# Oracle at Work

with National Power

"We selected Oracle based on its openness, its technical leadership and, most importantly, its superior tools.

Now, we can finally make valuable use of the information we have been collating over the last 20 years."

-Keith McNair, Director of Fuel, National Power



Discoverer/2000: Oracle's secondgeneration query and analysis tool suite.

National Power (NP) was established in 1990 by the United Kingdom in a move to privatize the country's electricity supply industry. Today, NP is the largest electricity generator in the UK with annual revenues approaching £4 billion. With the restructuring and liberalization of the UK energy market, NP now sells a significant portion of its resources directly to consumers, making information management essential for acquiring new contracts and maintaining superior service for existing customers. And, as the electricity supply industry grows more commercial and more competitive, NP must have information on fuel-one of its largest costs of sale—that is accurate, up-todate, and readily available in order to make competitive business decisions. To keep its competitive edge, help its employees focus on a proactive exception management style, and increase control of fuel information, NP relies on a data warehouse built with Oracle7 and Oracle's powerful application development and data access tools.

#### **Fuel Division Generates Success**

NP's Fuel Division is responsible for all aspects of fuel movement and costs, which include: negotiating contracts for fuel with providers, arranging the orders and transportation of fuel to the company's power stations, and managing the commercial processes involved in paying for the fuel.

"Prior to NP's implementation of Oracle7 and Oracle's second-generation client/server application development tools, information was collected manually, which made NP's decision-making processes extremely time consuming," says Keith McNair, director of the company's Fuel Division. "With Oracle technology, the Fuel Division can continually analyze the marketplace for competitive fuel-delivery mechanisms and opportunities in an effort to reduce costs—and then pass these savings on to NP's customers."

The company's Integrated Fuel Management System (IFMS) currently houses 750 megabytes of data, with a projected yearly growth rate of 25 percent. And, it is the key to managing contracts for the transportation of millions of tons of fuel—contracts with a value of £1.5 billion per year. "The impact of IFMS on NP's profitability is enormous," McNair says. "IFMS allows us to measure our performance, make improvements, and reduce

### Business Profile

National Power, the largest electricity generator in the United Kingdom, is based in Swindon, Wiltshire. Its power stations are located throughout England and Wales.

Solution Snapshot

#### Primary use:

Market analysis and daily operational tasks such as fuel-delivery scheduling

#### Hardware:

Digital Alpha AXP 2100 running OpenVMS

# Oracle products:

Oracle 7,™ Oracle Designer/2000,™ Oracle Developer/2000,™ Oracle Discoverer/2000,™ Oracle Glue,® SQL\*Net®

#### Services:

Oracle Services consulting

# Benefits

- Provides instant access to information—users can access data without waiting for programmers to define reports
- Adapts to business demands easily and effectively
- Enables any level of user to analyze corporate data
- Provides a means of controlling information flow



costs. It also allows us to consolidate information from a variety of sources into one environment."

# **Charged Up with Oracle**

IFMS runs Oracle7 on a Digital Alpha system; the data warehouse currently contains three years of historical information, which is refreshed daily. NP's Fuel Division uses Oracle Designer/2000 to model the data structures, Oracle Developer/2000 to build specific MIS applications, and Oracle Discoverer/2000 to provide ad hoc analysis capabilities to users. These Oracle end-user tools, combined with middleware products such as Oracle Glue, provide a productive environment for spreadsheet users. Users can modify and experiment with basic analyses provided by the information extracted from the data warehouse. And, power users and developers can easily browse the Oracle7 database and load scenarios from spreadsheets to the database.

NP also used Oracle Services consulting for technical advice on database administration, software installation, troubleshooting, and general programming support throughout the implementation of IFMS.

The primary users of IFMS are business managers who make daily operational decisions about the fuel supply chain. These managers access the system via SQL\*Net, Oracle's networking software, over the NP network. Although most users are local, some end-user applications are located at remote power station sites.

"We appreciate the powerful multidimensional and drilldown capabilities of our new system because they enable us to analyze fuel movement costs quickly and easily," McNair says. "We are able to make more informed decisions which allow us to compete in a quicker and more effective manner."

#### **Current Direction**

As NP continues to lead the UK's electricity supply industry, it will continue to rely on Oracle. "By using Oracle technology we have a very competitive technical architecture that safeguards against the costly expenses of inevitable future technology changes," McNair says. "Oracle provides the ability to swap hardware platforms quickly at a minimal cost, and the flexibility to meet our requirements both now—and in the future."

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