

20/11/2009

**Electrabel**  
GDF SUEZ





# **STAR USING WCM IN ELECTRABEL WITH SAP ERP 6.0**

**DD/MM/YYYY**

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**Electrabel – GDF SUEZ**

## **Part 1: GDF SUEZ and Electrabel**

## **Part 2: About STAR**

## **Part 3: WCM**



# GDF SUEZ Electrabel

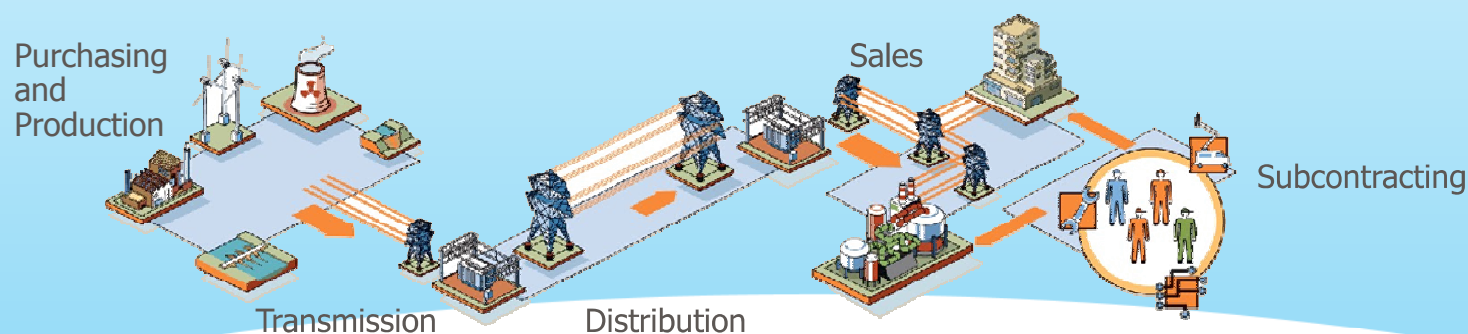
## A global energy leader

### Activities:

- **purchasing, producing and selling** natural gas and electricity
- **ensuring transmission and distribution and managing and developing** major natural gas and electricity infrastructures
- developing and marketing **energy and environmental services**

### Strengths of GDF SUEZ

- Highly **complementary** activities.
- **Great flexibility** in terms of generation and supply.
- Important market player in **sustainable development**.





## ELECTRABEL – PART OF THE GDF SUEZ ENERGY BENELUX & GERMANY DIVISION

### Core businesses

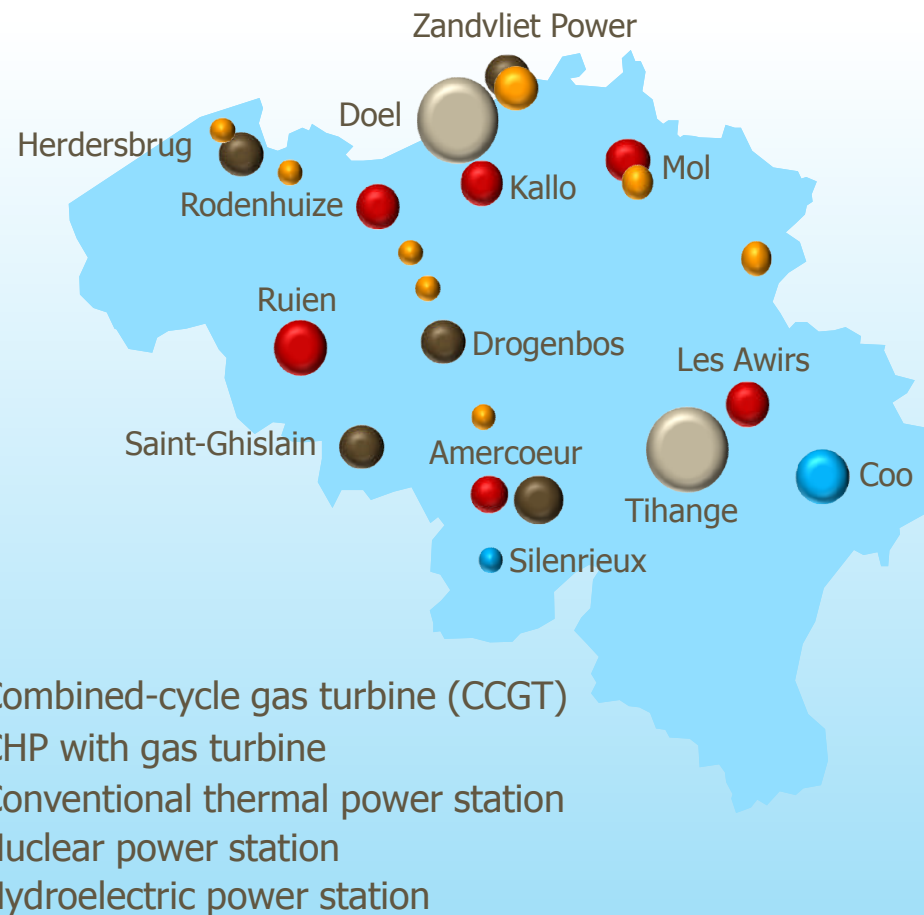
- Selling electricity, natural gas and energy products and services.
- Generating power.
- Trading electricity and natural gas.



