

April 13th, 2017



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Foreword from the CEO

My Dear Colleagues,

It is with great pleasure that I deliver this foreword to flag off the first edition of the Huza Newsletter.

As you are aware, Rwanda Energy Group (REG) with its subsidiaries the Energy Utility Corporation Limited (EUCL) and the Energy Development Corporation Limited (EDCL) is putting in place a fully Integrated Business Management System (IBMS). The Huza Project marks a momentous milestone in the history of REG in that the integrated business information system that it will deliver is the tool that will propel our company into the information-age, ensuring that we operate on the same level as any of the most successful companies in the world.

For some of you, this Newsletter will be the first time you are getting first-hand information about what Huza is about. Others might have been keenly following the events as they have been unfolding. Whatever the case, we want everyone to be up to date and ensure that no one is left behind.

In Rwanda, we have prioritised the principles of a knowledge-based economy. In light of this, it is imperative that the energy sector undergoes extensive transformation to ensure a conducive working environment that shall enable all REG staff and stakeholders deliver the energy that the country needs to drive the economy.

Huza System development is a key milestone in the reform process undertaken in energy sector. The change will continue until we reach that sweet spot where 100% of population countrywide has access to electricity; that point where our machines generate at full capacity using renewable energy sources; and that stage where generation, transmission and distribution churn seamlessly on a backdrop of integrated systems and processes in Procurement, Finance, Human Resources, and throughout the supply chain.

The system is billed to transform the operations of REG across its value chain, improve its operations by cutting down time in internal processes, enhance internal coordination and substantially push the level of Customer Service to an Industry Standard with a culture of excellence.

This is one of the flagship components of the Rwanda Electricity Sector Strengthening Project (RESSP) with funding support from the World Bank where BTC is providing support in the change management process.

Colleagues, the IBMS is here to help us fulfil our mandate to the government and the people of Rwanda. Let us all embrace it and play our individual and collective roles in ensuring that it is implemented successfully. Let us make ourselves available for the sessions with the system developers. Let us not be afraid of the hard work ahead required to ensure that the system is primed to deliver the targeted results.

And most importantly, let us arm ourselves with the information and the knowledge that we need for us to make the Huza a success. I urge you all to read this monthly Newsletter, so that you get accurate information from a credible source, immediately it is released. Feel free to use this forum to provide your feedback and your suggestions so that any issues are quickly brought to the fore and solutions exploited.

I take this opportunity to thank you all for the work that you are and will be putting in during the design and installation of the System. To the developers and project managers, I reiterate that we should do everything possible to complete the project on schedule. We should be ever mindful that our shareholders and partners are keen to see us execute this efficiently and to the agreed budget.

Lastly, I would like to assure our stakeholders, particularly our suppliers and our customers, that with this integrated business information system, our processes will be more efficient, and that the benefits will pass on directly to them.

Therefore, let us all join hands in making this historic project to get completed right the first time round. Let us aim high in this era of technology.

Sincerely,

Jean Bosco Mugiraneza - REG CEO

What is Huza About?

The HUZA project will put together a number of software applications to deliver an integrated Business Management System. The implementation of the project started in November 2016 with a grand launch at the Kigali Serena Hotel. Huza in Kinyarwanda befittingly means “to integrate”, which is precisely what the project will do to all the business processes. As a result, REG will work like one well-oiled machine.

The entire process will be completed in February 2018 using a phased approach. Phase 1 involves the corporate resources management system (covering Finance, HR, Payroll, Stores and Inventory, Projects and Procurement) is set to Go-Live in July 2017.

To implement Huza successfully, REG contracted the IFS Application Software Pty and Fluentgrid Limited Consortium through an international competitive tendering process with funding support from the World Bank under the Rwanda Electricity Sector Strengthening Project.

IFS have a strong Enterprise Resource Planning (ERP) product with a large global footprint in Africa, Europe and Asia. Fluentgrid Limited (formerly Phoenix Technologies) has strength in utility systems including Customer Management Systems and Customer Information Systems, Incident and Fault Management Systems, Street-lighting Management Systems, and other City service utility control systems. It too has a large global footprint.

The Scope of the Huza Project

The system involves the development of three (3) key modules designed to work in an integrated manner as shown in the table below. This means that the modules will be inter-linked to one another, constantly talking one to the other so that when an action is taken in one area, the information is processed in the system and shared across the other two modules automatically. For example, when an employee is registered in the Human Resources module, they do not

have to be re-registered under the Finance module for them to receive payment e.g. Mission Allowance. The same employee will automatically be recognised in the Customer Management System for them to benefit from the Staff Tariff incentive, thus no need for a third registration.

