

CASE STUDY

Southern Company Expedites Data Analysis, Increases Efficiency, and Optimizes for Real Insights with HData

Southern Company is an Atlanta-based producer of clean, safe, reliable, and affordable energy. They partnered with HData, an innovative RegTech company, to streamline their regulatory compliance process and more efficiently mine data for business intelligence insights.

The Challenge

Like so many utilities, Southern Company and its three subsidiaries—Alabama Power, Georgia Power, and Mississippi Power—face an ongoing need to manage and process regulatory information at a fast pace and in high volumes.

That's because each of the three Southern Company utilities is regulated by its own state government and by the Federal Energy Regulatory Commission (FERC). That makes for a lot of compliance reporting. At the same time, professionals working in financial, strategic, marketing, government relations, and oversight roles are mining that same regulatory data—from their company and others—to create crucial reports and summaries that help guide their business decisions and everyday operations.

Southern Company's main uses for regulatory information include:

Financial and Strategic

Each of the three Southern Company utilities tracks its own financial and operational performance against that of its peers in the utility industry. Peer lists vary depending on the purpose, but the comparative analyses are almost always built on thousands of numbers reported by regulated utilities to the FERC. Prior to embracing HData, that was a whole lot of manual data mining and calculation.

Marketing

Southern Company and its three utilities seek to ensure that their electric power offerings are competitive with those of utilities in other states and regions. To that end, marketing and business intelligence professionals are constantly scrutinizing peer utilities' offerings, most often by reviewing regulatory information covering those utilities.

Government Relations

The three Southern Company utilities, and Southern Company as a whole, maintain important relationships with the state governments of Alabama, Georgia, and Mississippi and with multiple federal agencies. These relationships are shaped by the information reported by regulated utilities to the FERC and by contextualizing such information across the industry.

Rate Oversight

The state utility commissions of Alabama, Georgia, and Mississippi are responsible for determining the rates that the three Southern Company utilities charge for electric power. Through both formal and informal proceedings, including rate cases and rate reviews, the regulatory affairs staff of Alabama Power, Georgia Power, and Mississippi Power work with the state utility commissions to set appropriate rates. Rate oversight requires extensive analysis of each utility's finances, operations, and pricing, including how they compare with those of peer utilities across the United States. The source for all this analysis? Regulatory filings.

Before HData, so much of this work had to be done manually. This can make for an enormous amount of tedious effort. Regulatory filings are rich with numbers for quantitative analysis, but those numbers are buried in thousands-page long PDF documents. Each data point had to be manually found and transcribed into Excel spreadsheets before they can be useful.

In a similar way, regulatory filings and utility commission dockets are full of important information for qualitative research, but that information needs to be read, understood, summarized, and repackaged for every audience.

The Solution: HData Unlocks Regulatory Data

Across Southern Company, users continue to find innovative ways to apply the HData platform to automate their data collection and document analysis. Work that took weeks and months is now able to be tackled in just minutes. The tool also lets them easily create data visualizations, bringing ordinary reporting to life with much less effort. The team was able to do away with laborious copy-pasting and data entry, which translated to significant time savings and a big reduction in the team's rate of errors.

Southern Company can now spend more time on analysis and less time on basic data entry.

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The HData platform has started to make things better. We are getting closer to having everything we need in order to be able to do a lot of our metric comparability and performance comparability without having to actually go in and manually load things into spreadsheets. The HData platform has given us the ability to go directly into it, and it will even draw the visualizations. So many executives love to see more than just the raw numbers.

Enhanced Analytics for Productivity

Southern Company's finance department is one that experienced an especially great increase in efficiency thanks to the automation of data-related tasks. For example, one of the pilot users was able to create custom metrics for Comparative Analysis of Key Form 1 Data (Allowable ROE, Rate Base, O&M Expense, and more).

With a significantly reduced need to spend time on tedious, repeating data-input tasks, teams can actually focus more time on doing the analysis that fuels progress in their sector.

According to Bassler, this isn't just helpful for employee morale and data accuracy. The enhanced productivity has the potential to substantially increase the finance department's output.