# ELECTRABEL - COUNTRY PROFILE FOR BELGIUM

- Installed capacity: 13,273 MW.
- Under construction: 520 MW.
- Electricity sales: 70,022 GWh.
- Gas sales: 58,690 GWh.
- Workforce: 7,548.
- No. 1 power generator and electricity supplier.
- No. 1 green energy producer.
- 49% of generated power emits no CO<sub>2</sub>.

figures for late 2008



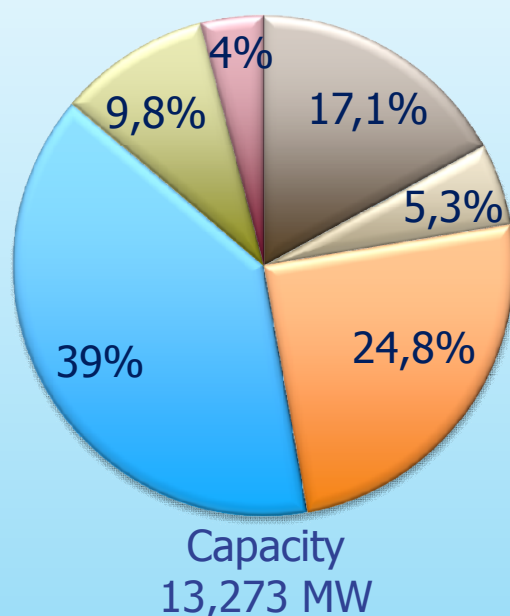
# DIVERSIFIED GENERATION FACILITIES



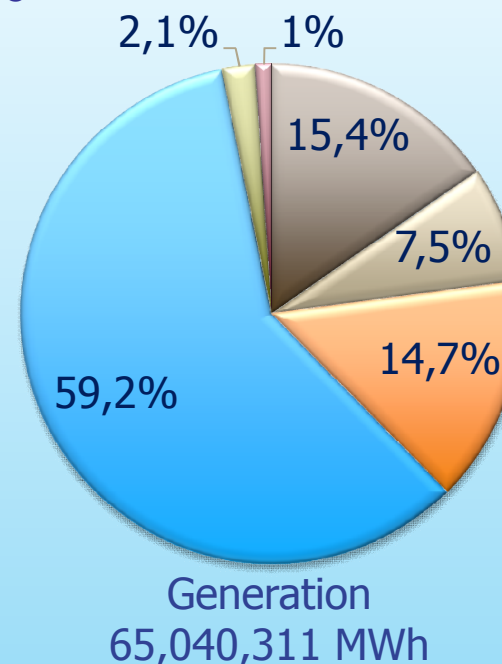


## A diversified, flexible and sustainable generation portfolio

Per type of unit – net figures for 2008

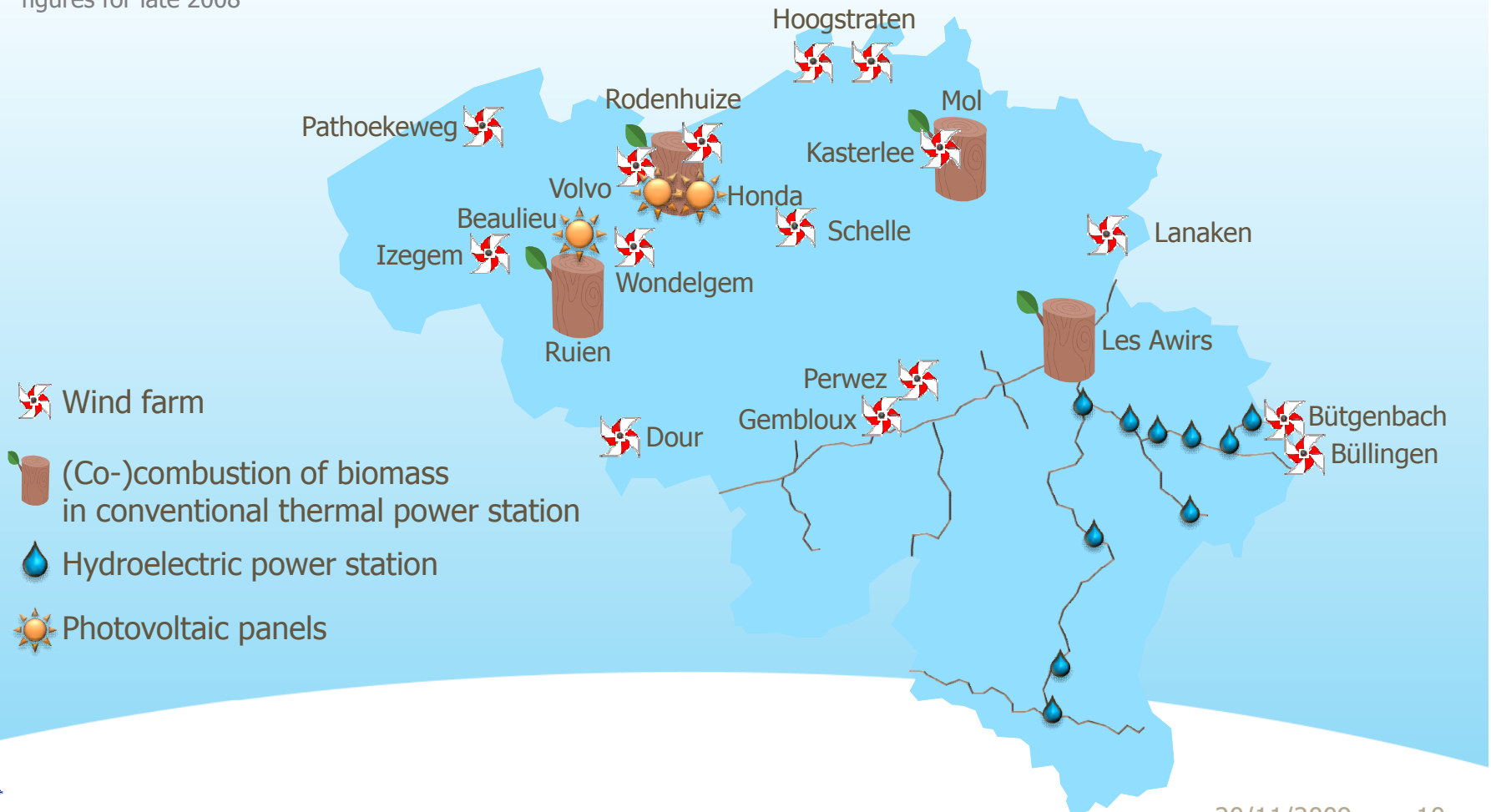


- Combined-cycle gas turbine
- CHP
- Conventional thermal
- Nuclear
- Pumped-storage power station
- Other:  
Energy recovery,  
gas turbine, hydroelectric  
power, wind turbines, turbojet,  
photovoltaic panels



**Capacity of 464 MW = consumption of 530,000 households**

figures for late 2008



GENERATION  
**RENEWABLE ENERGY**



- Environmental protection
- CO<sub>2</sub> plan for Belgium



Aquascope-Virelles



Peregrine falcon at  
Les Awirs





## WORKING TOGETHER TO REDUCE CO<sub>2</sub>: OUR COMMITMENTS

- As a generator
- To our customers
- Our own approach







# About STAR

**1. STAR objectives**

**2. STAR approach and planning**

**3. STAR Program & Project Organisation**

**4. Application architecture**

**5. System architecture**

**6. STAR Information Management and support model**

**7. Highlights by Functional domain**

## CONTEXT

# RATIONALE FOR THE STAR PROGRAMME

1. Unbundling of Distribution, development of new business functions and European expansion have led Electrabel to invest in a major way into the **changes of processes, organizations and systems** over the last 5 years
2. A review of the business processes in place shows a **clear need** to:
  1. **Improve the effectiveness** of some and **efficiency** of most **business processes**
  2. **Better integrate** some core functions (eliminate silo effect)
  3. **Reduce complexity** where possible
  4. **Accelerate European harmonization** of many processes and most data
