



ZoneBilling for Utilities

The Utilities Industry

The utility industry comprises companies that provide essential services such as electricity, gas, water, and sewage to residential, commercial, and industrial customers. Billing is critical to this industry because it allows companies to collect service payments. However, utility billing often involves complex rate structures, multiple meters, customer segments, regulatory requirements, and compliance.

Common Challenges

One of the most common challenges facing utility companies is accurately tracking and managing consumption rates for each customer, which is essential for billing. Additionally, the complexity of rate structures and billing rules often leads to errors, which can result in customer complaints and disputes. Integrating new technologies such as smart meters, renewable energy sources, and EV charging stations has also increased utility companies' billing complexity.

Utility Billing Models

Utility companies typically use two primary billing models: flat rate billing and variable rate billing. Flat rate billing involves charging customers a fixed monthly amount, regardless of usage. Variable rate billing, on the other hand, charges customers based on their actual usage, which can vary depending on factors such as time of day, season, and demand. Below are some of the most used variable billing models for utility companies:

- ✓ **Time-of-Use (TOU) Billing:** This billing model charges customers different rates depending on the time of day or week they use energy, incentivizing customers to shift their energy usage to off-peak times when rates are lower.
- ✓ **Seasonal Billing:** Seasonal billing charges customers different rates depending on the time of year. For example, rates may be higher during the summer when customers use more air conditioning.
- ✓ **Demand Charges:** Demand charges are fees based on a customer's peak energy usage during a billing period. This model encourages customers to reduce their peak energy usage to avoid high charges.

- ✓ **Tiered Pricing:** This model charges customers different rates based on energy usage. Customers may pay a lower rate for the first usage tier and a higher rate for subsequent levels.
- ✓ **Critical Peak Pricing (CPP):** CPP is a billing model that charges customers a higher rate during periods of high energy demand, incentivizing customers to reduce their energy usage during peak times to avoid high charges.
- ✓ **Net Metering:** Net metering is a billing model that credits customers for the excess energy they generate from solar panels or other renewable energy sources. If a customer generates more energy than they consume, the extra power is fed back into the grid and credited to their account.

ZoneBilling for Utilities

ZoneBilling is a “Built for NetSuite” SuiteApp that offers several features and functions that are particularly useful for utility companies with many of the billing models listed above. These include:

- ✓ Support for complex rate structures and billing rules
- ✓ Ability to manage multiple meters and customer segments
- ✓ Automated billing and payment processing
- ✓ Real-time reporting and analytics
- ✓ Customer “My Account” portal for making payments
- ✓ Compliance with regulatory requirements and standards

Better yet, all this lives entirely inside your NetSuite ERP, meaning there is no need to manage integration between your billing and ERP system. You will have a fully automated order-to-cash-to-revenue process, all in a single system within NetSuite.

Ultimately, ZoneBilling offers a comprehensive solution for utility companies looking to streamline their billing processes, improve accuracy, and comply with regulatory requirements. With its advanced features and functions, ZoneBilling is an excellent choice for companies in the utility industry.