

Project – “SHAKTHI”:

The new IT Plan was put into Project named as “SHAKTHI” (**S**ystem to **H**arness **A**PGENCO **K**nowledge **I**ntegration for **H**armony & **I**ntegration) as it leads into new area of Information management in the organisation. The estimated cost for the Project is Rs.30 Crores including the Servers, Network Infrastructure, SAP Product license & Implementation Costs and training Cost etc.

Accordingly, APGENCO partnered with SAP India for Supply and Implementation of SAP ERP system across APGENCO. All the Servers and Main network equipment were supplied by M/s HP and the Wide area connectivity to all the locations were provided by M/s BSNL. Also we have utilized APTRANSCO communication lines for backup connection at the feasible locations.

Project Journey:

Project Kick off	24.08.2012
SAP Development & QA System Ready	05.01.2013
Business Process Finalization	05.02.2013
Production Servers @ State Data Center Ready	15.05.2013
Realization, Testing & Data Migration	31.07.2013
Pilot Locations Go – Live (Corporate Office, Dr.NTTPS, KTPP, Srisailam Complex)	01.08.2013
Roll out - 1 (RTPP, Nagarjuna Sagar Complex)	12.11.2013
Roll out - 2 (KTPS Complex, Sileru Complex)	14.12.2013
Roll out - 3 (Jurala Complex, RTS, Machkund, PABR, Pochampad & Mini Hydels)	01.01.2014

Project Methodology:

- The Project progress was continuously supported and guided by Apex committee headed by Managing director.
- Steering committee was constituted by APGENCO Board to regularly monitor the project progress and update the status to Apex Committee.
- Project Management – Project Governance, KPIs monitoring, Scope creep. Project status and SAP walkthrough presented to the steering committee on regular basis.
- 66 core team members (Officers drawn from different locations for execution of the Project) and 30 consultants worked for 4 Months to complete the design of APGENCO Business processes.
- Around 100 officials from various Plants & Corporate office have spent 110 Man Days in helping core team and consultants to prepare the process documents.
- Total of 80 end to end processes were identified and mapped on to SAP using 18 Modules in the SAP ERP Product.

- Major enhancements like Fuel Management, Fly Ash Management, Energy Billing, Payments processes which are specific to APGENCO are developed using the standard SAP framework.
- **Master Data**– Around 1.5 lakhs Materials, 2.0 Lakhs Equipment details were available in the legacy system were collected from all locations, Formatted, Validated and uploaded onto SAP. Formed Master Data Management (MDM) teams at the locations for coordinating the activity and initiated the activity along with the project start.
- **Training** :the core team members are trained with the required skills in understanding of the SAP system and its implementation road map
 - o Around 243 Nos power users are trained (53 training days are utilised) for testing the system during the realization phase of the Project.
 - o Around 3100 end users are trained at their locations in using of the system.
- **Change Management:**
 - o Work shops were conducted at the major locations before the system implementation to educate the users on the technology that is being adopted by APGENCO.
 - o The "SHAKTHI" Newsletter was published periodically to communicate the Project details and its progress to all the employees.

Project Benefits:

- The overall quality of data is enhanced, thereby improving the flow of information across the corporation for better decision support
- Improved the efficiency of the operations and increased transparency across the organization
- All the financial data is recorded in real time and is available in the system which can be drilled down up to the initiating transaction level like Plant maintenance, Procurement etc. as and when required.
- **Centralized Master Data governance system** is established by implementing SAP to maintain the entire master data centrally related to materials, vendors, equipment and Employees.
- **Centralized Inventory management** – Procurement cycle was completely mapped on to the SAP system from indent to PO with controlled workflow as per delegation of powers. This gives more transparency and reduces the lead time in processing. Inventory visibility across the corporation is available with detailed stocks.
- **The Fuel supply chain (Coal & Oils)** was automated from Planning to Payments and consumptions monitoring in the thermal power plants which contributes to around 80% of expenditure. The system is also helping in real time reconciliation and there is no need for period end reconciliations.
- **Asset management**– Enable Standardization of Maintenance Processes across Plants, Monitoring of Preventive maintenance schedules, History of

- repeated breakdowns to improve the asset availability. As this centralized integrated system can keep track of spares interchangeability across Plants & Equipments helped us to minimize the downtime of the equipment.
- **Improved Customer service:**As a power generation company we have to provide information to the Power purchasers to meet the statutory and regulatory compliance. Reports have been created to provide this data. Energy billing solution has been implemented which reduced the time to reconcile of energy sent out and for energy audit.
 - **HR Management:** Central employee data has been created and history is maintained in SAP for the existing 12000 employees and 6500 pensioners. This has lead to greater transparency in employee data and higher employee satisfaction.
 - **Payroll:** The payroll is run centrally with all the retrospective calculation which significantly reduced the manual efforts, and avoid running the payroll in decentralized mode at 27 locations.
 - **Employee Productivity:**
 - o Centralized system and hence there is no duplication of data entry.
 - o Time taken to prepare reports has been drastically reduced since these reports are readily available in the system with analytics.
 - o As the processes are automated with workflows and data is available in real time, the administrative lead time is considerably reduced.
 - o There is no need to collect information from various plants, consolidate and to present it to the management. The system is providing the required MIS in real time for decision support.

This system has been stabilized and brought good governance in the day to day operations of the corporation. Further, efforts are being made to continually improve the processes using SAP solution by critically reviewing and analyzing the user feedbacks. The SAP system is enabling to simplify the business operations leading to enhanced organizational efficiency.

SAP Award for Customer Excellence (ACE) is tribute to the many SAP customers who have used, learnt, innovated and leveraged the power of SAP solutions, and brought a difference to their organisations and run the business better.

SAP India has been recognizing and honouring the organisations which have **demonstrated the spirit of innovation and leveraged SAP solutions to bring transformation**, with the **ACE Awards**. The evaluation process by the international independent jury made **ACE the most coveted award in the industry**.

APGENCO has bagged the SAP ACE award for its " Best Run Utilities – Generation" category for the year 2014. Sri Atluri Rama Rao, Executive

Director (IS) APGENCO has received the award at New Delhi on 13.08.2014 from Mr.Ravi Chauhan, Managing Director, SAP Indian Subcontinent.

Further, the Project "SHAKTHI" also bagged the outstanding Project - 2013 (India) Award during the SAPs FKOM (Field Kick Off Meeting) meet held during Feb' 2014 at Mumbai.