

# White Pine Electric Power & L'Anse Warden Electric Company - Part of Traxys Power Group

## Enabling strategic growth and business process control

### Business Objectives

White Pine Electric Power LLC and L'Anse Warden Electric Company LLC are independent power producers and Midwest Independent Transmission System Operator (MISO) market participants, collectively part of Traxys Power Group. A subsidiary of Traxys North America, LLC, White Pine owns and operates coal-fired power plants in White Pine, Michigan and has supplied electrical service to the area since 2003. In addition to the coal-fired power plants, L'Anse Warden Electric Company owns a biomass generation facility in L'Anse Michigan.



With plans to expand the company through strategic acquisition, entrance into new markets and an anticipated increase in contract volume, Traxys Power Group (Traxys) needed a fully integrated solution to replace their disparate systems and manual business processes.

Traxys Power Group was using a third party accounting system for their back office and purchasing activities, and spreadsheets for capturing all other transactions. While this allowed them to manage much of their procurement business, the process of closing the books at the end of the month was time-consuming and cumbersome. Their existing approach lacked flexibility and led to a great deal of manual effort around consolidating spreadsheets and creating the reports their business demands. Additionally, Traxys Power Group lacked a centralized system for managing power settlements.

### Allegro Solution

Traxys Power Group selected the Allegro 8 platform to more effectively manage the contracts, scheduling, settlement, invoicing and reporting around their power business. With straight through processing and a solution that integrates both financial transactions and operations, Allegro allows Traxys Power Group to gain efficiency, accuracy, and greater control in their monthly processes.

Allegro provides Traxys the following capabilities:

- Streamlined purchase order processing – prior system required redundant purchase orders

- Controls to automate purchase order review to ensure compliance with corporate auditing procedures and system audit trails to facilitate Sarbanes-Oxley compliance
- Customized financial statements (balance sheet, income statements, etc.) with appropriate controls over the reporting structure for individual counterparties
- Ease of entry for power settlement activities – payable and receivable invoices, journal entries - to quickly and accurately capture and report on the business
- Connectivity through the Midwest Independent System Operator (MISO) to capture generation volumes, day ahead prices and trades, real time prices, and metered volumes for Power Purchase Agreements (PPAs).
- Flexible architecture that can scale as company enters new markets and acquires new facilities

**Business Benefits** Since selecting Allegro, Traxys has established a set of new generation companies. With the scalability of the Allegro platform, Traxys Power Group was able to set the companies up within Allegro and integrate its reporting structure with current reports in a matter of days. This will be a key business benefit for the company as they plan additional acquisitions over the next several years, which will demand management of more generation plants.

The Allegro 8 platform has also helped improve the availability and accuracy of information that supports Traxys Power Group's trading operations. With a single data repository for purchasing, procurement and general ledger accounting, the organization has experienced enhanced efficiency around their power scheduling, trading strategies, and reporting.

With Allegro in place, Traxys has experienced a significant improvement in the ease with which they can move between sub ledgers for purchasing, A/P, A/R, and general ledger transactions. The reports integrated within Allegro require much fewer resources during their annual audits as Allegro provides an electronic repository of all invoices and documents.

"We are very pleased with the results we've experienced since implementing Allegro. Closing our books each month has been much faster and more accurate than ever before," said Zachary J. Halkola, White Pine Energy Sales & Financial Manager. "We were able to easily migrate from our existing system and spreadsheets to the Allegro platform, and the ability to bring in market results from the MISO for our day-to-day contracts has enhanced our overall productivity."

The company is now looking at streamlining their purchase requisition entry with Allegro by having purchase orders integrate directly into their corporate purchase order system.

## About Allegro

Allegro is a global leader in energy trading & risk management solutions for power and gas utilities, refiners, producers, traders, and commodity consumers. With more than 27 years of deep industry expertise, Allegro's enterprise platform drives profitability and efficiency across front, middle, and back offices, while managing the complex logistics associated with physical commodities. Allegro provides customers with agile solutions to manage risk across gas, power, coal, crude, petroleum, emissions, and other commodity markets, allowing decision makers to hedge and execute with confidence. Headquartered in Dallas, Texas, Allegro has offices in Calgary, Houston, London, Singapore and Zurich, along with a global network of partners. [www.allegrodev.com](http://www.allegrodev.com)

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