



Synchronizing EHS work with the business

Raise Efficiency and Compliance with EHS Management



SOUTHERN CALIFORNIA
EDISON[®]

An EDISON INTERNATIONAL[®] Company

Company Profile

- Subsidiary of Edison International (EIX) with 15,000 employees
- One of the largest electrical utilities in the United States
- Provides power to 14 million people and 285,000 businesses in a 50,000 square mile territory
- Large asset base
 - 1.5 million poles
 - 700,000 transformers
 - 88,000 miles of distribution lines
 - 55,000 distribution switches



- Internal Corporate Environmental, Health, and Safety (CEHS) organization ensures compliance with federal, state, and local regulations

- AQMD
- Cal/OSHA
- Cal/EPA
- CPUC



- 175 employees providing subject matter expertise across a variety of technical disciplines

- Key Responsibilities

- Ensures that compliance requirements have been identified
- Assigns, documents, and prioritizes compliance obligations
- Establishes and monitors key indicators of compliance
- Ensures that there are no gaps in compliance accountabilities
- Applies lessons learned to improve processes

- **Business Challenges**

- Multiple disparate processes are not automated or scalable
 - Incident management
 - Environmental compliance
 - Environmental clearance
 - Hazardous waste management
- Redundant reporting has increased costs and inefficiencies
- Current Enviance contract will expire in June 2014

- **Selection of SAP EHSM**

- Evaluated 34 EHS Management Systems
- Allows for seamless integration with existing SAP applications
- Aligns with SCE IT strategic roadmap

Software Selected:

SAP Solution Portfolio for Sustainability



Implementation Partner Selection

- **SCE selected SAP Professional Services Organization (PSO) as our implementation partner**
 - Dedicated sustainability practice
 - Functional and technical expertise
 - Supplementing the team with domain experts from ARCADIS
 - Support from the highest levels of SAP
- **Long Term Partnership**
 - Co-innovation between SCE and SAP
 - Align federal and state compliance requirements with SAP's roadmap



Project Goals

- Establish company wide platform for EHS incident management
- Track and monitor EHS compliance and performance across SCE
- Provide an integrated solution for SCE EHS processes
- Improve efficiency by streamlining and standardizing business processes
- Reduce redundant systems
- Integrate EHSync into current work management processes
- Provide a scalable solution for environmental clearance
- Provide full lifecycle tracking for hazardous materials spills and waste management
- Provide comprehensive EHS reporting and analytics that can be leveraged to drive continuous improvement

- **Use Standard Functionality**

- Utilize best practices inherent in SAP software design
- Standardize SCE processes
- Minimize customizations and enhancements
- Personalize to align with SCE-specific needs

- **Strong Project Governance Structure & Communications**

- Early involvement of business & IT Stakeholders
- Maintain open lines of communication within project and business users to maximize end user adoption
- Openly Identify risks and issues
- Leverage project management for quick decisions
- Move forward as one team

