

How **Boston Properties** Leverages **Enel X Connect** to Streamline Bill Payment, Lower Administrative Costs, and Track Sustainability Progress



Industry

Commercial Real Estate



Locations

196 properties across the U.S.



Bills Managed

10,000 annually, across 939 accounts



Additional Benefit

Enablement of \$5.8M in DR revenue since 2011

Boston Properties, Inc., (NYSE: BXP) is a self-administered and self-managed real estate investment trust (REIT). BXP is the largest publicly-held owner, manager, and developer of first-class office properties in the United States, with a significant presence in five markets: Boston, Los Angeles, New York, San Francisco, and Washington, DC. The company is highly focused on sustainability—it has reduced the emissions intensity of its operations more than 70% since 2008.



The Challenge: Thousands of Monthly Utility Invoices

As of December 31, 2020, BXP's portfolio totaled 51.2 million square feet, with 196 properties and a \$2.2 billion active development pipeline (BXP's share) including redevelopment and new construction totaling 3.7 million square feet. Managing thousands of monthly utility invoices for such a large portfolio has a high cost, from the administrative burden of collecting and verifying the charges to the potential for thousands of dollars in monthly late fees incurred from delays in invoice processing. BXP's accounts payable team needed a powerful tool to simplify the process—one that would collect, validate, and pay utility bills.

Jim Whalen, Senior Vice President and Chief Information Officer at Boston Properties, noted that BXP also wanted to use this tool to track the energy and emissions goals the company had set to align with the expectations for sustainability among customers, investors, and in the communities where they operate.

"Our commitment to participate in industry-wide programs, benchmarks, and surveys has elevated the need to rationalize an inefficient process of preparing data that can often be highly manual and spreadsheet-intensive," Whalen said. "It's both a data and business-process challenge to improve the accuracy of this information, and to normalize it across different building types and different practices."

The Solution: Enel X Connect

Utility Bill Management

Simple Invoice Processing

To simplify the process of paying its utility bills, BXP partnered with Enel X and began using Utility Bill Management (UBM), part of the Enel X Connect platform. With UBM, Enel X takes over all processing of BXP's invoices, from bill receipt to payment. Enel X manages 10,000 annual utility bills for BXP across 939 active accounts.

Automatically Auditing for Accuracy

Enel X's service not only handles the bills, it also provides audit and validation of line-item detail for each of BXP's utility bills. If any errors are discovered, Enel X works directly with suppliers and utilities to resolve any issues, helping the company avoid unnecessary costs.

Centralized Data for Efficiency and Sustainability Reporting

Enel X Connect also provides a central location to improve the quality and completeness of energy efficiency data for reporting to industry standards like ENERGY STAR and Global Real Estate Sustainability Benchmark (GRESB). Utility bill data from BXP buildings is integrated directly with ENERGY STAR's Portfolio Manager for automated data uploads, removing the burden of manual reporting from staff throughout the organization while providing the company confidence that the data they're reporting is accurate and up-to-date.

Bill Pay

Automated, On-Time Payment

BXP also began using Enel X's Bill Pay, a feature of UBM for automatic invoice payment. Enel X issues payments on a daily basis to BXP's vendors—the payments come directly from BXP's bank account and are issued through Enel X's banking partner, J.P. Morgan.

No Late Fees

With Bill Pay, Enel X assumes all risk of late payment, relieving companies of the often heavy financial burden associated with late fees. Thomas Christophersen, Director of Applications for Boston Properties, noted that with so many different bills each month, it was only natural for BXP to partner with Enel X.

"Utilities are such a big component of our business," he said, "but it's not as if we can challenge the utility company and say 'I don't like the price here.' There's no negotiating. We just need to get it paid, and who better to do that than someone who's an expert in this niche—a company that knows the ins and outs of utilities. We let Enel X handle it, so that we have a comfort level knowing bills are getting processed and paid in a timely manner."

A Simple Handoff

At BXP's request, Enel X took over payment of bills in groups, moving at a pace the company was comfortable with. As

Christophersen noted: “The transition process is obviously a sensitive handoff, given the commitments involved.”

Enel X soon took over payment of all bills, and the entire transition process went smoothly, according to Amy Gindel, Senior Vice President of Finance & Planning at Boston Properties. “It was a great onboarding experience,” Gindel said. “It was fairly seamless, and now it’s running like clockwork.”

Increased Employee Productivity

Prior to Bill Pay, BXP employees were spending time manually handling and paying bills, an inefficient use of

both money and resources. Implementing Bill Pay relieved the accounts payable team from the task of paying bills, allowing them to focus on more important projects. “The service is a no-brainer for any accounts payable team,” Gindel said.

SOC-1 Compliant

Enel X’s UBM process is also SOC 1 compliant, an important benefit for a publicly traded company like BXP. “SOC 1 pushes a lot of burden away from us—we can rely on Enel X’s SOC 1 controls,” Gindel said. “For years I had to perform extra controls to ensure compliance.”

Results: Streamlined Process, Improved Performance

Through its partnership with Enel X, BXP has improved its properties’ financial performance, increased productivity of its staff, and made it easier to track progress toward their sustainability goals.

With Enel X’s Utility Bill Management service enabled for BXP’s entire portfolio, the company has eliminated monthly

late fees and gained confidence in the accuracy of all charges. Additionally, the company has used interval data to generate \$5.8M in revenue through demand response since 2011.

“*Utility payments are such an outsized component of our AP process, but they require a level of property-level/region-specific verification that is burdensome for the team to manage. Enel’s platform and solution provides the needed level of assurance and streamlined efficiencies to elevate the integrity of this critical process.*”

— Thomas Christophersen, Director of Applications at Boston Properties

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— Amy Gindel, Senior Vice President of Finance & Planning at Boston Properties