3. Benchmarks for European companies confirm the need and benefits for moving towards increased integration of support functions and even core métiers
4. STAR is the translation of this business needs into a coherent **Change Programme**.
5. The STAR Programme will **focus** on those urgent projects and assures **cross-country** and/or **cross-metier coordination** of the major change activities in Electrabel Europe.



## WHY STAR?

URGENT ACTION WAS NEEDED IN SEVERAL DOMAINS

### Finance

- ✓ IFRS/IAS compliancy is not sustainable on the long run
- ✓ Reporting deadlines are difficult to respect
- ✓ Current architecture is complex and costly to maintain
- ✓ CODIS compliancy cannot be guaranteed today in all domains
- ✓ Consolidation is largely based on manual processes
- ✓ KPI's are not automated

### Generation

- ✓ Implementation of Business process requires modification of processes and systems
- ✓ Existing SAP System must be upgraded, version no longer supported by SAP

### HR

- ✓ Development of harmonized HR functions requires a common HR backbone

### Common

- ✓ Lack of end to end view on 'cross metier' processes
- ✓ 'Historical' complexity of processes, systems and data structure
- ✓ Savings potential in Shared Service Centers (Finance and ITS) can not be fully captured

## MISSION

Simplification and integration of SAP supported Business processes, implemented in a harmonised corporate wide solution

## VISION

- ✓ We ensure the delivery of **simplified and integrated** processes and applications, enabling:
  - A growth in maturity of processes
  - Synergies cross-métier and cross-country
  - An improved resource mobility
  - Lean & mean support activities
- ✓ We ensure a balance between the input and the use of data, resulting in a **fast**\_access to **relevant** information making **more\_time** available **for\_core\_activities**.
- ✓ We deliver a **reference\_model** for the ERP business processes, the application and data architecture.
- ✓ We ensure the **implementation** of this reference model in Europe.
- ✓ We deliver IT solutions **easy\_&\_cost-efficient\_to\_maintain**.

