

REWAG makes short work of its procurement

REWAG, the Regensburg-based utilities company, not only invests in energy efficiency. Now the company handles its procurement process far more efficiently, quickly and definitely with a better overview. The reason for this: the utilities company is deploying the Futura AVA software solution created by Futura Solutions. A special feature of the solution for planning, procurement and billing provided by the Wiesbaden-based software experts, is the fact that it is profoundly integrated into REWAG's SAP system.

„REWAG is building a new photovoltaic system“, „REWAG is opening biogas plant“: The Regensburg-based utilities company likes to make itself known through such headlines. The energy transition is in full swing. However, what the public learns of with joy, means a lot of work for Thomas Brandl. Brandl is head of procurement at REWAG and leads a team of six staff members. His department handles the procurement of goods and construction services of all kinds. His team handles between 150 and 200 tenders per year. At times they have to deal with typical construction works (expansion or renewal of water, electricity or gas pipes), with unplanned measures (disruption, e. g. caused by excavators damaging pipes) or with special projects (such as the reconstruction of water treatment plants, swimming and leisure pools). Since the utilities company is an affiliate of Stadtwerke Regensburg (public utility), who is responsible for local transport, workshops, the operation of car parks and a hall used for all kinds of events, Thomas Brandl handles the procurement of construction and other services for them also. Depending on the type of measure, the scope of a tender ranges between 80,000 and 1.8 million EUR. The procurement volume ranges between 24 and 32 million EUR per year.

„Futura AVA with its excellent integration into our SAP system is the perfect solution for our processes. Not only do we save time in the purchasing process, we also have a much better overview now, which is a benefit to us when it comes to price negotiations.“

*Thomas Brandl, Head of Purchasing
at Regensburger Energie- und Wasserversorgung AG & Co KG (REWAG)*



Enormous time savings

For about nine months Brandl and his team have been enjoying work even more. The reason is the introduction of Futura AVA by Futura Solutions in Wiesbaden. The solution provided by the Wiesbaden-based software experts for planning, procurement and billing went live in May 2012. Since then, REWAG has processed 2,000 release orders from framework agreements, 2,500 bills of quantities and the same amount of credit memos electronically using the solution provided by Futura. – „absolutely flawless“, says Thomas Brandl.

**Futura
Solutions
well
integrated**

Elaborate selection process

In the end the choice in favor of Futura Solutions was easy. However, the decision was thoroughly prepared by the REWAG: for six months, the Regensburg-based company compared solutions offered by five competitors, documented specifications, invited the suppliers to Regensburg for a real time test and compared different functionalities – not an easy task: however, Futura Solutions could come up with innovative functionalities, which other manufacturers could not provide. Namely, the combination of a typical AVA software, electronic tendering and a fully automated integration of an RFI, awarding and billing process into REWAG's SAP system.

Electronic handling of all procurement processes

The enthusiasm for the new solution becomes even more understandable considering the difficulties the buyers used to have to face. Up until then, REWAG had been working with two applications simultaneously, the SAP system and an AVA solution. Some of the disadvantages were: creating item lists and specifications was very elaborate and time-consuming for the planning department. The suppliers handed in their offers on paper, so they had to be processed manually in order to make them comparable in price comparison lists. The suppliers also handed in their services rendered on paper. The consequences: figures for evaluations in SAP were not available or if so, only very late. Therefore, important questions remained open: What are the outstanding receivables of the supplier? How much of the budget is left for further projects? „Fortunately, these time-consuming processes are now a thing of the past“, says Thomas Brandl.

As little paper as possible

The utility company has reached the goal to work with as little paper as possible. Thanks to Futura AVA, now the planning department creates electronic specifications only. Subsequently, the procurement department handles the tenders and awarding of contracts electronically as well. At the same time, starting from Futura AVA, the procurement department can create an order in SAP at the push of a button. The suppliers submit their offers as well as the data on services rendered online, i. e. without paper to REWAG. Another advantage related to the deep integration of Futura AVA into SAP: as soon as the construction department has checked and approved the data for services rendered, the corresponding activity record sheets are automatically created in SAP. In other words: it doesn't matter that the purchasing and construction departments work with Futura AVA while the accounts department works with SAP. The two applications are set up to synchronize with each other. "This is exactly the kind of deep integration we want", says Thomas Brandl.

Service provider shows high level of commitment

However, the Wiesbaden experts for procurement solutions not only convinced with the functionality of their solutions, but also with their single-mindedness. The solution was supposed to be operational within six months. According to Thomas Brandl, the Wiesbaden experts managed to stick to this ambitious schedule. Six months after the kickoff, the solution went live as planned, in Mai 2012. His special thanks go to the project teams at REWAG and Futura Solutions.

The facts

Company

The Regensburg-based utility company, Regensburger Energie- und Wasserversorgung AG & Co KG (REWAG), provides more than 200,000 customers with electricity, gas, heating and drinking water. Number of staff members: 400 at a turnover of 318.8 Million EUR (2011)

Task

Providing consistent processes for SAP integrated planning, tendering, awarding and billing of construction works and services.

Solution

Implementation of Futura AVA including electronic supplier connection via the Futura supplier portal and integration of RFI, ordering and billing processes into the SAP system.

Advantages

- Enormous time saving through standardized and automated processes
- Increase in transparency of individual processes
- Performance reports can be checked independently from location
- Activity record sheets are created automatically in SAP
- No more checking of invoices, option of setting up a credit memo procedure
- Immediate reduction of payment commitments for better planning and release of funds
- Audit-proof billing and review process



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