The three key modules in Huza are as shown in the following table:

	Module	Purpose
1	Enterprise Resource Planning System (ERP)	<i>Streamlines Corporate Resources Management which covers Finance; Procurement, Warehousing and Logistics; Projects; and Payroll + Other HR Operations</i>
2	Customer Management System (CMS)	<i>Focusses on customer related operations; Service connections and Disconnections, Billing, Call Centre Operations and Customer Communications</i>
3	Incident Recording Management System (IRMS)	<i>Streamlines the management of Service Faults. When a customer calls or comes in to report a fault, it enables all the customer service complaints to be systematically recorded, analysed and assigned in real-time to technical field service teams.</i> <i>The resolutions are monitored and reported using the system so that it is easier to track who is handling the issue, how long it takes to resolve complaints, and to identify where bottlenecks lie.</i>

The Huza System has various Modules

Benefits of Huza

- All systems in REG will be integrated and information will come from a **central data-base**. This will result in faster process management, avoidance of conflicting data and consistency in reporting
- **Business Performance improvement** which will help achieve efficient operations across the organization
- **Standardized Reports and Automated Processes**, which will result in minimised errors and maximised efficiency
- Increased capacity as the system development includes **training Users and developing In-House Certified Trainers** for sustainability
- Improved **customer satisfaction and efficient fault resolution** resulting from the uninterrupted integration of processes in the Call Centre, the Branch and Field operations
- **Access to real-time information** to both Users and Management resulting in high transparency and more effective organisational control

Embracing Huza

In this period, a HUZA Change Management Team has been set up to support the development effort by progressively walking the users and other staff along the change path as the system takes root in REG. The entire family of REG- Management and Staff are involved in one way or the other regarding the system. The team will support all staff by answering any questions or incorporating good ideas of how this process could continue smoothly.

They can be reached at huza@reg.rw and are available to answer your queries, and to listen to any feedback or suggestions that you might have.

The Committee is headed by the Director Corporate Services –EUCL, Mr. Francis Mulindabigwi. He is supported by the Head HR –EDCL, Mr. Vincent Bahingana and other members spread out in EUCL and EDCL. In due course, a Change Champion in each functional module will be identified to work in collaboration with the Change Management, to address all alternative ideas, concerns, problems and challenges being met by staff and any other system stakeholders.

Below is the list of Huza Change Team-members as it stands today:

1. Francis MULINDABIGWI: EUCL Director of Corporate Services, CHAIRPERSON
2. Alice KARYABWITE: EUCL Head of HR
3. Steven GAHAMANYI: EDCL DAF
4. Eric HAKIZIMANA: EUCL Manager – Pensions & Benefits
5. Gaelle NSEGIYUMVA: Software Engineer & Network Expert
6. Innocent TWAHIRWA: EUCL Head of Administration & Logistics
7. Jacques MUNYANDAMUTSA: EUCL TA/ MD
8. Prosper MUBERA: Corporate Communications Advisor
9. Jean Pierre SANGWA: EDCL Communication Specialist
10. Noella MUPOLE: EUCL Head of ICT
11. Vincent BAHINGANA: EDCL Head OF HR
12. Ngoza C. NKWABILO: BTC ITA – HR&OD, SECRETARIAT

The team has developed a comprehensive action plan that will see them engage all the Staff in the EUCL's 33 strong branch network and other working posts of REG. The objective is to ensure that the development of the system and the users go through a smooth, efficient and productive transition.

We are progressively moving into a very exciting and yet very critical phase of this system development. It requires our 100% commitment and focussed action.

Welcome Aboard with Huza!

REG achieves a major Milestone on the HUZA System Development



Director of Commercial Services, Mr. Wilson Karegeya initialling a Blueprint

On Friday March 24, 2017, the project achieved a major milestone in the signing-off of the System Blueprints for all the modules. The EUCL Managing Director, Major Eng. Jean Claude Kalisa signed for REG while Mr. Pieter Oosthuizen signed on behalf of The Application Software IFS Pty-Fluentgrid Limited Consortium who won the tender to develop the system.

This means that the Consortium can now proceed to detailed system design and configuration, before embarking on testing, training and finally data migration. The project teams are working tirelessly to get the ERP module GO-LIVE by July 01, 2017 while the CMS/IRMS modules are set for the last quarter of 2017.

The Consortium started with an assessment of the current status of systems and processes in REG. In the following weeks, the key users went through a Blueprint validation exercise with the System developers (The Consortium) to confirm the defined business processes and their suitability for REG business operations. Based on these, they produced blueprints. This blueprint is basically just a detailed design of what the layout of the system will be like. These are aligned to the REG business but are re-engineered to adopt good practices and maximize the benefit of new technologies to boost operating efficiency.

The blueprints or system designs will enable Huza to move to the next phase of data requirements and specification, data clean up, reports and report requirements definitions and system configuration. Thereafter it will move to Data Migration and User Training and Acceptance testing.

Note therefore that these are key processes that will occupy the teams throughout April and May 2017. All users and generally all REG staff are encouraged to focus their contributions and support their colleagues during this very important phase of the System development.

You can well appreciate that if the wrong employee or customer name is put in the System, no matter how perfect the System is made, it will be of no use to us as we carry out our work in HR, in Finance, in Procurement, and indeed everywhere. Rather than facilitating our work, the System with wrong data will be a bottleneck that brings more work for us. The next quarter ending June 30, 2017 will witness REG becoming a hive of activity especially with the various users being trained on the assorted aspects of the System's operations. This will be closely followed by data migration before GO-LIVE in July 2017. A dedicated development and training facility has been set-up at the CHIC House on the 2nd Floor to serve the staff and system developers through the various stages.