## Simplification

Simplification and re-engineering of the processes in the scope of STAR drives the creation of a new user-friendly ERP platform

## Integration

By simplification of the Business processes, integration of the ERP processes in all Business units in Belux can be achieved.

## Standard ERP Implementation

Standard SAP is the condition to deliver an ERP system that is easy and cost-efficient to maintain.

## Harmonisation in Europe

If the simplification and integration is achieved, the ERP implementations can be harmonised in Europe (Benelux & Germany).

## Simplification

**Simplification** and re-engineering of the processes in the scope of STAR drives the creation of a new user-friendly ERP platform

- Number of key data elements.
- Average reduction of data elements of 63% resulting in:
  - Less complexity
  - More transparency
  - Easier maintenance

	UniFin	UniPro	UniCCS	Total	STAR	Delta
<b>GL-Account</b>				<b>17.204</b>	<b>1.500</b>	-91%
<b>Cost Center</b>	<b>6.926</b>	<b>18.047</b>	<b>2.530</b>	<b>27.503</b>	<b>5.000</b>	-82%
<b>Internal Order</b>	<b>162.021</b>	<b>39.534</b>	<b>5.700</b>	<b>207.255</b>	<b>50.000</b>	-76%
<b>Material</b>	<b>26.080</b>	<b>465.166</b>	<b>4.000</b>	<b>495.246</b>	<b>320.000</b>	-35%
<b>Vendor</b>	<b>11.418</b>	<b>22.838</b>	<b>8.000</b>	<b>42.256</b>	<b>30.000</b>	-29%
<b>Average</b>						-63%

## Integration

By simplification of the Business processes, integration of the ERP processes in all BU's in Belux can be achieved.

- Number of interfaces.
- Reduction of 23% resulting in Less complexity, easier maintenance

	# of Message Flows		
	RFP	Define Phase	Design Phase
<b>As Is</b>	97	132	132
<b>To Be</b>	62	93	101
Reduction in # of Message Flows (Abs)	-35	-39	-31
Reduction in # of Message Flows (%)	-36%	-30%	-23%

**Standard ERP  
Implementation**

**Standard SAP** is the condition to deliver an ERP system that is easy and cost-efficient to maintain.

- Number of SAP submodules for the same process
- Reduction of 39% resulting in More harmonization, less maintenance, back to standard, easier to upgrade

	As Is	To Be	Delta # of Functions (Abs)	Delta # of Functions (%)
MM	71	34	-37	-52%
PM	28	28	0	0%
PS	16	16	0	0%
FI	168	91	-77	-46%
CO	93	66	-27	-29%
HR	7	5	-2	-29%
SD	55	44	-11	-20%
<b>Total (All)</b>	<b>438</b>	<b>284</b>	<b>-154</b>	<b>-35%</b>
<b>Total (without PM - PS)</b>	<b>394</b>	<b>240</b>	<b>-154</b>	<b>-39%</b>

## Standard ERP Implementation

**Standard SAP** is the condition to deliver an ERP system that is easy and cost-efficient to maintain.

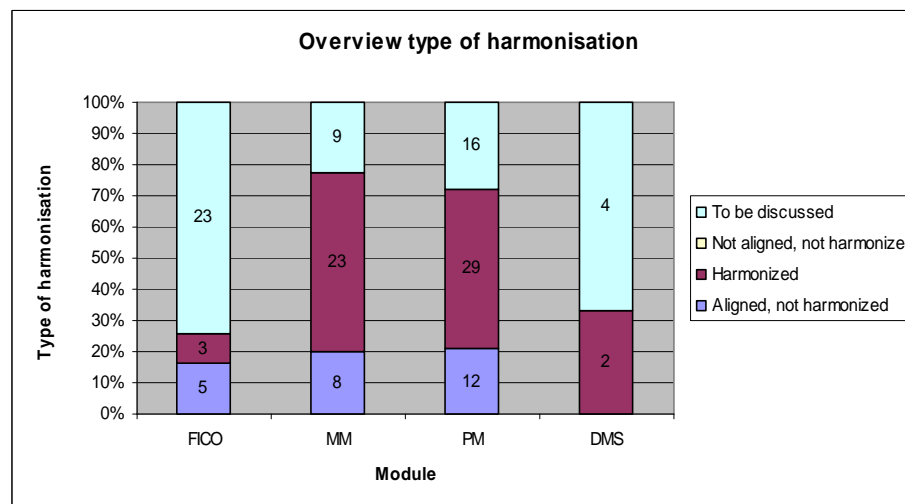
- Number of add-on's
- We may expect more reports, but huge effort has been done to come back to SAP standard!

	UniFin	UniPro	UniCCS	Total	STAR	Delta
<b>Developments</b>	<b>300</b>	<b>1.402</b>	<b>110</b>	<b>1.812</b>	<b>155</b>	<b>-91%</b>
<b>Reports</b>	<b>100</b>	<b>190</b>	<b>na</b>	<b>290</b>	<b>45</b>	<b>-84%</b>
<b>Average</b>						<b>-90%</b>

## Harmonisation in Europe

If the simplification and integration is achieved, the ERP implementations can be harmonised in Europe.

