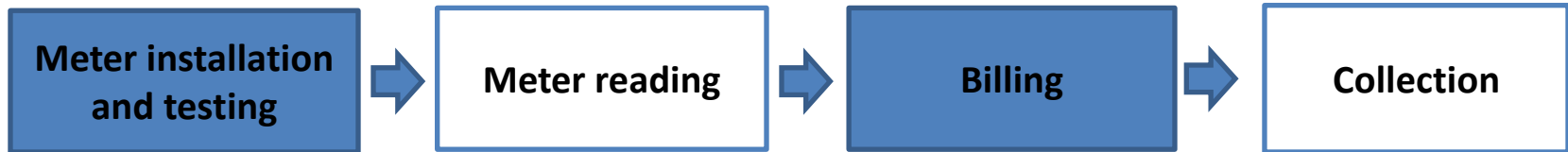


# Commercial Activities: Good Examples from the SEE Region

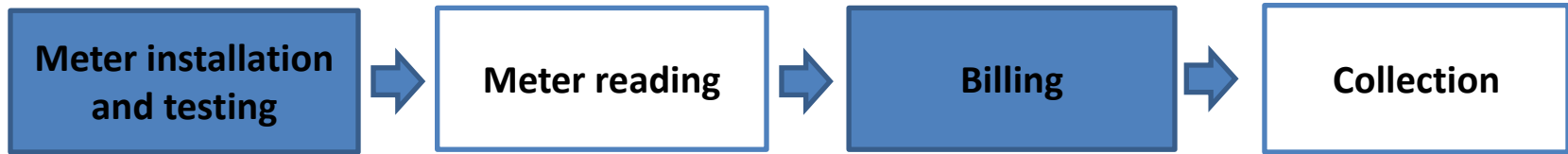
Radoslav Russev  
November 2015

# Commercial Cycle



**Failure at one segment  
breaks the whole chain**

# Commercial Cycle



**BUT... Has anyone ever seen a water company that properly manages all segments...**

# Summary of Good Regional Practices (or at least pilot projects...)

- Meter Testing
- Meter Reading Management
- Linking Billing & GIS
- Comprehensive Collection Practices
- Customer Service: Online (web-based) Services

# Meter Testing

- The situation: commercial meters from all types and brands
- Old meters – clear issue with under-registration
- Customers buy their meters in some cases
- Meter testing facilities gaining speed
- Good examples from Prizren and Prishtina



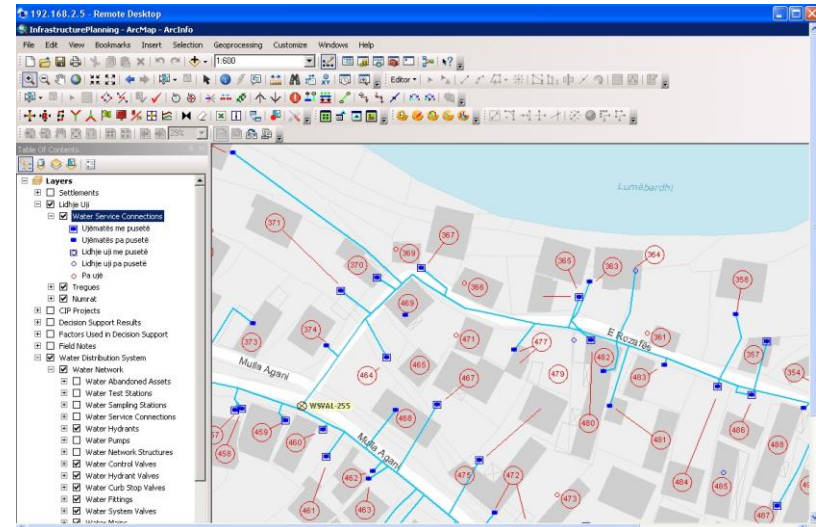
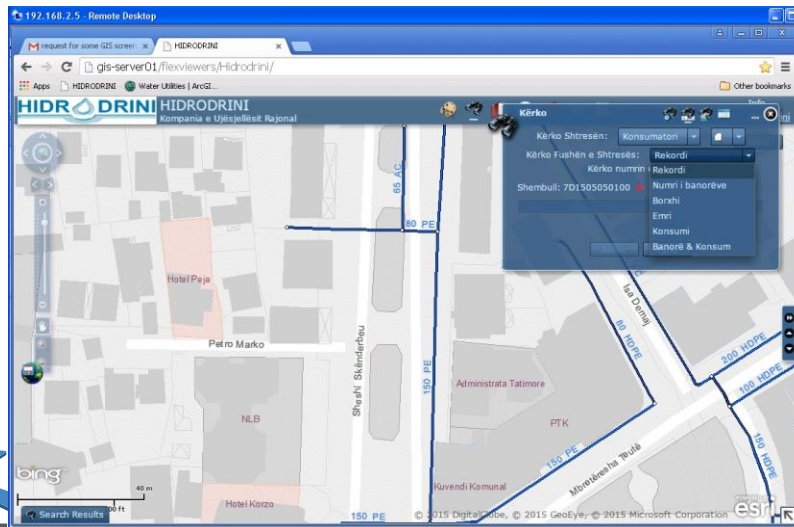
# Meter Reading Management

