



PG&E: Streamlining a Quality Management System with SAP® Cloud Platform

Nearly 16 million Californians rely on Pacific Gas and Electric Company (PG&E), one of the largest combined natural gas and electric utilities in the United States, for safe, clean, reliable, affordable energy. In order to maintain its high standards, PG&E delivers a best-in-class quality assurance program. In 2016 PG&E was the first U.S. utility company to be certified to the ISO 9001:2008 standard.

A key aspect of the company's quality management system is the supplier change request (SCR) process, a method for assessing, tracking, and documenting material recalls and changes. The process involved internal routing of paper documentation until 2016, when PG&E introduced e-SCR, an electronic system enabling suppliers to utilize an online form with attachment capabilities. The e-SCR process combines a supplier portal built on SAP® Cloud Platform with the company's SAP ERP application to route requests to approvers, resulting in faster processing and a smoother workflow.



PG&E simplifies complex business processes

Company

Pacific Gas and Electric Company (PG&E)

Headquarters

San Francisco, CA

Industry

Utilities

Services

Transmission and delivery of energy throughout northern and central California

Employees

20,000

Web Site

www.pge.com

Objectives

- Simplify the supplier change request (SCR) process in order to deliver business benefits quickly
- Streamline the process for assessing, tracking, and documenting material recalls and changes that affect fit, form, or function of procured material
- Prevent unapproved changes that may result in delays, returns, defects, and nonconformances, leading to scrap, rework, and potential failures and accidents

Why SAP

SAP® Cloud Platform, which provides an agility platform to deliver solutions faster than projects based on traditional enterprise resource planning (ERP) applications, plus integration with the existing SAP ERP application

Resolution

- Deployed SAP Cloud Platform as the basis for an e-SCR supplier portal in less than eight weeks
- Improved SCR processing by reducing associated workflow, allowing nine SCRs to be processed in the first month alone

Benefits

- Enables suppliers to easily comply with PG&E's SCR process
- Minimizes infrastructure costs
- Supports PG&E's commitment to the provision of safe, clean, reliable, affordable energy

99.9%

Success rate for purchasing defect-free materials, thanks to simpler processes

Real-time

Tracking and reporting for suppliers and internal approvers

Greater

Control over material recalls and changes

"Change can be a challenge, but at PG&E, we believe that our new system, which is built on SAP Cloud Platform, provides an improved, efficient, effective foundation for strengthening our relationships with our suppliers."

Jim Adamson, Director of Supplier Quality Assurance, Pacific Gas and Electric Company

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