# TerraForm Power

Company:
**TerraForm Power**

Industry:
**Renewable Power**

Implementation Partner:
**The Hackett Group**

## About TerraForm Power

TerraForm Power is an owner and operator of a best-in-class, renewable power portfolio with over 4,000 MW of solar and wind assets. Positioned to capitalize on the growth in renewable power generation, TerraForm Power is focused on acquiring, owning and operating solar and wind assets in North America and Western Europe. Founded in 2014, TerraForm Power has considerable potential to grow both organically and through the acquisition of new facilities, including through its sponsor and majority shareholder Brookfield Asset Management. Headquartered in New York City, TerraForm Power operates with more than 170 employees and generates over $940M in annual revenue (as of FY 2019). For more information, visit **TerraForm.com**.

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—*Clemencia Vera*
*Senior Manager, Finance Operational Strategy*
**TERRAFORM POWER**

## The Challenge

Since separating from their previous sponsor, TerraForm Power decided to take a new "cloud first" approach to their software implementation strategy. Their system landscape included Microsoft Dynamics 365, Medius Flow, Bluepoint 3Megawatt, Blackline and Paychex. TerraForm Power was also using several Hyperion applications including HFM, Hyperion Planning and SmartView for MS Office®. However, these Oracle Hyperion applications were cumbersome and created challenges for TerraForm Power's finance and IT teams.

"The compliance piece was very challenging," said Clemencia Vera, Senior Manager, Finance Operational Strategy, TerraForm Power. "We were using the SmartView Excel® interface instead of having standardized reporting, which created inconsistency between accounting, FP&A and Tax. This resulted in a lot of back and forth between the teams to arrive at the numbers we would report. There was no real workflow in terms of topside visibility, and no central source of the truth at any given time."

## Corporate Performance Management Solutions Delivered

- ✓ Financial Consolidation and Reporting
- ✓ Budgeting, Forecasting and Planning
- ✓ Account Reconciliations
- ✓ Driver-Based Rolling Forecasts

## Business Challenges

- ✓ Using several Hyperion applications caused data inconsistencies
- ✓ Compliance was challenging with no standard reporting or source of truth
- ✓ Users apprehensive about HFM, turned to spreadsheets instead
- ✓ ERP and consolidation system were disconnected
- ✓ HFM was too complex and required high server and licensing costs

## Key OneStream Benefits

- ✓ Unified platform for consolidation, forecasting, planning and reporting
- ✓ Improved the close process from seven to four days
- ✓ Saving $100k annually on Blackline licensing
- ✓ Flexible, cloud-based and compliant CPM platform
- ✓ Real-time access to data with automatic loads from GL/ERP
- ✓ Eliminate two months from budgeting cycle
- ✓ Deeper insight into results with flexible options to 'slice and dice' data

There was a lot of apprehension by users who did not think HFM was an easy tool. So there became a heavy reliance on Excel®, which lacked audit trails and posed risk for the company. "Our HFM implementation was tailored to the previous parent's entity consolidation structure," said Maryna Kalinina, Manager of Digital Operations, TerraForm Power. "There was a big disconnect between our consolidation software and our ERP, which caused confusion." On top of that, HFM required high server and licensing costs. TerraForm Power needed something more flexible, cost-effective, cloud-based and compliant.

## The Selection Process

After establishing their new infrastructure, TerraForm Power began evaluating CPM solutions in parallel with their Dynamics 365 implementation. They began with the Oracle EPM cloud solution and several others on a long list. But after a few OneStream demos, TerraForm Power solidified the decision that OneStream would best fit their requirements because of its agile, scalable and cloud-based landscape.

From a technical standpoint, TerraForm Power liked OneStream's infrastructure with Microsoft® Azure Cloud, which was consistent with their other systems. OneStream's many white papers on security and compliance were another big plus for TerraForm Power. The company felt OneStream would best support future growth through the OneStream MarketPlace™ and the ability to access additional solutions at no additional cost.

