# Customer Information System Hosting Services, Support, and Maintenance

Presentation to Austin Energy Utility Oversight Committee
April 28, 2016

# Request for DIR Contract Approval

- Review of Council's request for DIR approval

- Approve DIR contract with Oracle for 36-month initial term and two 12-month extensions
  - Transition maintenance and support of current Customer Information System (Oracle Customer Care and Billing - CC&B) from IBM to Oracle
  - Costs include infrastructure and system enhancements
  - Upgrade to higher version of CC&B with increased functionality

- Request for Council Action next steps:
  - Electric Utility Commission 5/16/2016
  - Council 5/19/2016

*Oracle's <u>C</u>ustomer <u>C</u>are & <u>B</u>illing software has been COA's utility billing system since Oct 2011.*

- 5.4 Million bills and $2 Billion in revenue generated annually

- Each bill includes up to 7 COA services:
  - Electric
  - Water/Wastewater
  - Solid Waste/Anti-Litter Fee
  - Transportation User Fee
  - Drainage Fee

- Citywide system, serving 17 departments and almost 1,000 users

- CC&B is a robust and flexible utility billing system with successful use at other utilities of similar and larger size
  - Jacksonville Electric (similar to COA customer size)
  - Las Vegas Water (similar to COA customer size)
  - PG&E (over 6x COA customer size)

# Vendor Change

- Oracle Customer Care and Billing (CC&B) selected as billing system in 2011, with current vendor (IBM) provider of system conversion, integration, and support and maintenance
  - In 2011, Oracle was not in the hosting, support, and maintenance space
- Current contract with IBM ends November, 2017;  All parties agree to a transition to Oracle
  - City of Austin to terminate current agreement without cause
  - Current contract end transition costs are unknown and expected to be high $, but are waived with the transition from IBM to Oracle
- IBM partnering with City of Austin and Oracle to transition system operations and oversight
- Oracle will be new vendor (DIR contracting method) for new 3-year term
  - Provision of necessary infrastructure and version upgrades
  - Oracle products hosted on Oracle infrastructure supported by Oracle experts

# Benefits to City of Austin

- Immediate transition to a more robust infrastructure
- Direct sourcing of appropriate resources
  - Support and maintenance
  - Enables AE to more nimbly respond to functional changes
- Improved disaster recovery functionality
- Hardening of system and database security
- Addition of COA system monitoring and visibility
- Improved customer and employee experience
  - Version upgrade with additional functionality
- Close collaboration with Oracle Product Development and other utilities on same platform
- Vendor transition with no budgetary impacts
- Aligns with original IBM contract end date of 2019 (2017 with two 1-year extension options = 2019)
- Request for Proposal will be issued for new 2019 contract

# QUESTIONS?