

Electrabel Netten

Powering excellence in Warehouse Management

Background:

Electrabel Netten, the Belgian utility company, with around 15,000 employees and sales revenues of nearly EUR 7 billion, is Belgium's largest employer. The company operates in two divisions, power generation and power distribution, making Electrabel Netten one of the five largest power utilities in Europe.

Challenge

In order to keep abreast of global competition, Electrabel Netten needed to optimise its customer-related and maintenance services. A critical factor in this was to reduce customer-waiting periods. A key step in achieving this goal was the construction of a new distribution centre, replacing four regional storage facilities.

Solution

CSI (formerly SP Integration) delivered the SAP solution which delivered varying methods of materials warehousing. The solution required their DC, near Antwerp, that supplies more than 1,500 employees with spare parts and tools for plant construction and maintenance to function automatically and integrate within all other areas of the business processes. The material handling requirements of these items varies immensely as they range from bags of washers to 2m diameter cable reels.

To facilitate this the warehouse is organised in the following way:

Small Parts Picking: consisting of flow racks, shelving and pallet dedicated pickfaces.

Cantilever: this area is specifically for random storage and picking for long products such as piping etc

Oversize Racking: random storage and picking of very large and heavy items, via man-up Very Narrow Aisle trucks guided by Radio Data Terminal

Normal Racking: random storage of palletised stock and picking of full pallets and items that are too large for the small part picking area. Tasks are carried out by means of man-up very narrow aisle trucks guided by Radio Data Terminal.

“The new WMS ideally meets the IT requirements for a systems environment that is as uniform as possible with optimum logistical workflows”. Electrabel Netten

In recognition of the success of the project it won the Logistics Europe Supply Chain Excellence award (Utilities Industry) 2002.

Outside storage: very large products that do not deteriorate from being outside are managed in this area. All the movements are confirmed by Radio Data Terminal

Hazardous Material Storage: Hazardous materials can be stored in the main warehouse until a 'flaming point' threshold is reached at which time items are directed to a separate storage facility in the yard

To ensure the highest level of delivery reliability, the route planning and picking management functionality provided by the system was integrated with SAP R/3's PS and MM modules. PS plans the dispatchers' networks, teams and jobs and electronically transfers them to warehouse management. The system then uses the routes and times of the delivery runs to determine the optimum time to start picking. All the materials needed by a specific team, plus the relevant documentation are then delivered in the correct loading sequence to one of the 26 truck docks ready for loading.

The SAP based WMS manages real time communication with two automated materials handling control systems and around eighty Radio Data Terminals.

Since August 2000, the system has been managing up to 16,500 order items per shift.

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