

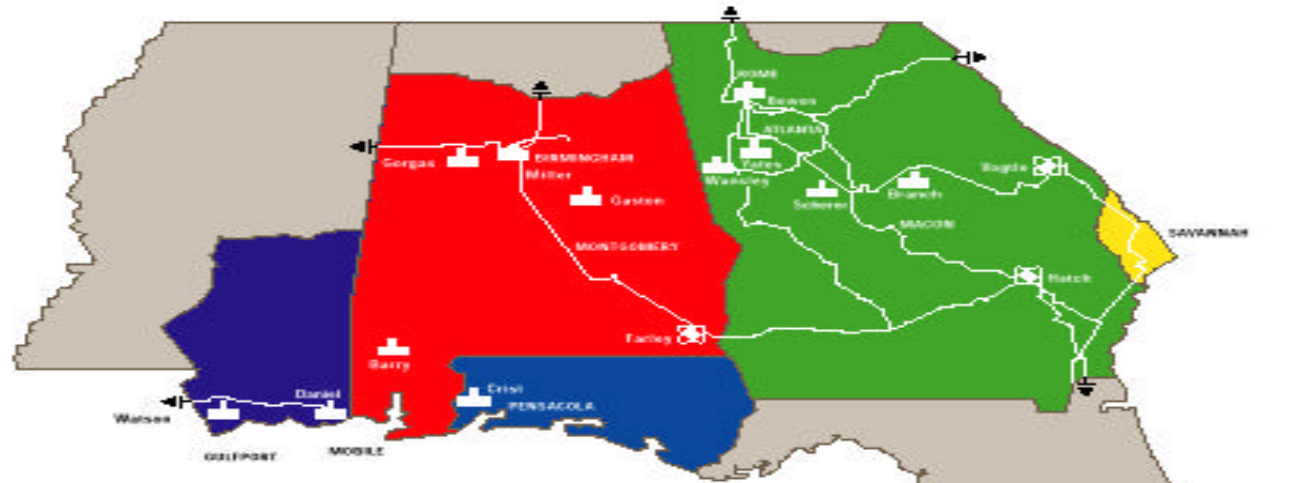


## Who is Southern Company ?

- Regulated Utilities - Southeast
  - Georgia Power
  - Alabama Power
  - Mississippi Power
  - Gulf Power
  - Savannah Electric & Power
  - Southern Nuclear
- Non-Regulated Entities
  - Southern Company Energy Solutions
    - PowerCall - (Home Security)
    - Energy Services - (Energy Management)
    - Premier Homes - (Apartment benefits)
  - Southern Communications Services, Inc.
    - Southern LINC - (2 way phones - Industrial)
  - Southern Energy, Inc.
    - U.S. power generation
    - International power generation
    - Energy power marketing & trading



## Traditional Service Area



Location Of Plants with 1,000 Megawatts or More:

- Fossil
- Nuclear
- 500 KV Lines and Interconnections

Alabama Power  Georgia Power  Gulf Power	Mississippi Power  Savannah Electric
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# Southern Energy, Inc



## General Corporate Statistics

- Largest producer of electricity in U.S. and one of the largest in the world.
- U.S. Market Presence
  - Southeast, Texas, California, New England
- Over 12 million customers served daily in 10 countries on 4 continents
  - North America, Europe, Asia, South America
  - Over 3.8 million customers in the Southeast
- Power Generation Capacity - 50,000 mw
  - Regulated (SE Core Operations) 31,000
  - Non-Regulated (SEI) 19,000
- 5 year goal - add 20,000 mw (40%) in U.S. markets
- 45,000 + employees
- \$12 billion revenue / \$1 billion net income
- One of the most widely held corporate stocks in America

