AGL Resources Replaces DBMS Data Integration Solution with Informatica—ROI Within One Year

"Informatica has proven to be a tremendous data integration solution. Since migrating to Informatica PowerCenter®, we have seen significant improvements in performance, reliability, metadata, and ease of use. As a result, we have been able to improve productivity and these productivity gains have already paid for the cost of our Informatica solution."

—Grady Boggs, Data Warehouse Manager, AGL Resources

AGL Resources is the second largest sole distributor of natural gas in the United States, serving more than 2.3 million customers in Georgia, New Jersey, Virginia, Florida, Tennessee and Maryland.

The Challenge

Increasing competition and deregulation has dramatically shaped today's energy and natural gas industry leading to a proliferation of mergers and acquisitions, and diversification of operations. As a result, many energy and natural gas companies have turned their attention to better understanding customers and consumption trends to expand their markets. This understanding is critical to the natural gas industry because of the industry's boom and bust cycles and the continuing need to satisfy natural gas demand at reasonable and effective price points.

To increase its penetration into the natural gas market, AGL Resources needed to understand the consumption patterns and trends of its 2.3 million customers. Tasked with this objective, AGL Resources decided to build a customer data warehouse that would house all customer, product, billing, service, and sales information of its natural gas customers.

As the company began to scope out its data warehouse project, a number of key requirements were identified. For example, to effectively integrate and analyze customer and market trends information, the company needed to integrate customer data across a variety of disparate data sources. This posed a challenge because the company's customer data was maintained on a variety of relational and non-relational systems. The company also needed to develop a set of common data definitions and metrics to get a single version of the truth, and have access to both historical and current customer data for analysis.

CHALLENGE

Gaining a deeper understanding of natural gas consumption patterns and trends to increase market penetration

INFORMATICA SOLUTION

- Informatica PowerCenter®

BENEFITS

- Rapid ROI
- Ease of use and maintenance
- Deeper understanding of consumer behavior
- 400% performance improvement

NUTS AND BOLTS

- Data Integration: Informatica
- Sources: Legacy mainframe systems, Oracle, 3rd party market data
- Target: Oracle
- Platform: Solaris

The Solution

After working with a DBMS data integration solution to build a customer data warehouse, AGL Resources encountered a number of significant challenges including weak metadata, performance, and error reporting capabilities, in addition to general system unreliability. As a result, AGL Resources selected Informatica PowerCenter as a best of breed solution to replace its DBMS data integration solution.

Today, using Informatica PowerCenter as the data integration standard, AGL Resources has successfully integrated key customer, consumption, billing, sales, service, and product data into its data warehouse for analysis. The company has also integrated 3rd party demographic and market research data from Claritas to augment its analytic capabilities.

Today, using Informatica PowerCenter as the data integration standard, AGL Resources has successfully integrated key customer, consumption, billing, sales, service, and product data into its data warehouse for analysis. The company has also integrated 3rd party demographic and market research data from Claritas to augment its analytic capabilities. Now, through its data warehouse, AGL Resources has an integrated and single view of all customer activity, empowering business users to improve decision-making capabilities.

Through the information from its data warehouse, the company successfully implemented a major change in its rate structure. Previously, customers were charged through a fixed rate-pricing model by paying a basic flat fee. However, after detailed consumption and billing analysis of both current and historical information, the company identified a new pricing model and instituted a performance rate pricing structure where customers are charged according to their usage patterns. Through the implementation of this rate change, the company has been able to market its products to a new group of consumers, strengthening its position as one of the leaders in natural gas distribution.

For this project, PwC Consulting were retained for their expertise in implementing data warehousing solutions. Using their proven Ascendant methodology, PwC ensured the delivery of high quality solutions that met AGL Resources business objectives and budgetary guidelines.

Following its successful customer data warehouse implementation—delivered on time and on budget—AGL Resources has expanded its data warehouse initiative by integrating field operations data from its Virginia Natural Gas acquisition.

The Results

Rapid ROI

Within a year of selecting the Informatica data integration platform, AGL Resources recouped its entire investment. Some of the cost savings stem from the strong error reporting capabilities of Informatica PowerCenter. For example, with the Informatica Server Manager, which provides a full audit trail of everything executed and robust run-time feedback, the company has been able to reduce system maintenance. With its previous solution, error reporting and run-time feedback were very weak, forcing the company's developers to constantly monitor the system.

Ease of use and maintenance

By visually defining mappings and transformation through the easy to use Informatica Designer GUI, AGL Resources has been able to significantly reduce data warehouse maintenance and support costs and quickly train developers. Demonstrating this capability, the company only has one full time resource managing its entire halfterabyte customer data warehouse.

In addition, with little training, within a week the company's developers have been able to successfully execute Informatica mapping sessions.

Deeper understanding of consumer behavior

By integrating all customer data and augmenting its analytic capability with 3rd party market demographic and research data, AGL Resources has been able to effectively implement a new pricing structure and empower marketers with more detailed natural gas consumption data.

Significant 400% Performance Improvement

AGL Resources has been able to leverage the parallel processing capability of Informatica PowerCenter by breaking large jobs down to size with partitioned and threaded sessions enabling the company to achieve a 400% improvement in overall processing time.

INFORMATICA®
The Data Integration Company™

Worldwide Headquarters, 100 Cardinal Way, Redwood City, CA 94063, USA
phone: 650.385.5000   fax: 650.385.5500   toll-free in the US: 1.800.653.3871   www.informatica.com

Informatica Offices Around The Globe: Australia · Belgium · Canada · China · France · Germany · Ireland · Japan · Korea · the Netherlands · Singapore · Switzerland · United Kingdom · USA