

How Can Automated Procurement Processes Help Lower the Cost of Asset Maintenance for Utilities?

From Red Cliffs to Anglesea to Wodonga to Murray, the people of Victoria Australia count on safe, reliable electricity and gas from AusNet Services. Dedicated to keeping customers connected and prices low in this highly regulated market, AusNet must maintain an incredible number of assets, including transmission lines, towers, poles, equipment, and more. Servicing all these assets results in hundreds of thousands of notifications bundled in with work orders – often making them difficult to track.

To improve activity monitoring and determine detailed cost per asset, AusNet turned to SAP® Ariba® solutions. AusNet can now better manage notifications, inspections, and subsequent repairs that lead to new work orders and allocate costs to each asset. Vendors find the service entry sheets easy to use, and automated purchase order and invoice generation and management mean that the vendors get paid more quickly. The result is greater visibility and lower costs for AusNet – helping it empower communities and their energy future.



“Ariba Network is the glue that connects us with suppliers. It gives us greater control and helps ensure they get paid quickly. This means **better relationships with vendors and lower costs for us**. In the end, this benefits everyone we serve.”

Cor van der Scheer, Procurement Processes and Systems Manager, AusNet Services

As one of Australia’s leading energy providers, AusNet Services handles hundreds of thousands of asset notifications each year. This makes detailed cost management per asset – including 2.1 million pieces of equipment – challenging. With SAP® Ariba® solutions, the company can allocate costs to each asset, automatically generate POs, and route them to vendors through Ariba Network. The result is greater control and visibility at a lower cost.



100%

Owned and operated infrastructure in Victoria



50,987 km

Network for electricity distribution



10,630 km

Network for gas distribution



647,536

Customers



AusNet Services

Melbourne, Australia

www.ausnetservices.com.au

Industry

Utilities

Products and Services

Transmission and distribution of electricity and gas

Employees

2,200

Revenue

\$A1.88 million
(US\$1.48 million)

SAP® Solutions

SAP® Ariba® Sourcing, SAP Ariba Contracts, SAP Ariba Invoice Management, SAP Ariba Catalog, SAP Ariba Supplier Information and Performance Management, SAP Ariba Spot Buy Catalog solution, and Ariba Network

Allocating Cost Per Asset and Automating POs with SAP® Ariba® Solutions

In order to make its procurement processes more effective, Australian energy provider AusNet Services deployed SAP Ariba solutions. Now managing purchase orders and invoices is simpler than ever – helping lower costs, increase vendor satisfaction, and ultimately pass the savings along to customers.

Before: Challenges and Opportunities

- Improve efficiency and effectiveness in procurement, including automating PO delivery and invoice capture
- Increase visibility and control over spend
- Generate trust and respect with customers and partners through low prices and a solid reputation as the leader in energy transmission and distribution in Victoria

Why SAP Ariba Solutions

- Ariba Network to transact indirect procurement
- Innovative, enhanced, and simplified user experience for procurement users
- Single source of vendor information
- Touchless invoices and document automation
- Future plans to capture long-tail spend using the SAP Ariba Spot Buy Catalog solution

After: Value-Driven Results

- Lower workload for accounts payable, with invoice capture automated and validated through Ariba Network
- User-friendly service entry sheets for tracking projects, activities, and assets and determining detailed cost allocation for each one
- Timely payments to service providers, improving vendor relationships

“The service entry sheets we have through our SAP Ariba solutions are essential. They allow us to capture detailed information on and costs of services provided for distinct projects, assets, and activities. Plus, it’s the suppliers who capture the respective data for us.”

Cor van der Scheer, Procurement Processes and Systems Manager, AusNet Services



Improved

Data flow and increased granularity of transactional information

Lower

Procurement overhead costs

One-touch

Solution with SAP Ariba Spot Buy Catalog



Watch how AusNet Services delivers energy and customer satisfaction while managing long-tail spend.

[Learn more >](#)



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