Responsive Support and Continuous Improvement

While acknowledging the initial learning curve with any innovative technology like HData's Regulatory AI, Bassler recognizes that this technology is changing the culture of industry analysts who have been forced to do their job manually for decades. The entire ingest-and-cleanse data process is being uprooted by a newer, faster, and better technological approach.

Unlocking the potential of disruptive technology will always involve learning new software, as well as examining existing processes for new and innovative approaches. But Bassler believes it's worth the investment.

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The product team has been immensely capable and completely responsive. They've done everything they can to make the product better by our suggestions, and that is just not something we've gotten from any other data provider in our history.

A Growing Partnership

HData makes it possible for Southern Company's data analysts to do what they do best: Analyze.

By automating complex tasks, reducing manual effort, and introducing innovative tools, HData's platform has positioned Southern Company to fulfill their goal of increasing their reliance on data when making strategic decisions. Enhanced productivity and streamlined regulatory compliance are just the beginning. They've not only optimized internal processes, they've paved the way for increased efficiency and innovation within the broader energy industry. Thanks to the improvements made possible by HData, the Southern Company's team's time can be spent diving deeper into the data and asking more complex questions. This can only set their trajectory apart.

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We hired our folks to be data analysts, not data inputters and checkers. Now with HData's online platform, my data analysts can focus on the higher value work we hired them to do.

Product Highlight: HData Librarian

Southern Company has been an early adopter of artificial intelligence, making them the perfect partner to test the Librarian, HData's Regulatory AI tool. Early test results were instrumental in quickly analyzing hundreds of pages of rate case testimony for Southern Company. This transformed work that typically takes hours into tasks that took minutes. Southern Company's continued use and feedback allowed HData to fine-tune their AI tool to add even more powerful capabilities such as the Private Catalog, allowing users to upload their own documents for secure use with the Librarian for the first time ever.

Product Highlight: Electric Price Analysis App

HData and Southern Company's daughter utility, Alabama Power Company, partnered to build an application to easily collect and disseminate data and insights from the Energy Information Administration's Electric Power Industry Report (EIA Form 861). Each month, the most recent data is cleaned, reconciled, and delivered with electric price insights to key stakeholders ranging from analysts in the Regulatory Affairs team to the C-Suite. The app automated a process relegated to manual data downloads, cleaning, and excel-based reporting. It is because of this work with Alabama Power Company that HData brought EIA data to its platform for the first time and expanded its offering for all HData users.

About HData

The HData technology platform makes it easy for anyone in the U.S. energy industry to file, explore, analyze, and leverage regulatory data. Business Intelligence and Compliance tools eliminate the copying, pasting, and checking that has historically crippled productivity, while groundbreaking Regulatory AI can query fully secured data libraries, including private document collections, to sift through thousands of pages to get quick and accurate answers to business-critical questions. Adopting the first-in-class platform is like adding a veteran-level, industry-savvy assistant who can transform thousands of pages of data into instantaneous intel that analysts can use to fuel innovation and foster faster growth for their organizations. Visit hdata.us for more information.

About Southern Company

Southern Company (NYSE: SO) is a leading energy company serving 9 million customers through its subsidiaries. The company provides clean, safe, reliable and affordable energy through electric operating companies in three states, natural gas distribution companies in four states, a competitive generation company serving wholesale customers across America, a leading distributed energy infrastructure company, a fiber optics network and telecommunications services. Southern Company brands are known for excellent customer service, high reliability and affordable prices below the national average. For more than a century, we have been building the future of energy and developing the full portfolio of energy resources, including carbon-free nuclear, advanced carbon capture technologies, natural gas, renewables, energy efficiency and storage technology. Through an industry-leading commitment to innovation and a low-carbon future, Southern Company and its subsidiaries develop the customized energy solutions our customers and communities require to drive growth and prosperity. Our uncompromising values ensure we put the needs of those we serve at the center of everything we do and govern our business to the benefit of our world. Our corporate culture and hiring practices have been recognized nationally by the U.S. Department of Defense, G.I. Jobs magazine, DiversityInc, Black Enterprise, Forbes and the Women's Choice Award. To learn more, visit www.southerncompany.com.

Are you interested in learning more about artificial intelligence in the utilities sector?

Ready to see HData's Regulatory AI first-hand? [Request a demo.](#)