- Number of delta's with the Netherlands:
  - To be discussed: identified, no decision yet
  - Not aligned: blocking issues, escalation needed
  - Harmonized
  - Aligned, not harmonized: system can support both options
- Initiative should be taken in domain Finance





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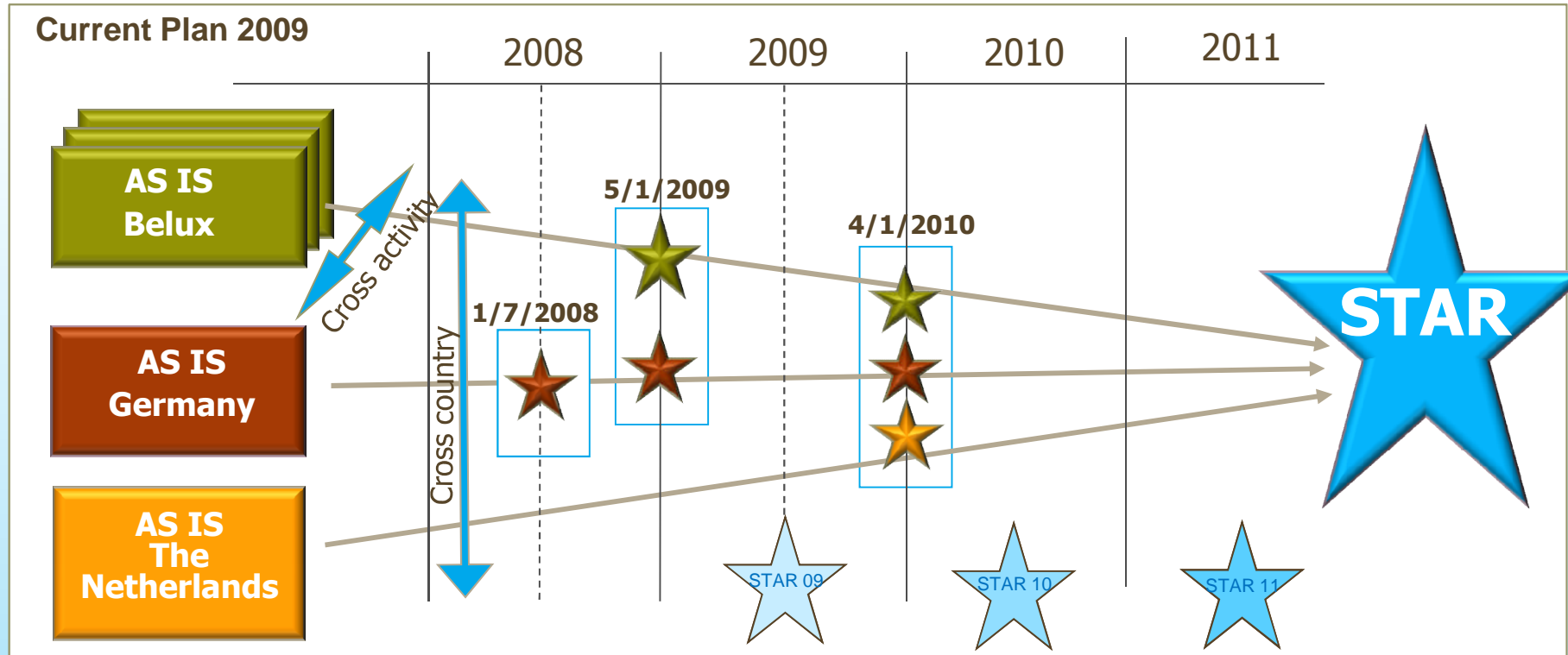
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# STAR APPROACH BENELUX AND GERMANY