## A Modern CPM Platform

Today, TerraForm Power has 75 OneStream users across Accounting, FP&A, Financial Reporting and Portfolio Managers. With 1,200 entities and six hierarchies, OneStream has given TerraForm Power flexibility with data. "When you hear 1,200 entities, you imagine it's going to take a long time to consolidate," said Vera. "We're using four different currencies and have a high level of intercompany activity, as well as cross-ownership and tax equity partnerships at different fund levels. But OneStream consolidates quickly and has really improved our visibility into intercompany balances and transactions, which has been very useful in terms of time savings."

For reporting and analysis, end users have been using OneStream Cube Views and Quick Views. They have also developed many forms for flux analysis, percentage management and cash flow. With annual budgeting handled in OneStream, TerraForm looks to move from quarterly to monthly rolling forecasts using driver-based techniques.

"We've gone through two upgrades of OneStream, and both have been very pleasant experiences," said Kalinina. "It's been a very simple and clean process with the OneStream Cloud Services team. Upgrading HFM was very cumbersome between the patching and testing, but with OneStream, upgrades take two to three hours, and the system is available right away."

## Benefits Achieved

At TerraForm Power, the realization of benefits with OneStream have

been significant. Having standardized reporting has helped TerraForm Power to close the books quicker and more accurately while getting through audits more reliably. Interactions across the team are improved with a single version of the truth.

Not only has OneStream enabled TerraForm Power to cut period-end close time from seven to four days, but the project also gave them a windowto reevaluate and implement best practices. "We took the opportunity to revisit every process — it wasn't just a 'lift and shift' implementation," said Vera. "And when we looked at our account reconciliations, we had about 700 accounts. By bringing that into OneStream, we have reduced that number to 150 accounts." As a replacement to Blackline, TerraForm Power is now saving roughly $100K per year on licensing.

On the planning side, TerraForm Power has also improved efficiencies by sharing reports with management on a monthly basis and providing them with more visibility. FP&A can do more analysis on their own where before they were relying on the accounting team. The effect on intercompany balances has been huge, reducing out of balances from millions in some cases to $50K. Now TerraForm Power has a very straightforward way to analyze, reconcile and eliminate transactions.

"I like how flexible OneStream is," said Vera. "It handles consolidation and planning, but is more of a platform that empowers people to think outside the box to leverage OneStream in different areas. It's very exciting that people can see the possibility to improve their lives and be more efficient and communicate better."

"I quickly became a fan of reporting and Cube Views, and the dashboards are exciting," Kalinina concluded. "Cube Views bring a great deal of transparency and visibility into the data. You can slice and dice it however you want and build customer reports to answer management questions. When looking at the original financial assessment projected for moving to OneStream — the return now is far better than expected."

## About the Implementation Partner

The Hackett Group is an intellectual property-based strategic consultancy, offering business transformation to global companies including digital transformation, enterprise cloud application implementation, robotic process automation, enterprise analytics, working capital management and global business services.

The company's OneStream practice helps organizations realize the maximum potential of their application and analytics investment, from configuration and testing to process transformation and change management. The company's unmatched benchmarking database — comprised of world-class performance metrics and correlated with proven best practices within finance, information technology, operations, procurement and human resources — allows clients to rapidly achieve quick wins and drive bottom-line improvements.

**The Hackett Group**
World Class Defined and Enabled

For more information, visit **TheHackettGroup.com**.

### About OneStream Software

OneStream Software provides a market-leading intelligent finance platform that reduces the complexity of financial operations. OneStream unleashes the power of finance by unifying corporate performance management (CPM) processes such as planning, financial close & consolidation, reporting and analytics through a single, extensible solution. We empower the enterprise with financial and operational insights to support faster and more informed decision-making. All in a cloud platform designed to continually evolve and scale with your organization.

 OneStream's Intelligent Finance platform can easily be extended with over 50 solutions from the OneStream MarketPlace. These downloadable solutions are fully battle-tested and optimized for the OneStream platform. They allow customers to easily extend the value of their investment to meet the changing needs of finance and operations.

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