- Meter Reading: data and labour-intensive process
- Key issues: frequency of reading, time to process data, staff control
- AMR: good for large meters, expensive for small ones
- Good practice: PDA implementation with controls
- Example from Durres, Albania



# Linking Billing with GIS

- Major systems in a water company: ERP, Billing, SCADA, GIS
- What makes sense to be integrated?
- GIS – Billing: integration at the level of house connection / meter
- Good example: Peja Water Company



# Comprehensive Collection Approach

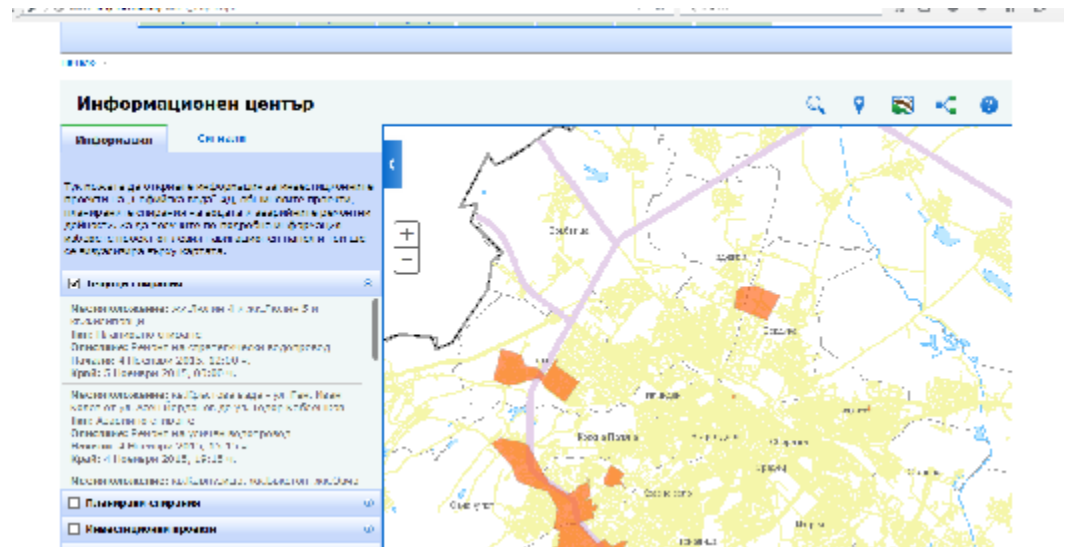
- Large customer base
- The example: segmentation by debt of age
- Example from Dobrich Water, Bulgaria

