



## ELEKTROWNIA BEŁCHATÓW SUPPORTED BY IFS APPLICATIONS™

**Elektrownia Bełchatów, a branch of PGE Górnictwo i Energetyka Konwencjonalna SA, is a modern power plant that started introducing IT solutions already in the 1990s. The active cooperation between the IT and technical departments resulted in implementing more than 100 different IT solutions, including financial accounting, material warehouse and CAD applications. Almost all software operating at Elektrownia Bełchatów was prepared by IT specialists employed by the power plant. However, the systems were not integrated, which limited their potential.**

During a period of dynamic development of the powerplant, the lack of system integration proved to be a problem. At first, there were no plans to implement a multi-component system to support corporate management, as maintenance was the only issue that needed to be solved. However, it turned out that implementing maintenance software without a financial and logistic solution would not provide the benefits the power plant expected. Therefore, a decision was made to implement an enterprise applications solution.

### IFS APPLICATIONS—A TAILOR-MADE SOLUTION

The enterprise applications selection team collaborated with consultants to develop a functional model which they used to analyze offers from ERP suppliers. Reference visits were also important as they enabled the power plant's experts and IT specialists to observe how enterprise applications solutions were used at other power plants.

Of 30 local and international business software suppliers, the power plant selected IFS. The quality-to-price ratio was not the only determining factor. IFS Applications ensured support for the power plant's key business processes and with its component-based architecture, IFS Applications also enabled step-by-step implementation of individual components.

### IMPLEMENTATION ACCORDING TO SCHEDULE

The maintenance, distribution and financials components were implemented on schedule according to the IFS implementation methodology. Implementation teams from the power plant—including key users of different components—and IFS consultants were jointly responsible for the implementation. Parallel to the implementation process, future users were trained, more than 1,000 in all. Most users learnt to operate the new solution very quickly. The implementation did not require any changes to the organizational structure of the power plant, with modifications necessary only in departments responsible for infrastructure and logistics, which took over some of the competences of the accounting department.

### SYSTEM DEVELOPMENT

Implementing an ERP system is a continuous process. Together with growing demands of the power plant, new components of IFS Applications were implemented:

### ABOUT ELEKTROWNIA BEŁCHATÓW

Elektrownia Bełchatow is among the youngest and largest power plants fired with conventional fuel, i.e. lignite coal, in Poland and in Europe. First commissioned in 1981, the plant had already 12 power units by 1988. A thirteenth unit currently being constructed is expected to start production by the end of 2010. The total power units capacity is 4 440 MW. The annual electricity generation of Bełchatow power plant is equal to 20% of the total annual electricity production in Poland. As of August 1, 2010, Elektrownia Bełchatów is a branch of PGE Górnictwo i Energetyka Konwencjonalna SA, the largest company in the energy and power generation sector in Poland. The plant has approximately 4,200 employees.



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IFS Project Management, IFS Document Management, IFS Operational Budgeting and IFS Human Resources. This started the grassroots development of the solution. Users and IFS consultants modified the solution to meet the needs of the power plant, a task that was greatly facilitated by the flexible and open architecture of IFS Applications.

IFS Project Management supports the management of new and ongoing projects. At present a new, thirteenth power unit is being constructed and the third and fourth power units are being upgraded. All the tasks that result from the investments at Elektrownia Bełchatów, such as scheduling and budgeting, budget follow-ups and budget performance, and logistics are supported by IFS Operational Budgeting. Further, the document management component is used to handle all documents, including technical documentation. The component allows various types of documents — contracts, technical specifications, manuals and user documentation, etc. — to be linked to any object in the system and has practically eliminated hard copy documents from material management.

#### ADDITIONAL DEVELOPMENT

An excellent example of system development resulting from power plant requirements is the way IFS Employee Equipment manages clothing and protective equipment. The power plant is obliged to provide about 1,000 employees with personal protection equipment, such as clothes, footwear, helmets and hygienic materials. To ensure that employees are provided with correct sizes at the right time, individuals are registered as 'objects' in the system. The provision of suitable equipment is also related to procurement planning. This component is closely related to the IFS Human Resources. Accidents at the power plant are now reported in the system and are constantly monitored by health & safety personnel.

Another interesting development that makes the power plant more efficient is the service of issues such as guarantee defects. To quickly and effectively notify the correct departments about a defect, automatic e-mail alerts are sent directly from the system. A text message option is currently being tested. If a defect has direct impact on electricity production, the reaction time is of crucial importance and has to be a matter of minutes.

Another implementation introduced by Elektrownia Bełchatów is functionality that allows a more effective management of procurement contracts.

#### IMPLEMENTATION BENEFITS

Implementing IFS Applications has made the business more efficient and has reduced the costs of the power plant.

Because warehouse stocks can be monitored in the solution, their volume has been significantly reduced. The positive effects of IFS Applications are most visible in the maintenance area. IFS users can trace the history and performance of maintenance in the system. Monitoring all work on a particular object at any time enhances economic analysis capabilities, enabling more effective maintenance planning, which results in tangible economic effects. Implementing IFS Applications has enabled quick access to operational data, has improved document management and reduced the volume of hard-copy documentation.

#### BENEFITS

- Automation of deferred charges settlements
- Eliminating double registers —operations entered once only
- Single entry of invoices
- Entering payments to the accounts where paid invoices are accounted for
- Integrated reporting according to different parameters
- Improved budgeting and controlling
- Enhanced logistics
- Streamlined asset management, including optimized maintenance
- Business process analysis by category of choice
- Ongoing access to information

#### SOFTWARE:

IFS Financials™  
 IFS Distribution™  
 IFS Maintenance™  
 IFS Document Management™  
 IFS Project Management™  
 IFS Human Resources™  
 IFS Operational Budgeting™  
 IFS Employee Equipment™  
 Number of IFS users: 1 600