

inroads

A Florida co-op's materials management project grows into a 31-utility group (see below).



BUYING BY WIRE

AURSI,
www.aursi.com

What began with an effort to update one electric cooperative's materials standards manual has grown into a purchasing platform for more than two dozen utilities.

Advanced Utility Resources and Supply, Inc. (AURSI), was born in 1995 when Clay Electric Co-op in Keystone Heights, Fla., decided to create an electronic version of its materials manual so that this catalog of items used by the utility could be updated and shared easily.

Eight years later the catalog is used by 31 utilities in the region. Now the participants share information about their standards, emergency needs or surpluses and make purchasing transactions online.

"We've found that these utilities see that this system just makes a lot of sense," says John Tingle, chairman of the AURSI board of directors. "We've had a great response because it is easy to use and can cut costs."

The materials manual lists the stock number, description specifications and manufacturer information for all products used by the utility. Automation cut the costs of maintaining the manual, allowed for easy

supplier updates, made the manual available to all utility departments and allowed participants to share information.

"Initially the concept was simple. People had limited resources to maintain the materials manual, so they had this idea to put it online. Since then, this has developed other significant purchasing functions," says Frank Holmes, division chief for transmission and distribution at Clay Electric.

Holmes says that soon information—an engineer's changes in specifications, for instance—could be shared more quickly and accurately and could be shared in real time. "Everybody can look at it."

Sharing information with other member utilities can be useful to participants hoping to improve their purchasing efforts, but it also comes in handy in an emergency when a co-op needs an item.

"If a hurricane hits, this al-

lows a member to access other manuals online and with a stroke of a key know that the insulator they use is the same one that another cooperative uses," Tingle said. They can also search the system using a stock number to see if other utilities use that item.

The system can also inform purchasing staff about other utilities that may have a surplus.

"With this Surplus Property Outlet—due to the interaction and cross-referencing capability—a utility will recognize that it has extra material and possibly share it with another posting utility at less than market value," Tingle says.

In early 2002, AURSI added features that allow users to handle their bids and quotes entirely online. They can initiate a bid and in seconds any supplier that qualifies can respond with pricing and delivery data, according to Tingle. Completing the evalu-

ation and awarding bids is also made easier.

"There have been a lot of efforts to automate purchasing with reverse auctions and sophisticated bidding systems. But they are missing a common platform, and for AURSI, that platform is the materials manual," Tingle says.

This spring, AURSI members launched a joint purchasing service. AURSI compiles the information on the participants' "interest" forms and automates the process for getting bids, evaluating them and completing the transactions.

The cost of AURSI membership is \$1 per meter for the first 5,000 meters and five cents for each meter beyond that. A utility with 6,250 meters would pay about \$5,000, Tingle says.

The AURSI Web site is loaded with information about the system, written in simple terms. You can look at a good history of the system (under "News") and find out about clients and read client testimonials. You can also click on "Demo" to let AURSI know that you'd like a demonstration and they'll get back to you with an interactive

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