		February										
Customer Groups		0-30 days	30-60 days	60-90 days	90-120 days	120-180 days	180 days to 1 year	1 to 2 years	2 to 3 years	3 to 5 years	over 5 years	Total
Over 5 years	opening	-	19 059	13 735	15 968	39 508	111 472	144 616	135 747	338 026	588 996	1 407 127
	closing	18 262	13 436	12 549	14 365	37 696	107 755	140 804	133 682	332 732	580 378	1 391 659
<b>% of collected for the period</b>		<b>2%</b>	<b>5%</b>	<b>7%</b>	<b>8%</b>	<b>9%</b>	<b>14%</b>	<b>18%</b>	<b>38%</b>	<b>60%</b>	<b>100%</b>	<b>28%</b>
Up to 5 years	opening	-	14 604	16 070	13 115	29 172	73 281	127 844	122 615	224 510	-	621 212
	closing	12 319	12 050	15 068	11 841	27 126	68 083	120 777	115 471	219 196	-	601 932
<b>% of collected for the period</b>		<b>2%</b>	<b>4%</b>	<b>8%</b>	<b>6%</b>	<b>7%</b>	<b>9%</b>	<b>16%</b>	<b>33%</b>	<b>40%</b>	<b>0%</b>	<b>12%</b>
Up to 3 years	opening	-	22 987	15 131	17 832	40 921	103 047	210 892	111 706	-	-	522 517
	closing	15 936	16 872	12 144	15 303	35 991	88 223	187 092	99 976	-	-	471 537
<b>% of collected for the period</b>		<b>2%</b>	<b>6%</b>	<b>6%</b>	<b>8%</b>	<b>9%</b>	<b>11%</b>	<b>24%</b>	<b>29%</b>	<b>0%</b>	<b>0%</b>	<b>10%</b>
up to 2 years	opening	-	126 731	103 383	89 454	240 535	568 758	351 204	-	-	-	1 480 064
	closing	117 784	83 800	71 988	78 240	213 630	505 217	324 995	-	-	-	1 395 654
<b>% of collected for the period</b>		<b>14%</b>	<b>28%</b>	<b>38%</b>	<b>42%</b>	<b>51%</b>	<b>66%</b>	<b>42%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>28%</b>
up to 180 days	opening	-	630 908	139 492	87 803	124 310	-	-	-	-	-	982 513
	closing	655 637	170 870	79 932	64 669	102 678	-	-	-	-	-	1 073 786
<b>% of collected for the period</b>		<b>80%</b>	<b>58%</b>	<b>42%</b>	<b>35%</b>	<b>25%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>22%</b>
<b>Total</b>												
1 feb 2013	opening	-	814 289	287 811	224 172	474 446	856 559	834 556	370 068	562 536	588 996	5 013 432
28 feb 2013	closing	819 938	297 028	191 682	184 417	417 121	769 279	773 668	349 129	551 929	580 378	4 934 568
<b>% of total collected</b>		<b>17%</b>	<b>6%</b>	<b>4%</b>	<b>4%</b>	<b>8%</b>	<b>16%</b>	<b>16%</b>	<b>7%</b>	<b>11%</b>	<b>12%</b>	<b>2%</b>



# Online Customer Services

- Large penetration of smart phones
- Customer registration @ utility websites
- Functionality 1: Submission of self readings
- Functionality 2: Shut-off notifications
- Good example: Sofia Water



# Conclusions

- Bottom-down approach can also work
- Pilot projects with limited scope
- Data-intensive projects need solid IT platforms
- Customer service is often neglected: online tools can boost service quality
- Interesting regional examples can provide useful ideas

# Questions?

Radoslav Russev

[rado.russev@necadvisory.com](mailto:rado.russev@necadvisory.com)

[radorussev@gmail.com](mailto:radorussev@gmail.com)

++359 886 442 758