

# Utility Bill Audits: What Errors Are We Looking For?

Verify Your Bills with up to 66 Checks and Audits with Enel X's Utility Bill Management

You don't want to pay for energy you don't use. As part of Enel X's Utility Bill Management (UBM) solution, we go to great lengths to prevent your organization from paying unwarranted utility costs. We not only audit your utility invoices with a rigorous validation process, we also report any failures back to your team, track savings over time, and follow up with suppliers to have new bills issued or credits brought forward when an error is identified—saving your organization time and money. Here is an overview of the types of errors our auditing process looks for and how we help resolve them.

## Superior Invoice Auditing

Enel X's unique invoice validation process recreates every bill that comes into our system using the specific tariff line items and attributes associated with that utility account. Our Enel X Connect application currently maintains more than 200,000 utility tariffs worldwide and replicates all customer supply contract rates and published rates in regulated markets. Enel X Connect also contains information on contract terms and conditions, minimum and maximum volumes, time of use or annual demand charges, blocks, etc.—all with validity periods to ensure our database is always up to date with the latest information. This gives Enel X unparalleled capability to ensure accurate billing across your enterprise operations.

## Common Validation Errors and Opportunities to Reduce and Avoid Energy Costs

Enel X has provided utility bill management and energy management solutions and services to large energy users for decades. We've identified some of the most common utility bill errors and opportunities to lower energy costs.

The following is a list of examples of regularly occurring billing/ validation errors and energy management opportunities, which often result in savings or avoided costs. While this list is comprehensive, it should not be considered complete, as every organization faces unique challenges and opportunities in managing energy.

## Billing and Contract Issues

Validation errors include supplier billing and contract issues. These errors typically involve miscalculations on the invoice, and can result in significant savings. Examples include:

### Billing Errors

- > Balance Brought Forward (BBF) can be applied to the wrong account or BBF credit may not be properly adjusted
- > Bills can be duplicate, cover the wrong period, or belong to another company altogether
- > Bills can be calculated incorrectly or the same item can be charged twice
- > Taxes and rate components can be applied incorrectly

- > Errors can be found in payment allocation
- > Invoices can be issued for closed accounts
- > Power factor can be incorrectly calculated by the supplier

### **Contract Issues**

- > The contract period can be incorrect
- > The supplier can apply the wrong rate
- > Swing/bandwidth charges can be faulty

### **Energy Management Savings**

This category covers savings opportunities based on customer load characteristics and billing trends. Savings may result from better energy management or more favorable contract structures.

Common issues may relate to sites, power factor, or demand:

- > The bill may highlight an exceptionally high usage at a closed site
- > Penalties can be issued for poor power factors
- > Bills may highlight an unnecessarily low/high maximum demand or authorized capacity

### **Avoided Cost Opportunities**

These validation errors may result in avoided costs, typically related to metering or payment processing issues.

#### **Metering Issues**

- > Broken meters and meters that are changed but not reset can cause headaches
- > Discrepancies between estimated and actual readings can run up significant costs
- > Meters can be read incorrectly or not at all

#### **Payment Issues**

- > Bills may contain duplicate or wrongly applied payments
- > Late fees can be incorrectly assessed

#### **Liability**

This category represents the Supplier Undercharge, and comes up when a supplier's invoice charge is actually lower than it should be and results in savings for the supplier. Enel X flags supplier undercharges for the customer and provides customer guidance.

#### **Security Deposit**

New accounts are occasionally charged security deposits that can be onerous, even if a customer has other accounts with the supplier and a good payment history. Enel X attempts to remove or reduce the amount that the customer is required to pay for security deposits.