1 Q. **Reference: Evidence, page 14, lines 1-3**

2   Explain the efficiency gains of $415,000 and include a table detailing each efficiency

3   initiative and the savings forecast with each.

4

5

6 A. The Business Systems Transformation Program is projected to provide Newfoundland and

7   Labrador Hydro with annual efficiency gains of $415,000 in the areas of customer service,

8   finance, and supply chain management. The efficiency gains identified will be generated

9   primarily through the reduction of manual, paper-based processes and the availability of

10   new system functionality that supports business processes. Please refer to Table 1.

Table 1: Quantified Efficiency Savings by Initiative

Functional Area	JDE Functionality	Description	Annual Savings ($)
Customer Service	Work Manager Module	Customer information is captured in one screen providing the ability to efficiently look up information, make changes, and initiate service. This results in less navigation time around the system than in JD Edwards World	39,930
Customer Service	Utiligy360 Case Manager	Allows the Customer Service Representative to electronically record all interactions with the customer in one place. Removes the requirement to use a Lotus Notes application for managing customer calls and a manual process for managing technical assessments and permits.	39,930
Customer Service	Utiligy360 Collection Manager	Allows for easier reporting on collection history for all customers reducing the requirement for data to be extracted using query tools and analyzed outside system	13,310
Customer Service	Utiligy360 System	The cancel and rebill functionality supports the customer billing process reducing processing time.	15,643

Functional Area	JDE Functionality	Description	Annual Savings ($)
Finance	Accounts Payable Workflow	Accounts Payable Workflow will bring electronic workflows reducing printing and use of interoffice mail and manual data entry. Accounts Payable invoices are currently recorded on the voucher logging and distributed in paper around the organization for approval and coding. Estimated savings are due to reduction in follow up efforts, filing time and processing time.	74,573.33
Finance	Expense Management Module	Will improve Purchase Card processing by allowing staff to review, recode and approve transactions online. This reduces the need for paper statement distribution and paper Purchase Card exceptional coding forms, and the manual recoding of expenses by Accounts Payable staff.	46,200.00
Supply Chain	Online Requisitioning, Purchase Orders and Inventory Management	Online Requisitions will reduce the need for paper requisitions and manual keying of data. Purchase Order functionality includes direct emailing to vendors, the ability to mass communicate to vendors through the system, and the ability to attach documents directly to a Purchase Order. Inventory Management functionality includes automation of reordering, improved analysis of inventory, and elimination of paper requisitions to get inventory from warehouses. This reduces the need for paper based manual processes.	185,609.55
Total			**415,196.04**