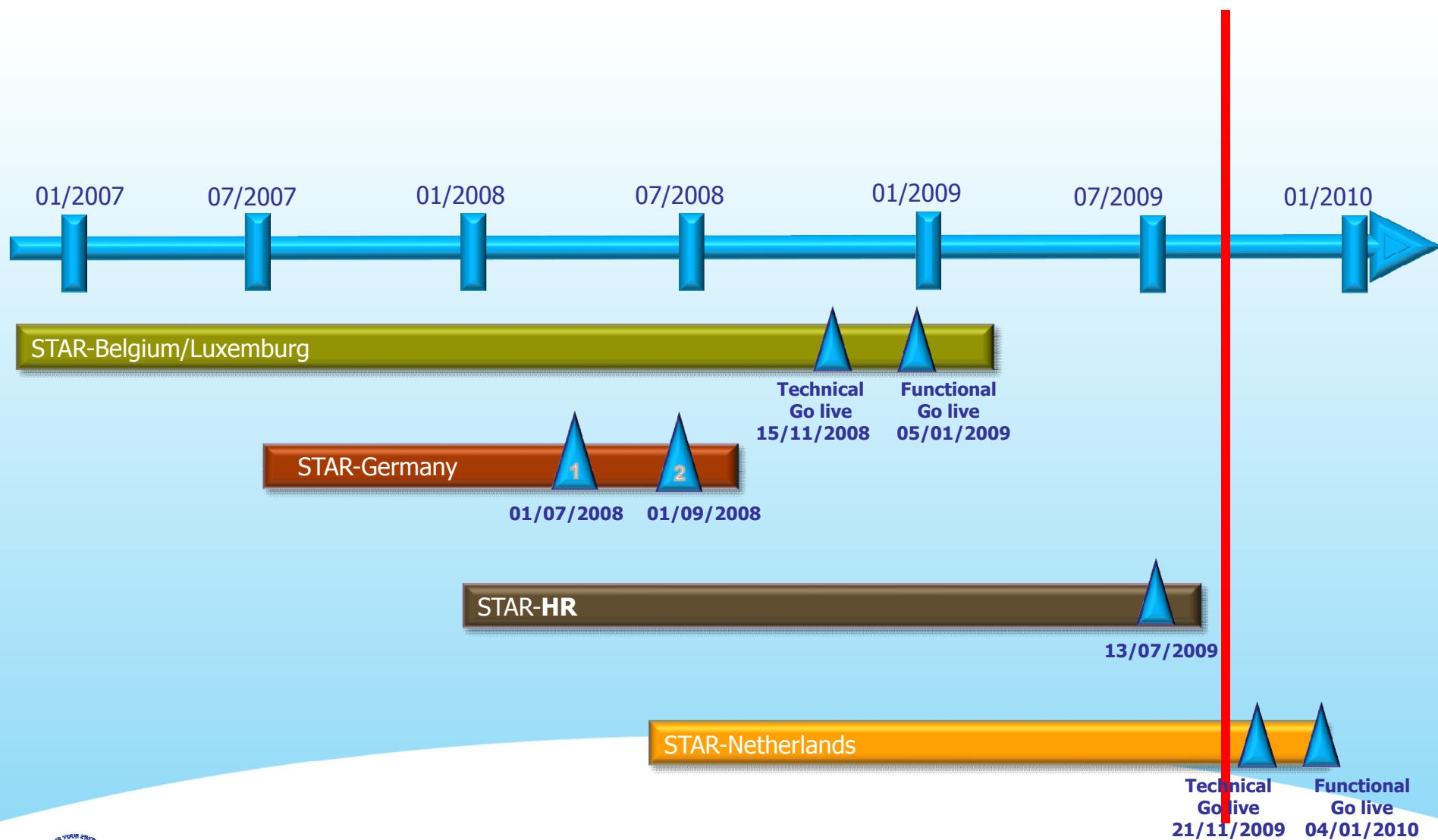
- STAR 09**
- Stabilize STAR In Belux
  - Capture first benefits (STAR\_FIT 1b)
  - Initiate additional
  - Support Roll in of

- STAR 10**
- Stabilize STAR in the Netherlands
  - Fine tuning of processes in Belux
