SAP Customer Success Story
Utilities



OG&E ELECTRIC SERVICES

OG&E USES mySAP™ PLM FOR MORE COMPETITIVE OPERATIONS, WITH SPECIAL FOCUS ON ASSET AND WORK MANAGEMENT

mySAP™ Product Lifecycle Management (mySAP™ PLM) – a key component within the SAP® for Utilities portfolio of industry-specific solutions, services, and applications – is at the core of OG&E's effort to continually improve its business processes. OG&E makes particular use of the portfolio's work management capabilities. For example, mySAP PLM enables OG&E to map all technical equipment and view total equipment and installation costs, from purchase through refurbishment. It also ensures that equipment repair procedures at the plants take place within a safe work environment.



OG&E Electric Services (OG&E) generates, transmits, distributes, and sells electric energy in Oklahoma and western Arkansas. OG&E, which is Oklahoma's largest electric company, delivers electricity to some 700,000 retail customers and a number of wholesale accounts across a transmission and distribution system spanning 30,000 square miles.

OG&E is continually improving its business processes. Part of its strategy involved replacing aging legacy applications that did not provide cross-enterprise visibility and were too costly to maintain. mySAP™ Product Lifecycle Management (mySAP™ PLM) – a key component of the SAP® for Utilities portfolio of solutions, applications, and services – was at the core of that effort to enhance processes for more competitive operations.

"Our systems were not integrated enough to give us a total and immediate cost picture of the processes we had or the service we provided," says Dan Butler, SAP coordinator for power supply and OG&E process improvement coordinator.

SAP for Utilities is an integrated, industry-specific portfolio of solutions designed to optimize processes such as enterprise management, business support, e-commerce, sales, billing, work management, energy data management, intercompany data exchange, and customer relationship management.

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Asset and work management capabilities, which are a key part of mySAP PLM, today enable OG&E to manage the complete life cycle of an asset and to support its goal of comprehensive, real-time visibility into operational costs. With mySAP PLM, OG&E can map all technical equipment, streamline maintenance processes, and understand the total cost of asset ownership from equipment purchase, installation, operation, and refurbishment through asset retirement.

OG&E makes particular use of the solution's work clearance management (WCM) tools. Every utility company must conduct regular inspections and perform maintenance work on installations that are hazardous in nature and that may endanger maintenance staff. OG&E operations superintendents, shift supervisors, and operators use mySAP PLM to control procedures for isolating individual parts of an installation to meet strict safety requirements.

"We have easier access to information like tagging conditions, identification of boundary devices, and conflicts between different maintenance groups that may have multiple tags and clearance for the same piece of equipment."

Dan Butler, SAP Coordinator for Power Supply and Process Improvement Coordinator at OG&E

"When maintenance issues a request to work on a piece of equipment, operations has the responsibility to put the equipment into a safe mode by removing electrical power or steam pressure, air pressure, buildup of kinetic energy, and other energy pressures," Butler says. "These requests are initiated in WCM, which issues a task list of all the steps that need to be taken to ensure the equipment is properly cleared out and safe to work on."

BETTER WORK MANAGEMENT

This approach simplifies work clearance management and helps the company save time and labor and reduce accidents.

"We have easier access to information like tagging conditions, identification of boundary devices, and conflicts between different maintenance groups that may have multiple tags and clearance for the same piece of equipment," Butler says. "WCM also gives us a better way to track and evaluate assets – how many have clearances, the number of clearances processed during a given time period, how many received a prior day's notice, and so forth."

OG&E next plans to use the plant maintenance capabilities of mySAP Product Lifecycle Management. When a piece of equipment is not performing properly, OG&E can generate a notification that automatically alerts maintenance. The system then creates a work order, and OG&E can assign a foreman or crew and close the order upon completion. By linking the work order for correcting the trouble to the WCM process, the company can ensure that work will not begin until the safety requirements are in place and that the safety measures will be not removed until the work order is completed.

"With the integration between WCM and mySAP PLM, we can also track equipment failures and their causes for better analysis and decision making and improved asset and work management," Butler says.

Further integration with SAP® Materials Management will enable OG&E to automatically issue requisitions so procurement can obtain the parts maintenance requires on time and on budget. All costs incurred can be related and tracked to a specific piece of equipment.

"mySAP PLM integration enables OG&E to assign costs back to each individual piece of equipment, providing a true picture of what each item is costing us," Butler says.

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