Project Workstreams



**Incident
Management**



**Safety and
Environmental
Compliance**



**Environmental
Clearance**

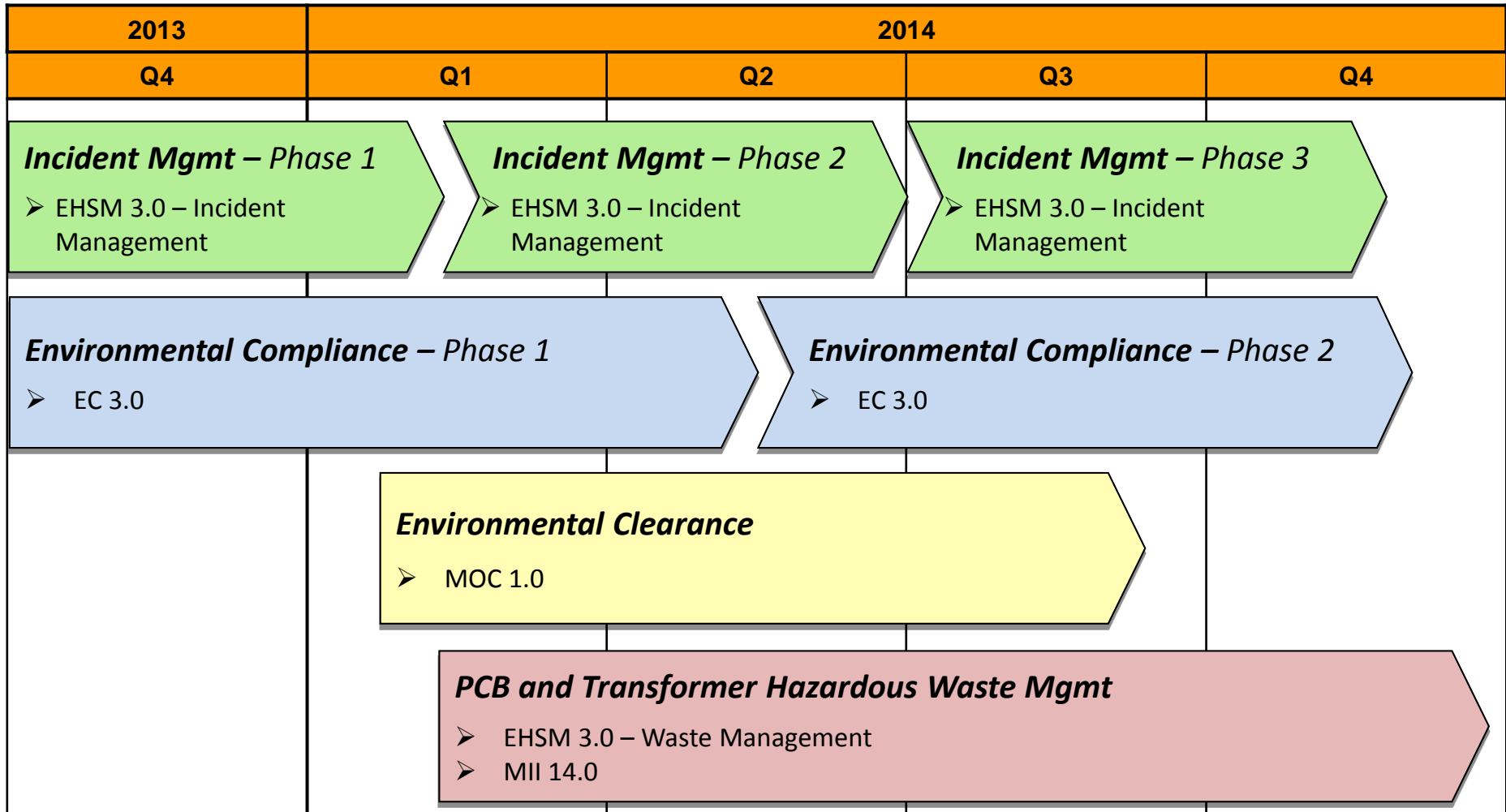


**PCB and
Transformer
Hazardous
Waste**

EHSync is the foundation for EHS compliance and performance across SCE

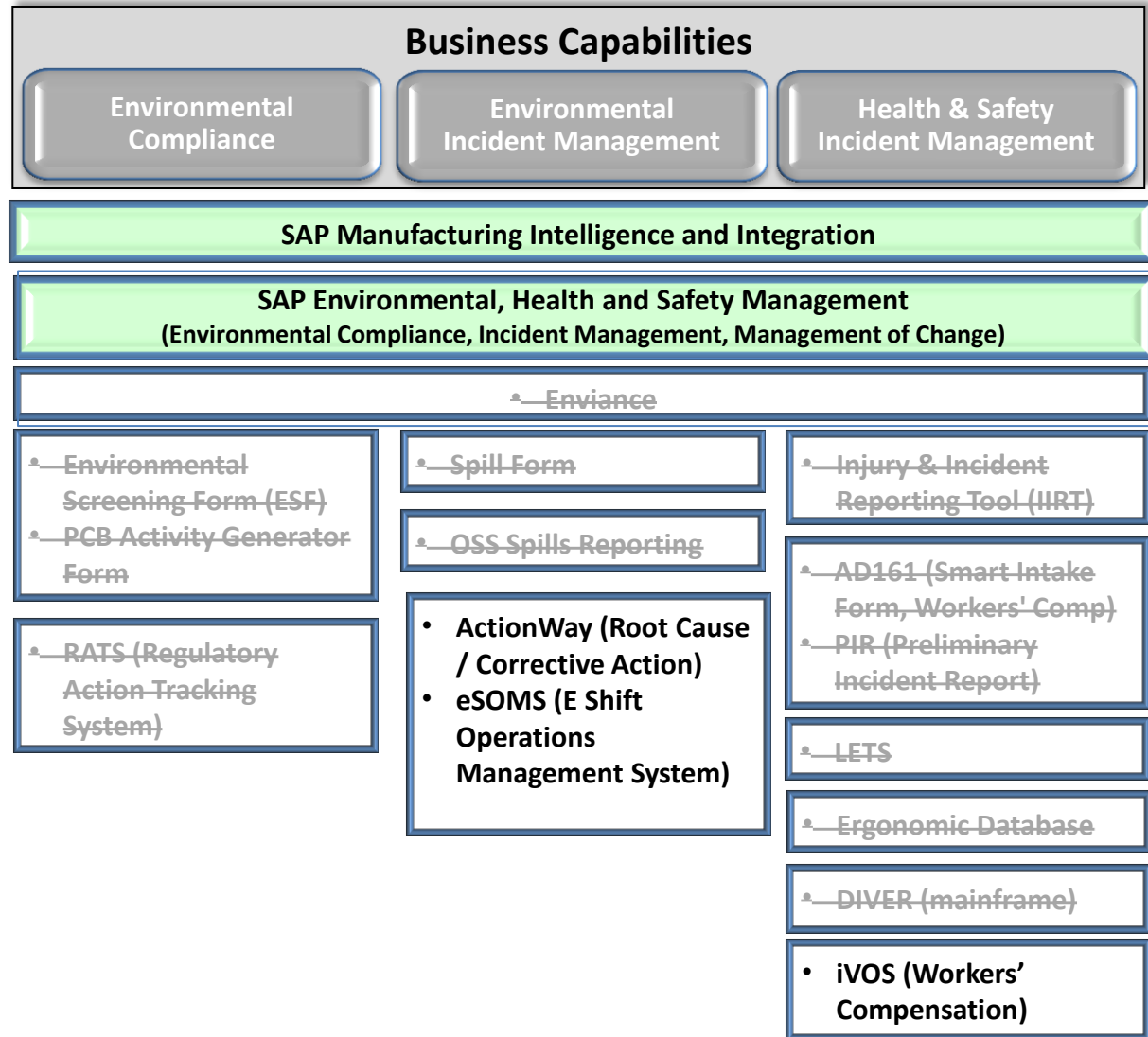
Project Timeline

- Aggressive but achievable through incremental functional delivery



Optimized Solution Architecture

- Integrated solution provides the ability to automate processes
- Sunset legacy systems
- Cost savings on licenses and O&M support
- Consolidated platform across the company



- **Lessons Learned**

- Start change management activities prior to project kickoff
- Identify a single person as the business process owner
- Agile methodology effective for providing immediate value
- Provide functional and technical training to project resources

- **Potential Future Enhancements**

- Mobility
- CEMS Integration
- Claims Management
- Additional Incident Types
- Sustainability Performance Management

- **SCE must also comply with non-EHS regulations**
 - CPUC
 - FERC / NERC
 - HIPAA
 - SOX
- **Parallel project to implement SAP GRC Process Controls**
 - Manage intake of regulatory updates
 - Establish central repository of compliance requirements
 - Develop workflows to track control activities and assignments
 - Track exceptions and corresponding investigations
 - Provide reporting capabilities to management

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