  - Capture additional benefits
  - Support roll out in German

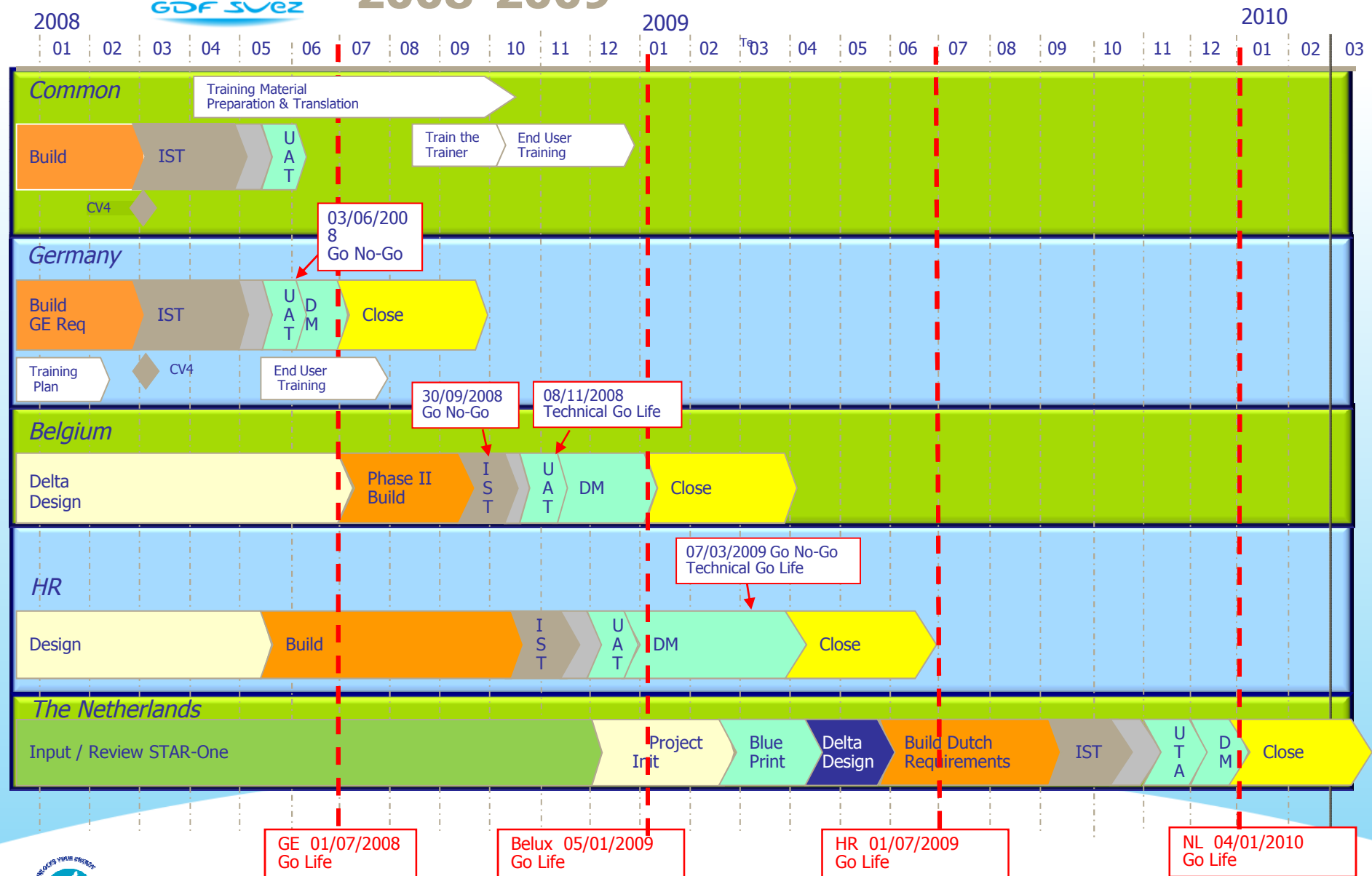
- STAR 11**
- Fine tuning of processes in the NL
  - Capture additional benefits (STAR\_FIT 2b)
  - Stabilize STAR in Germany

