

A whole new climate for information

For the Dutch firm Essent Energy, reporting carbon emissions is becoming a round the clock affair. The company, which also operates in Germany and Belgium, is capable of generating reports on an hourly or half hourly basis, from all parts of the company on any day of the year. It is a level of automation now essential in the face of national and international commitments to reduce greenhouse gas emissions.

The same is true for other power companies in a sector turned upside down by the new demands of environmental regulation, emissions trading and, increasingly, changing corporate ownership. Companies need to streamline information systems in order to collect, collate and distribute the data now deemed essential to their business.

For a company like Essent Energy, the driver to install an enterprise wide environmental information system is clear-cut. Essent needs to respond to the EU's Emissions Trading Scheme (ETS) and timely, clear and consistent emissions reports are an essential part of the equation.

Specialist software

In Essent's case the solution has taken the form of a specialist software package, opsEnvironmental, which has been configured to manage data across a number of key areas of the business.

In simple terms the software has been set up to calculate emissions from different sites and facilities, to validate that this has been done correctly and to report on the results. Various users then get access to different report summaries as and when they need them.

This is particularly important as power companies play their part in regional and global energy markets. Increasingly the leading players need the flexibility to incorporate new regulations, new facilities and new partners with the minimum disruption. As many continue to come to terms with mainstream IT integration, the issue of EHS information management has suddenly taken on a whole new importance.

"Compliance with new regulations is a factor but so too is cost, particularly in an area like emissions trading where there is suddenly a real financial value to this data," says Vijay Gudivaka, managing partner at consultancy ERM Information Solutions which has been working with Essent to configure the system to meet reporting requirements. "Not surprisingly power companies appreciate the link, which is why they are implementing enterprise information management systems that not only gather and report emissions data, but also assess the financial impact of this data via interfaces with financial and trading systems."

This in itself is a powerful driver and a good reason to look beyond the traditional spreadsheet approach to EHS information management. From an operational point of view it is about saving time and money in the way you gather and analyse emissions data and ultimately about paving the way for more sophisticated analysis.

"This is an important part of the business case for introducing a new level of automation to the way EHS information is managed," says Gudivaka. "It is about achieving better access to information

Reporting carbon emissions is a huge task for modern power companies. A new software package is making the job easier. PETER WALSH* reports

but it is also about how an organisation deploys its resources and of course about the way it manages environmental, health and safety liabilities."

As any public company will tell you these days, there is also a corporate governance angle to information and its reliability. With developments such as Sarbanes Oxley in the US, the ability to access accurate non-financial data can have an impact at the highest levels of a company. The scenario of a senior manager being interviewed by lawyers to explain exactly how they know they are in compliance is no longer beyond the pale.

As one EHS director noted recently "Everything begins with measurement. If you don't measure you are not aware of problems so you don't have a chance of solving them."

Of equal importance, he admitted, was getting the measured data into a format where it could be understood (and trusted) by appropriate internal and external audiences.

The holy grail – it seems – is consistency, benchmarking and sensible reporting on the road to EHS improvement.

Automated data

All were certainly factors in ScottishPower Generation's decision to work with ERM Information Solutions to develop automated data management and emissions reporting at 14 of its UK facilities. Like Essent, the company selected the OpsEnvironmental software package from software vendor ESP which is designed to record and

Essent's power plant in Geertruidenberg, the Netherlands which has an output of just over 1,200MW

centralise a range of emissions and other environmental data from facilities.

"Once it is up and running, the system will save us time and money and make the process of collecting and reporting environmental data more efficient," says Marina Maxwell, Environmental Adviser at Scottish Power. In doing so it will also provide a smooth link between individual power stations and the company's head office, helping to improve corporate access to data and drive performance into the bargain.

Flexibility in changing times

Above all, maintains Gudivaka, the new generation of EHS software is designed to offer flexibility at a time of great change in the industry. If a power company sells off part of its estate or acquires a competitor, the system can be easily reconfigured to reflect the new organisational structure. Changes in calculations – for whatever reason – are automatically logged and incorporated, both for easy integration and for comparison pre and post change period.

In short, if a company now elects to report and trade at the centre, accurate and timely environmental information now needs to be available at the centre. Above all this means achieving greater consistency in the way data is collected and collated at site level while also ensuring that environmental information is better integrated with other systems in operation.

As Gudivaka notes, the whole question of emissions trading has introduced a new dynamic as companies and the market seek to put a value on effective pollution control.

Those involved need to understand the numbers and the cost of continuing to bring about improvements in environmental performance.

"Power companies produce and sell energy but they are also a key element in the drive to reduce emissions and combat global warming. They have to fine tune their business accordingly and the way they manage environmental information has become an essential part of the mix."

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