Over 4 million people across British Columbia – 95% of the province’s population – rely on British Columbia (BC) Hydro and Power Authority to power their homes and businesses. To keep customers supplied with electricity 24x7, BC Hydro relies on a strong supply chain to support operations. The company discovered many noncompliant invoices, and many suppliers that were not being paid on time, putting a strain on relationships.

To ensure compliance and on-time payments, BC Hydro wanted to streamline invoice workflows. With SAP Ariba solutions, the company successfully automated invoice processing, eliminating invoice errors and helping ensure straight-through invoice processing. With the discount management capability in the SAP Ariba Payables solution, BC Hydro can also offer suppliers early-payment offers, further improving supplier relationships.
BC Hydro pays 93% of invoices on time

Company
British Columbia Hydro and Power Authority

Headquarters
Vancouver, Canada

Industry
Utilities

Products and Services
Electricity

Employees
6,000

Revenue
US$5.6 billion

Web Site
www.bchydro.com

Objectives
- Ensure that suppliers are paid on time by automating the invoice process
- Provide a supplier portal for self-service invoice and payment status
- Make it easier for suppliers to do business with BC Hydro

Why SAP® Ariba® solutions
- Fully integrated with existing SAP® solutions focused on finance, HR, and master data governance
- Ability to track invoices and orders online

Resolution
- Deployed Ariba® Network to better manage orders, acknowledgments, and invoices with suppliers
- Automated invoice and PO processing, eliminating errors and exceptions from manual processing
- Implemented the discount management capability in SAP Ariba Payables to introduce early-payment offers, giving suppliers greater control over their cash flow

Benefits
- Ensured compliance with internal and external business rules
- Dramatically increased the number of on-time payments
- Reduced invoice errors
- Cut accounts-payable costs
- Provided suppliers with end-to-end visibility of invoice and payment status
- Helped improve relationships with suppliers

“Adoption of Ariba Network has been great. Suppliers can track invoice status and payment schedules online, which reduces the volume of help desk calls. What’s more, many are taking advantage of early-payment offers to improve their cash flow.”

Hanif Dhrolia; E-Commerce Manager, Supply Chain Central Services, Operations and Enterprise Supply Chain; British Columbia Hydro and Power Authority

80%
Of invoices managed through Ariba Network

93%
On-time payments to suppliers

$1 million
Saved per year in accounts-payable costs