

CUSTOMER CASE STUDY: INTERMOUNTAIN GAS COMPANY

INTERMOUNTAIN GAS COMPANY SELECTS CUSTOMER WATCH CIS SOFTWARE AND COMPLETES PILOT PROGRAM

For more than ten years, Intermountain Gas Company (IGC) in Boise, Idaho had been searching for appropriate technology to replace their reliable, yet aging, legacy Customer Information System.

With 240,000 natural gas customers throughout southern Idaho the company provides service to four of the state's largest cities. Their existing system had served them well, but the company wanted to find an affordable solution for handling their customer care and billing needs that would serve them far into the future.

During their search, the privately-owned natural gas company kept running into at least two things they didn't need: 1) Highly complex software with layers of high maintenance code, and 2) Costly integration processes with implementation timelines that stretched into years.

"We looked for ten years off and on, and we looked at everything on the market. Every available option was cost prohibitive," explains Paul Powell, Chief Financial Officer for IGC.

"Our technology people stayed on top of software developments, and we stayed alert to what was happening in CIS. Nothing seemed to change. We continued to run into inflexible frameworks and costly integration requirements," Powell says.

"SOMETHING HAS TO HAPPEN..."

In early 2002, faced with technological limitations inconsistent with growing customer needs, company executives said, "Something has to happen." IGC sent a team of professionals to the CIS Conference in Baltimore to seek out the industry's strongest software providers.

"While in Baltimore, we surveyed industry professionals and met with every major player in the CIS market space," says Rick Majors, Information Services Manager at IGC. "We also made an effort to find out if there was anything new that we had not seen."

One new product and one new company caught the team's attention.

Conversant, Inc. was at the CIS Conference for the first time, introducing Customer Watch, a 100% Java-based customer care and billing software that had won international awards for its object-oriented framework.

"This was solid technology. It was developed specifically for a mid-sized utility that had struggled with the same cost, implementation and maintenance issues that we faced. I



realized this was a system our own IT staff could implement, manage and maintain,” Majors says.

Upon returning to Boise, a comprehensive analysis and due diligence process began, leading IGC professionals to meet with the industry’s four largest vendors, as well as with the developers and users of Customer Watch.

The executives leading the Conversant team were long time utility and technology professionals with prior experience with some of the largest players in the field. Their product had been proven effective for billing both regulated and deregulated services and early discussions about the cost savings and the long term potential looked very promising,” Powell says.

Conversant, Inc. and Customer Watch made the short list for IGC, literally stunning major CIS vendors. Then, after a lengthy analysis process, IGC selected just two finalists: Conversant, Inc and the industry’s leading provider of customer management systems.

Another intensive product review began for IGC. The CIS Search Team, made up of management, customer service and technology team members, participated in extensive product demonstrations and reviews.

In May 2003, IGC announced that it had selected Customer Watch as its new CIS system, citing the following key benefits:

1. Customer Watch was a “total solution” – The system was both technologically modern, with open-source programming that contained all necessary functionality and offered flexibility for future changes, and it provided cost-effective implementation and support opportunities;
2. Cost Effectiveness – IGC’s own IT staff would work directly with Conversant implementation, data conversion, and training, with a timeline that would allow the system to become fully operational much quicker than other market solutions.
3. Business Relationship/Synergy – Led by a team of professionals with excellent reputations and experience in the utility industry, Conversant satisfied IGC’s need for a new implementation approach.

SYSTEM IMPLEMENTATION BEGINS

The first phase of the Customer Watch implementation began in July 2003 with a “Pilot Program”, designed to demonstrate the functionality and technical architecture of the software. The Pilot, which included specific acceptance criteria, was successfully completed on time and within budget in October 2003. At year end 2003, the implementation is progressing smoothly with full system implementation scheduled for July 2004.



“Paul Powell said, “Our total project costs for this system will be significantly less than the \$50 - \$100 per customer that some industry analysts say a CIS should cost. The successful completion of the Pilot Program and the significant progress we have made thus far confirms the wisdom of our decision to select Customer Watch to replace our legacy system. Functionally and technically, Customer Watch is meeting our expectations and the Conversant staff is professional, knowledgeable and a pleasure to work with. Based on our experience thus far, we have every confidence that we will be successful with full implementation of the system within budget and by our scheduled date of July 2004.”

Conversant’s Chief Executive Officer, Stan Royal, himself a 34-year veteran of the CIS and utility industries, says the experience with IGC affirms what Conversant has known since it entered the CIS marketplace.

“There is a need in the utility industry for a product that delivers what technology is supposed to deliver – better service at a lower total ownership cost,” Royal says.

For IGC, Customer Watch is proving to be CIS technology that not only offers the functionality and reliability they need, but the ability to take them far into the future.

For more information on Customer Watch, contact Conversant at 800-770-8047, or visit them on the web at www.conversantinc.com