# STAR PROGRAM MILESTONES

Today



# STAR IMPLEMENTATION PLANNING 2008-2009

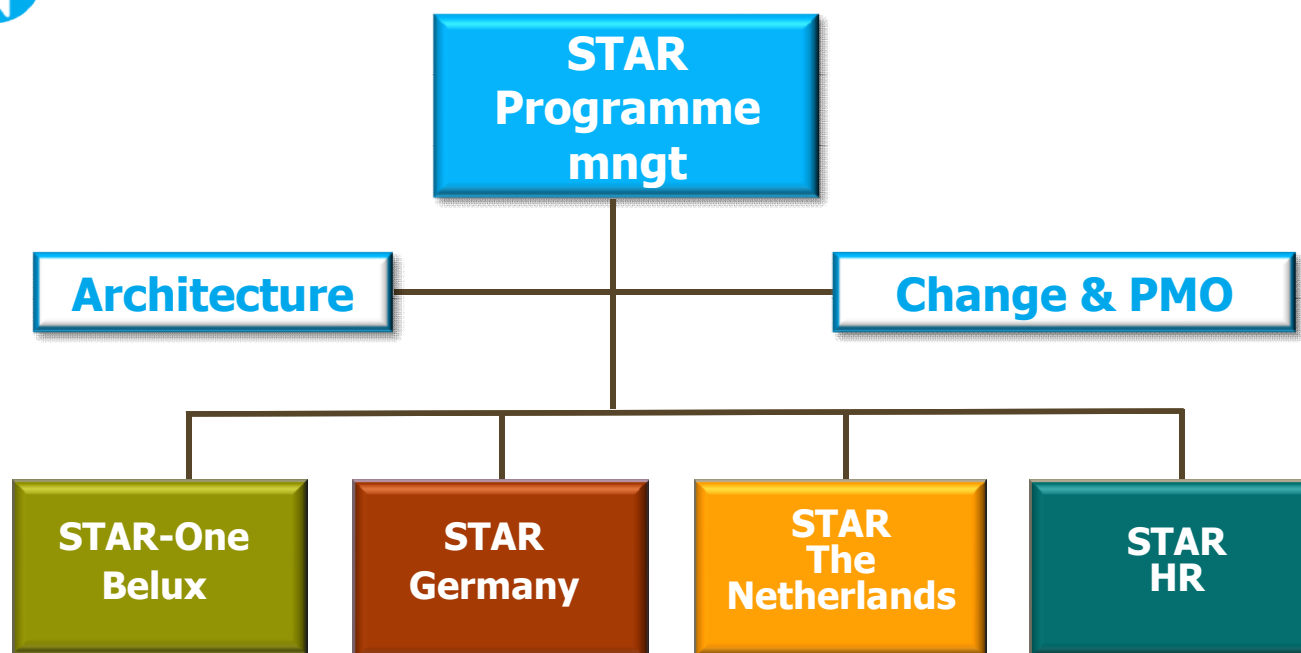


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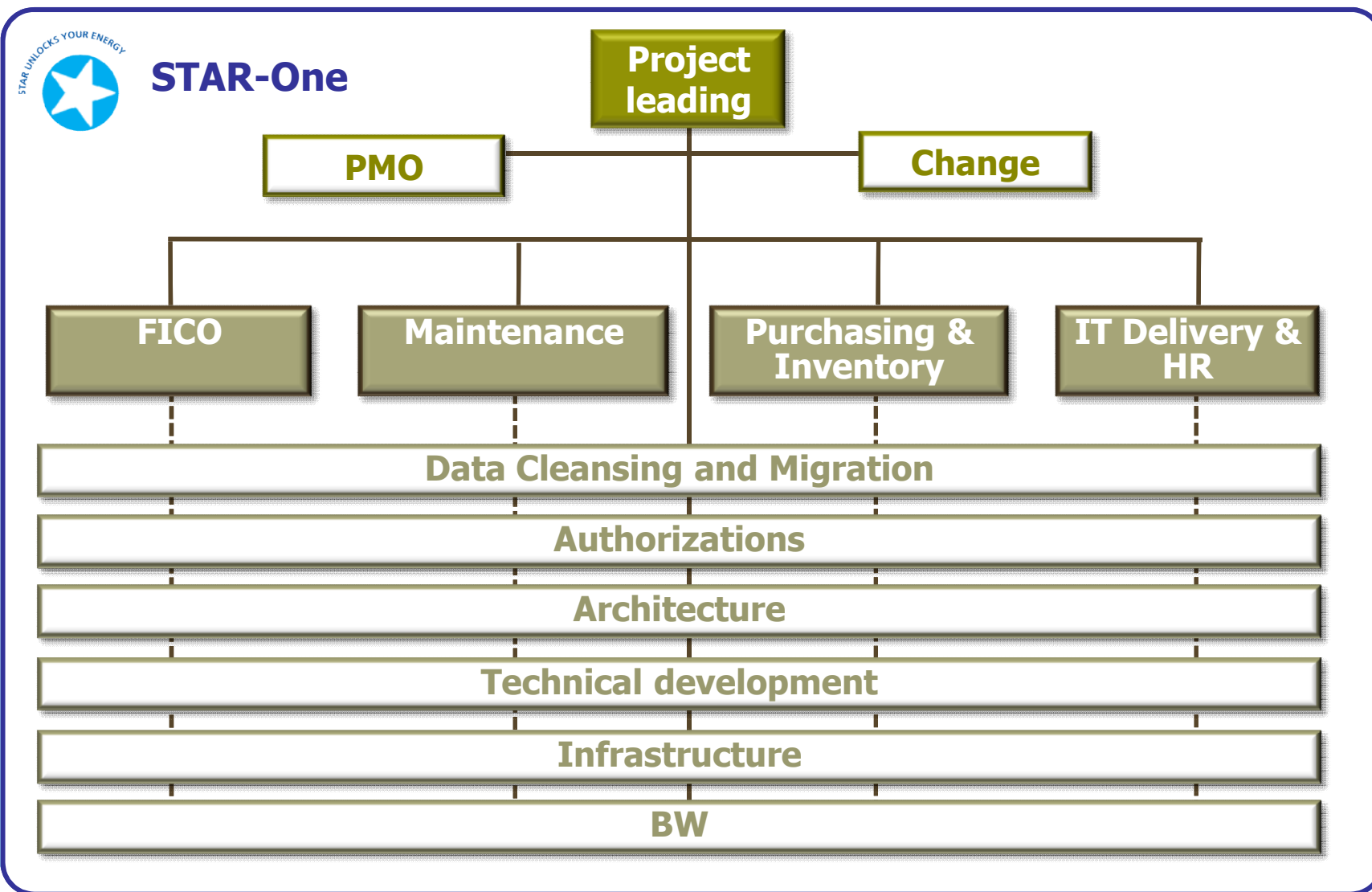
European Steering  
STAR PROGRAMME

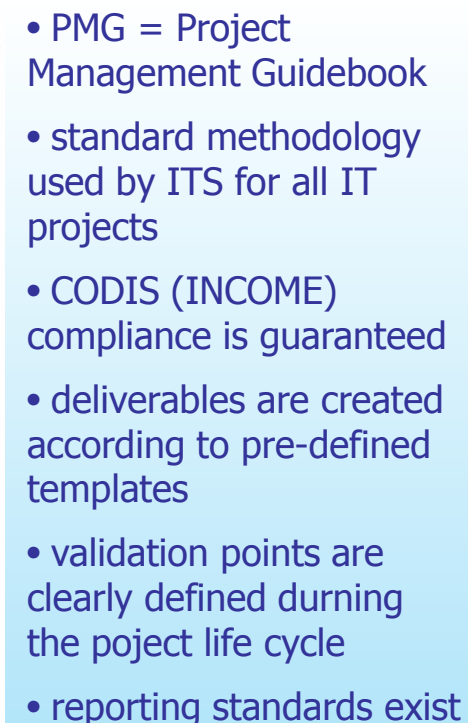


## STAR Programme



# STAR-ONE PROJECT STRUCTURE









**You've got the energy.**

**Electrabel**  
GDF SUEZ