

## Customer story LUNDS ENERGI



## KEY FACTS

**Company Name**

LUNDS ENERGI  
www.lundsenergi.se

**About company****Energy and environment for living**

The group has its roots in Lund in southern Sweden. The company that has become Lunds Energi AB of today started its activities as early as in 1863. The municipality of Lund owns 97,5 % of the company whereas the rest, 2,5 %, is owned by the municipality of Lomma. The core functions of Lunds Energi are district heating, district cooling, natural gas and the electricity net. The company owns the electricity net of Lund and Lomma. The subsidiary, Elbolaget i Norden AB, buys and sells electricity. The energy services include customer service, advice, maintenance and contracting. The company provides information services via a constantly expanding optic fibre cable net. Lunds Energi has long held a leading position in the Lund region. The services of the company reach more than 125.000 customers.

**Industry**

Energy, gas and district heating

**Turnover**

SEK 1,5 billion (2002)

**Profit**

SEK 34 million (2002)

**Employment**

345 (2002)

**“MOST ENERGY COMPANIES  
AND THEIR MARKETING  
MANAGERS COULD DRAW  
GREAT BENEFIT FROM INVEST  
FOR EXCEL”**

**Background**

The aim of Lunds Energi was to acquire a tool for contracting calculations. Lunds Energi searched support for cash flow modeling of customer business - from the customer point of view. The tool should have enabled comparison of various contracting alternatives and finally, selection of the optimum solution. After customer-driven studies, the sales department would involve and prepare offers. Invest for Excel suited those requirements.

**Decision process**

In Lunds Energi the competences in investment decisions are clearly defined. The decision is submitted to the Board if the value of the investment exceeds SEK 2 million and to a Committee of the Board if the amount of work exceeds SEK 10 million.

The Investment is expected to have a return of 40 per cent within five years. Some investments are made for strategic reasons and these have different profitability requirements. In certain large projects, other priorities may be defined but the decision is nevertheless backed up by calculations made with Invest for Excel.

**How did it all start?**

Director of Finance, **Göran Strandberg**, is responsible for group financing, financial management and reporting.

**Göran Strandberg:** *The whole affair started by us downloading the trial version of the software. We had a project coming in just then and we wanted to check which method was used in Invest for Excel. It appeared interesting, so we contacted Datapartner for further presentations. Finally, we decided to purchase the software.*

## Applications of Invest for Excel

Invest for Excel does not only serve the purpose of in-house calculations, it also has an important role in a sales process and in discussions with customers.



Left: Göran Strandberg, Director of Finance; Lillemor Bruce, Project Manager and Peter Jansson, Manager of Customer Projects and Investment. The meeting also included Lars-Göran Nilsson, Sales Manager. Photo: Ari-Harry Jansson.

**Peter Jansson**, Manager of Customer Projects and Investment: *Most energy companies and their marketing managers could draw great benefit from Invest for Excel, especially if their task is to provide profitability calculations for their customers, e.g. for joining the district heating network.*

Use of one and the same calculation tool is an advantage.

**Lars-Göran Nilsson**, Sales Manager: *Before Invest for Excel, we each used to make our own calculations around the company. These were then used to supplement the project calculation models. Now Invest for Excel is used for every single business transaction and we no longer have to wonder, which discount method should be applied, for example. Invest for Excel brought a standard approach in our calculations. Of course, when needed we can change our assumptions.*



Deep drilling site for a geothermal project.  
Photo: Perry Nordeng.

*Everybody is now using the same principles. The use of Invest for Excel ensures an error-free calculation method. The fact that the calculations can be saved as files is another advantage. In summary, we can state that Invest for Excel performs very well.*

**Bruce Lillemor**, Project Manager: *I am very pleased with Invest for Excel, especially with the fact that everybody is calculating with the same tool that is easy to use. The calculations are consistent and error-free. Invest for Excel is easy to use – all you need to do is type in the figures. The software and its calculation principles are well known. We use different Invest for Excel models, which are retrieved from the server. The calculation models do not longer need checking.*



Cold store of a hospital in Lund.

**Lars-Göran Nilsson**: *I make district heating calculations (e.g. when a customer wishes to connect his house to the district heating network) as well as calculations for gas distribution and district cooling customers. Invest for Excel is used in the daily activities for customer projects. The input for the software includes e.g. the fees to be collected and the total costs for the customer. Invest for Excel is used for project calculations in projects worth more than SEK 150 thousand, when the calculations are reviewed by the Managing Director.*

## About the training

The training was considered useful and thorough. Complex examples were processed and tested during the sessions. Afterwards, a slightly simpler model was selected for the daily use. Especially the sales staff experienced the training as extremely useful.

Contracting activities, which were in the focus at the beginning, have become the main area of Invest for Excel application.

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