that take from best of breed from well tested best global technology and system developers combined with understanding of local conditions are sure winners.

Strategy Pillars (1/2)



Strategy Pillars (2/2)





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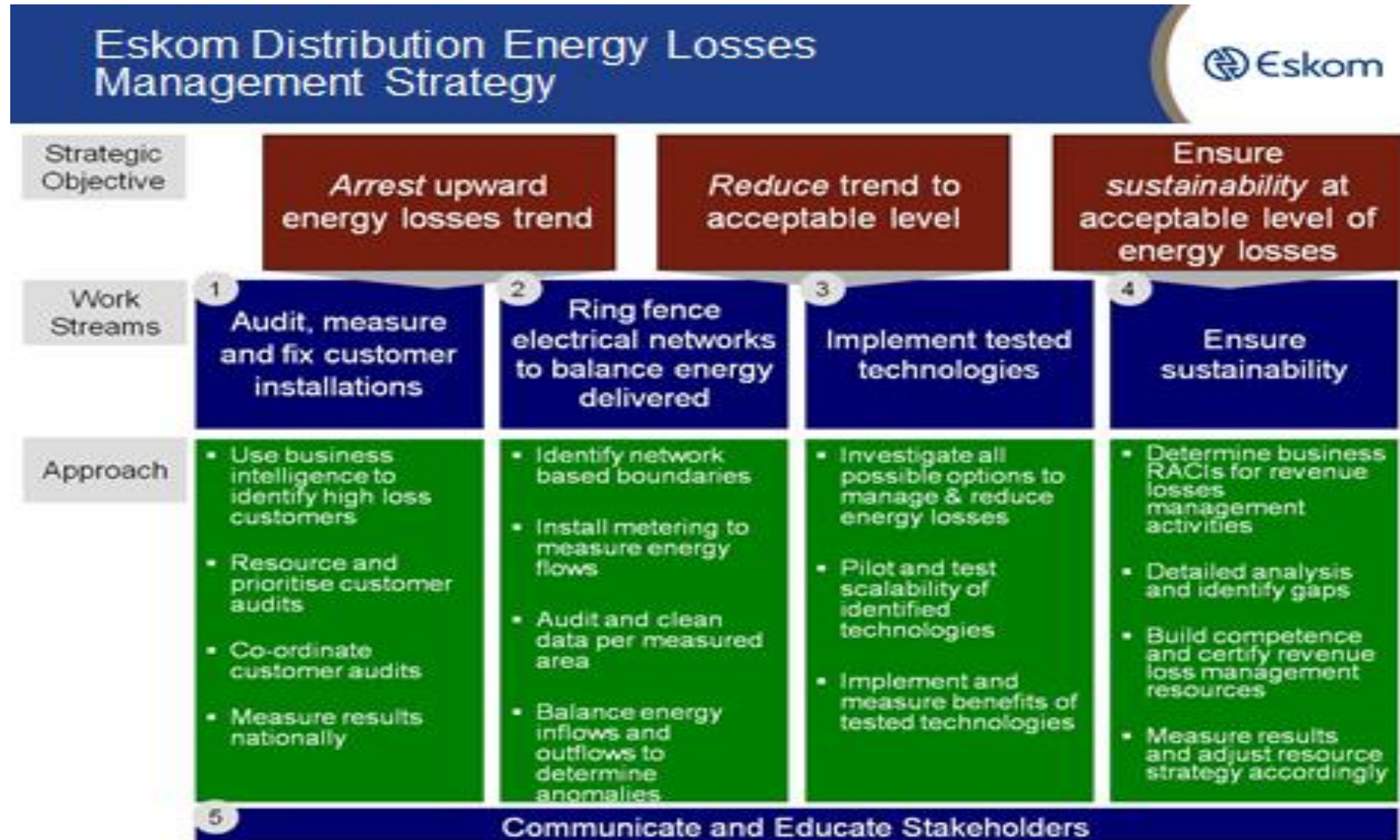
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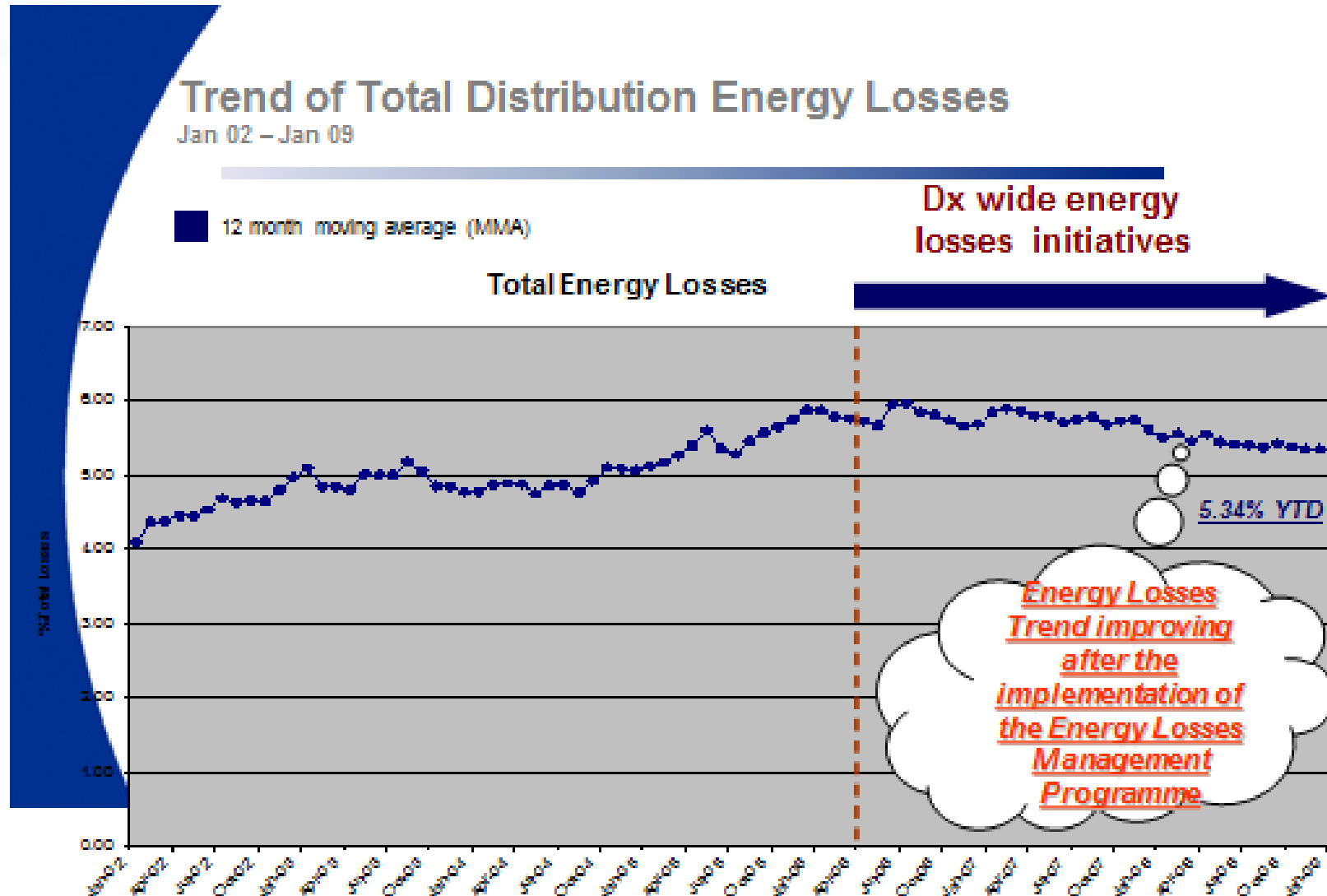
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Realising Results – Case Study 1

