



Duke Energy is one of the largest electric power holding companies in the United States, providing electricity to 7.7 million retail customers in six states. Duke Energy has approximately 51,000 megawatts of electric generating capacity in the Carolinas, the Midwest and Florida – and natural gas distribution services serving more than 1.6 million customers in Ohio, Kentucky, Tennessee and the Carolinas. Duke's commercial business owns and operates diverse power generation assets in North America, including a portfolio of renewable energy assets.

# Inside Duke Energy's Credit Automation Journey

## *Credit Team Automates Portfolio Management and Reduces Review Time by 80%*

### CHALLENGE

Duke Energy needed a scalable way to automate credit reviews of its portfolio of 4,000 large retail customers while managing bad debt risk.

### SOLUTION

Duke Energy used D&B Finance Analytics to decrease the amount of time required for account reviews by 80% and save costs on A/R securitization in its customer portfolio.

### THE JOURNEY FROM MANUAL TO EFFICIENT

Inside Duke Energy, the finance team is also undergoing a transformative automation journey, applying modern technology and tools to increase efficiency and create a better future of work across the business. Duke's CFO Steve Young commented to the [Wall Street Journal](#) that he's focused on discovering ways to use automation and digital transformation to free his staff from repetitive, menial tasks and redirect their efforts to more meaningful, forward-looking work.


As one of the largest energy utilities in the United States, Duke needed a scalable way to manage the credit risk in its portfolio of large retail customers. Within Duke Energy's retail division, Credit Risk Manager Eddy Via wanted to find a way to modernize the way his team managed credit risk in its portfolio.

“On the retail side, we didn't historically have time to do deep dives on our customers. **We used to only look at how a company was paying its bills.** During the early 2000s, we got hit hard by the textile industry and started looking at ways to mitigate that risk.”

— Eddy Via, Credit Risk Manager, Duke Energy

 **80%**  
TIME SAVINGS FOR  
CREDIT REVIEWS

 **<10%**  
OF PORTFOLIO  
REQUIRING REVIEW

 **100%**  
OF PORTFOLIO  
MONITORED WITH  
AUTOMATION

 **\$100,000+**  
AR SECURITIZATION  
SAVINGS

## DUN & BRADSTREET HELPS DUKE ENERGY TRULY KNOW ITS CUSTOMERS

Duke Energy knew that in order to create an efficient credit review process on its large customers, that having comprehensive data was critical. The company needed a solution that allowed for quick, comprehensive quarterly credit reviews of its large portfolio of customers. "We used to only have the bandwidth to evaluate our top 250 customers regularly, and more than half were public companies, so it wasn't very efficient and put us at risk," said Via. "Over 90% of our portfolio wasn't being reviewed."

A long-standing relationship with Dun & Bradstreet led the company to purchase D&B Finance Analytics Credit Intelligence to handle its advanced needs for quarterly credit reviews for a customer portfolio of 4,000 businesses. "If we didn't have something in place to address the credit decisions of our customer base, we would have been really hurt," said Via.

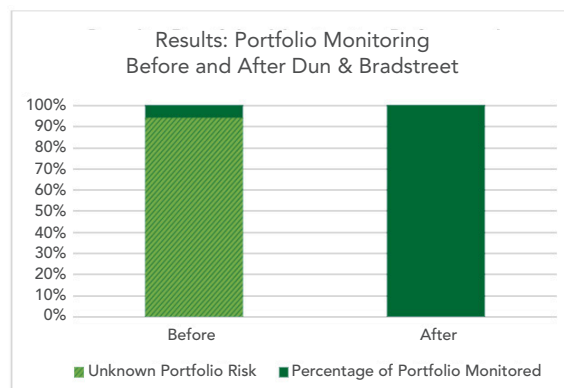
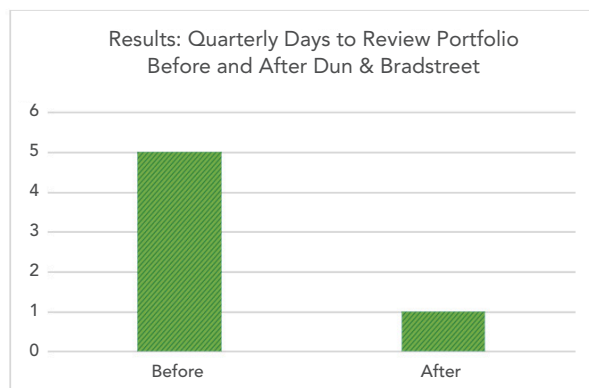
Duke's Credit Risk Management Group used Credit Intelligence's advanced rules-based capabilities to automate and systematize its new credit applications and account management processes, combining its credit policy and accounts receivable information with data and insights from Dun & Bradstreet's Data Cloud to proactively manage portfolio risk.

"We did not want to be blindsided. We were able to understand the risk of even our privately held customers. We use the Dun & Bradstreet Rating to see where a customer may be slipping so that we can take action. **Dun & Bradstreet gives us the best information about private companies.**"

— Eddy Via, Credit Risk Manager, Duke Energy

## DUKE ENERGY SCALES AUTOMATIC CREDIT REVIEWS FROM 6% OF ITS PORTFOLIO TO 100%

Duke Energy's credit team was able to gain measurable efficiency quickly because its credit team understood which customers to focus on within its large portfolio. They were able to take a more targeted approach to manage risk and are now currently evaluating less than 10% of the portfolio on an ongoing basis because he is able to trust the insights generated by the Dun & Bradstreet Data Cloud. The company also reduced the quarterly amount of time taken for account reviews by 80%.



In addition to gaining efficiency, Duke has also been able to save significantly on interest rates by using the Dun & Bradstreet Rating to help evaluate some of its larger customers' creditworthiness in lieu of collecting large deposits for AR securitization. "This practice can save us hundreds of thousands of dollars when applied across the customer base and provides a good customer experience," Via said.

Understanding risk exposure through visibility into customer hierarchies and linkages also helped Via get a true picture of risk.

“Dun & Bradstreet helped identify limited liability corporations. We can see the chain. We can see how customers are linked to each other. We used to only look at how a company was paying its bill. **Before Dun & Bradstreet, we had a number of companies that paid us perfectly up until just before they filed for bankruptcy. That wasn't acceptable.** We know that the cost of our product is far outweighed by the write-offs we've been able to avoid.”

— Eddy Via, Credit Risk Manager, Duke Energy

Overall, Duke's partnership with Dun & Bradstreet in the area of credit is a positive testament to the progress Duke Energy has made on its journey to finance transformation.

## RESULTS:

- **REDUCED** quarterly customer review time by 80%
- **QUICKLY SCALED** credit review process from 6% of its portfolio to 100%
- **ENABLED TEAM** to focus on less than 10% of the company's high-risk customers
- **SAVED** hundreds of thousands of dollars on securitization deposit interest and reduced risk exposure

## ABOUT DUN & BRADSTREET

Dun & Bradstreet, the global leader in commercial data and analytics, enables companies around the world to improve their business performance. Dun & Bradstreet's Data Cloud fuels solutions and delivers insights that empower customers to accelerate revenue, lower cost, mitigate risk, and transform their businesses. Since 1841, companies of every size have relied on Dun & Bradstreet to help them manage risk and reveal opportunity. For more about Dun & Bradstreet, visit [DNB.com](https://dnb.com). Twitter: @DnBUS