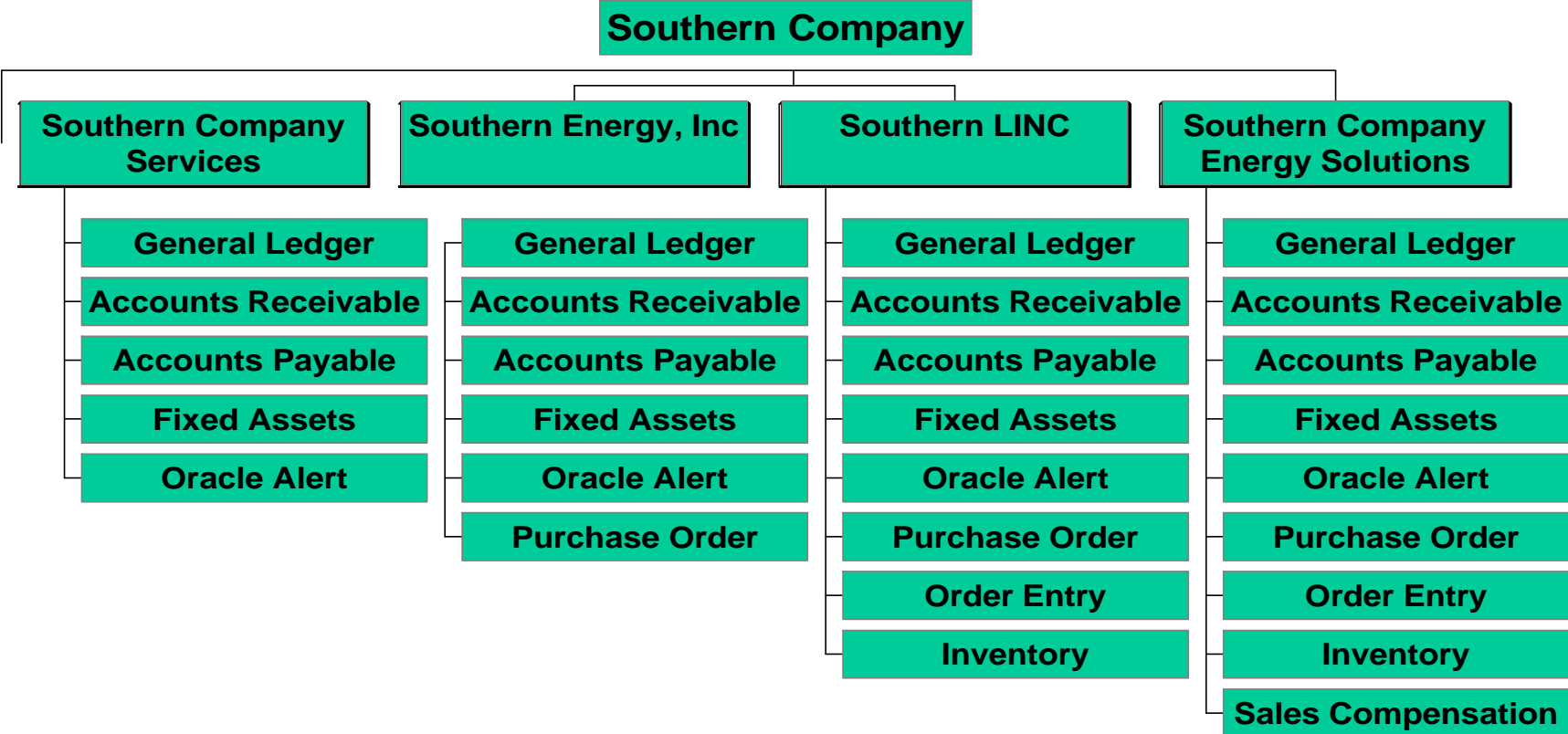


## Future of the Electric Industry

- Deregulated Electricity Markets by 2003
  - High \$ markets - Northeast / Midwest / West
  - Low \$ markets - Southeast / Southwest
  - Southeast - 19% below national average cost
- Greater shift to Natural Gas
  - More efficient - Peak cycle gas generators
  - less pollution vs coal
- Electric and Gas Company Mergers
  - Excellent synergies
  - Southern and El Paso ?
- Increase efforts by Electric Utilities into unregulated business ventures
  - Wireless / 2-way telephone - Southern LINC
  - Home Security Business - PowerCall
  - Energy Management - Energy Solutions
  - Combined Customer Services - Premier Home
- Southern Company uses Oracle Financial products to help manage these new businesses



# Oracle Applications Installed



User Base: 350 +

Oracle Interfaces with other mainframe systems



## Multi-Organization Environment

- Reduce Costs
  - 1 single installation for subledger applications
  - Less costly to do apply patches & upgrades across all companies / organizations
  - Database management much easier
- Greater Efficiency
  - Single customer / vendor record - multiple addresses defined by organization
  - Opportunity to centralize customer/vendor setup and maintenance
- Customer/Vendor Inquiry & Quick Picks
  - Unique customer number - “SCS-1st Union”
  - Custom logic to force unique number
  - Typically must “quick pick” customer / vendor name - will default to 1st listed
  - Poor error messages with incorrect company customer/vendor chosen

## Multi-Organization Environment

- Standard reporting issues
  - Define Company Code to match Organization
- Limited control to manage changes to customer/vendor names
  - Custom logic to restrict changes to organization / responsibility level
  - Alerts to identify changes made - too late ?
- Advocates centralized customer / vendor setup
  - requires greater coordination among all organizations
- Oracle will require multi-org environment
  - Release 12

## Standardization vs Customization

- Maintain standard Oracle processes ?
  - 1st perform Mgmt Cost / Benefit Analysis
    - If no competitive advantage exists
    - May require significant changes to business practices / procedures
    - Affect on staff personnel due to changes.
  - Allows easier & quicker migration to future patches / releases
  - More effective Oracle support
- Customize Oracle processes ?
  - Expensive to customize & maintain
    - Increased implementation costs
    - Upgrades and patches (mega patches now)
- Southern Company - 140 + Customizations
- Standardize where possible !



## Lesson's from Character to GUI

- People do not like change
  - Give the “Big Picture - life will be easier”
- Potentially slower data input - initially
  - keyboard > mouse > keyboard
- “Train the Trainer”
  - One Super User per area
- Easier to view & navigate around screens
- Use window help to see navigation path to GUI
- More effective production support
- Great new features in Release 11i

## When to upgrade to new releases ?

- Don't be first in line
  - Too many mega-patches being released
  - Study the new upgrades for true value
    - Spend the \$ / time to review customizations
    - new functionality may offer greater efficiency
  - Constant retraining - people don't like change
- Hardware issues & limitations
- Plan accordingly based on certification levels
- Time value of money - delay the costs
- Southern Company
  - Currently on version 10.7 GUI
  - Upgrading to version 11
- Do not let Oracle support expire !

## **“The Effective Application Solution Organization”**

- Proper staffing & training
  - Technical - DBA's / Programmers
  - Functional - CPAs / Business Analysts
- Cultivate strong relationship with consultants
- Managing Oracle - “Manage the Vendor”
- Manage production issues
  - New Requests
  - Functional vs Technical problems
- Customizations
  - Version Management
  - Control / Structure
- Have Fun !