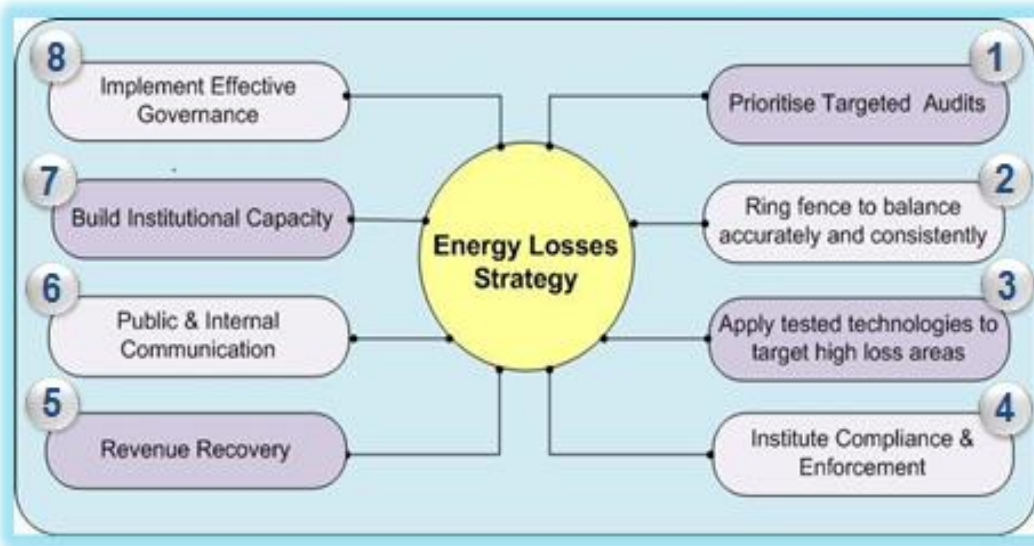


Realising Results – Case Study 1



Realising Results – Case Study 2

Strategy Elements / Levers



23

Total Losses [%]



Key Benefits

**Reduction in
Losses**



**Increased
Revenue and
improved Cash
Flow**



**Accurate
reconciliation
of Revenue**



**Proper planning
for
Optimisation of
Services**

**Improvement
of Services to
customers and
improved
Customer
Satisfaction**



**Improvement
of Overall
Business
Operations**





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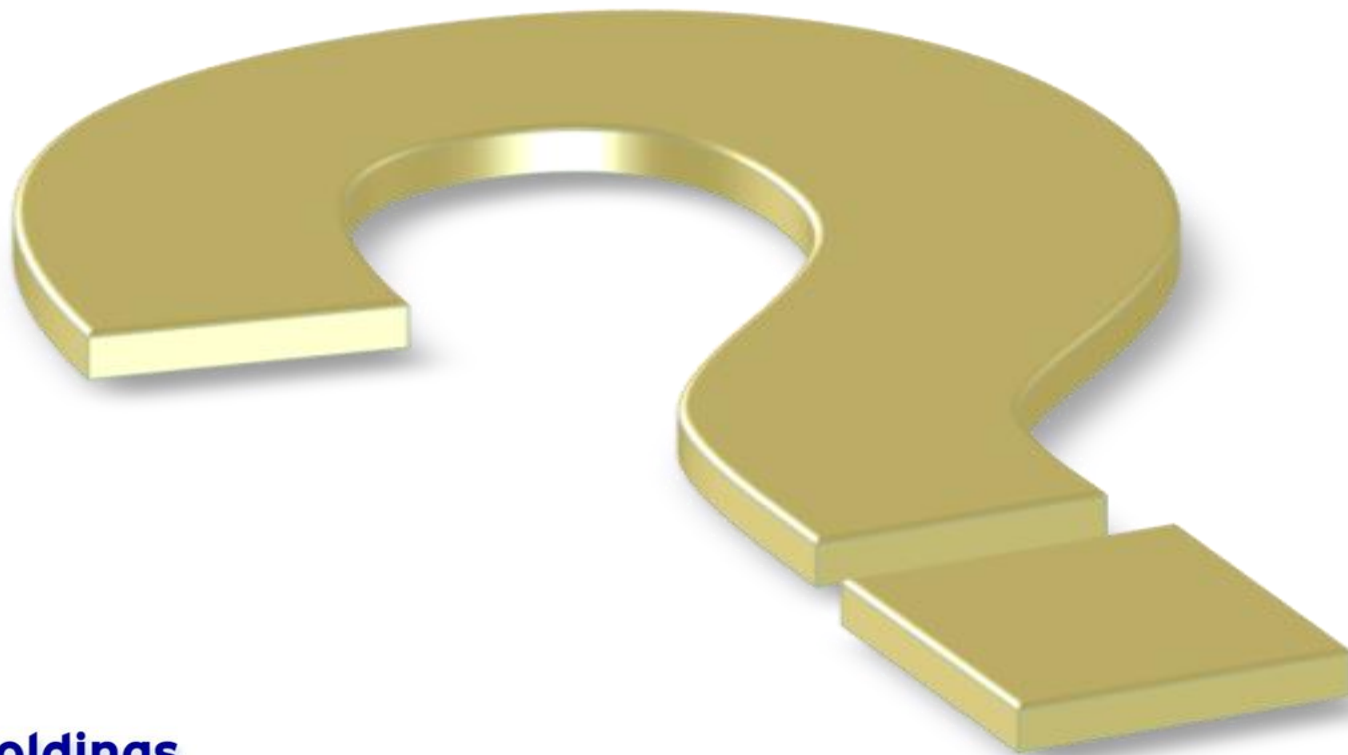
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- **Revenue Protection** is a **multidisciplinary process** which requires resources and processes from different departments to **function in unison** to achieve results, failure in one, means the whole chain breaks.
- The Integration of **Systems, Technology** and **Processes** driven by competent human resources (**People**) has proven to be a winner in dealing with energy and revenue losses management.
- Utilities where this has been implemented are recording **excellent, sustainable results**.



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