GEP | CASE STUDY

LEADING U.S. UTILITY MITIGATES WEATHER DISRUPTIONS, REDUCES OPERATIONAL COSTS BY PARTNERING WITH GEP



A major U.S. utility faced significant operational challenges due to severe weather events impacting its service area across six states and five business lines. To address these disruptions and ensure future preparedness, GEP partnered with the utility to design a comprehensive supply chain resilience strategy tailored to their unique needs.

GEP developed a robust plan focused on workforce optimization, process improvements and technology advancements to mitigate risks and maintain operations during extreme weather conditions.

Through this collaboration, the utility strengthened its ability to adapt to unpredictable weather events while safeguarding service reliability for millions of customers. This case study highlights GEP's expertise in building resilient supply chains that empower utilities to navigate complex challenges and sustain long-term operational excellence

OBJECTIVES

- Build a comprehensive strategy to improve resilience, control spend and modernize operations
- Control escalating inventory costs and align demand planning across Electricity and Gas Transmission & Distribution divisions
- Unify organizational and technological framework to optimize inventory
- Fortify utility against future weather-related disruptions while driving cost savings and long-term value

APPROACH

- Developed 1-, 3, and 5-year supply chain resilience road map
- Identified workforce capacity gaps and defined key personnel roles during critical events
- Streamlined emergency response processes to reduce downtime during disruptions
- Integrated advanced technology solutions to enhance agility, responsiveness, and real-time visibility
- Developed category strategies based on market intelligence and demand forecasts
- Built detailed should-cost models to optimize supplier negotiations and align with benchmarks
- Delivered targeted training to upskill internal inventory and procurement teams
- Established continuous improvement mechanisms to maintain momentum

RESULTS

- Delivered 8% overall value captured and 6% O&M savings
- Streamlined inventory operations that improved visibility, reduced stockouts and minimized waste
- Enhanced contract utilization and significantly reduced maverick spend
- Improved emergency preparedness with a clearly defined and scalable supply chain resilience strategy

RISING INVENTORY COSTS AND INCREASING DISRUPTIONS HIGHLIGHTED CRITICAL WEAKNESSES

The electric and gas utility—serving customers across six states and operating five distinct business lines—faced mounting operational challenges due to increasingly severe weather events. These disruptions strained the utility's infrastructure and highlighted critical weaknesses in its supply chain, inventory management and operational agility.

Complicating matters were escalating inventory costs, inefficient demand planning across business units and a fragmented technology landscape. With a $650M portfolio at stake and pressure mounting from regulators and customers alike, the utility needed a comprehensive strategy to improve resilience, control spend and modernize operations.

GEP was engaged to design and execute a supply chain transformation tailored to these unique challenges—one that would not only fortify the utility against future weather-related disruptions, but also deliver measurable cost savings and long-term value.

A DUAL-FOCUS STRATEGY: RESILIENCE PLUS OPTIMIZATION

GEP partnered with the utility to deliver a transformation plan across two dimensions—extreme weather preparedness and inventory optimization.

They began by developing a comprehensive 1-, 3-, and 5-year Supply Chain Resilience Road Map that identified workforce gaps and defined key personnel roles during critical events, streamlined emergency responses to reduce downtime during disruptions, and integrated advanced technology to enhance agility, responsiveness and real-time visibility during critical events.

To modernize the utility's inventory and procurement processes, GEP conducted thorough assessments across Electricity and Gas T&D divisions, developing tailored category strategies using market intelligence and demand forecasts, and implementing should-cost models to optimize supplier negotiations and align with market benchmarks.

To ensure lasting impact, GEP upskilled internal teams and established continuous improvement mechanisms, empowering the utility with both immediate operational improvements and the capabilities to sustain them.



A MORE AGILE, RESILIENT AND EFFICIENT ORGANIZATION

The result? A more agile organization equipped to maintain service continuity during disruptions while optimizing inventory costs – proving that resilience and efficiency can advance together with the right strategic approach.

GEP's integrated approach helped the utility address both short-term disruptions and long-term performance gaps, delivering a powerful combination of resilience and efficiency.

Key outcomes included:

- 8% overall value capture and 6% savings in operations and maintenance (O&M) costs
- Streamlined inventory operations that improved visibility, reduced stockouts and minimized waste
- Reduced maverick spend and strengthened contract compliance across business units
- Improved emergency preparedness with a clearly defined and scalable supply chain resilience strategy



GEP® INTELLIGENCE DRIVES INNOVATION

GEP® delivers AI-powered procurement and supply chain solutions that help global enterprises become more agile and resilient, operate more efficiently and effectively, gain competitive advantage, boost profitability and increase shareholder value.

Fresh thinking, innovative products, unrivaled domain expertise, smart, passionate people — this is how GEP SOFTWARE™, GEP STRATEGY™ and GEP MANAGED SERVICES™ together deliver procurement and supply chain solutions of unprecedented scale, power and effectiveness. Our customers are the world's best companies, including more than 1,000 Fortune 500 and Global 2000 industry leaders who rely on GEP to meet ambitious strategic, financial and operational goals.

A leader in multiple Gartner Magic Quadrants, GEP's cloud-native software and digital business platforms consistently win awards and recognition from industry analysts, research firms and media outlets, including Gartner, Forrester, IDC, ISG, and Spend Matters.

GEP is also regularly ranked a top procurement and supply chain consulting and strategy firm, and a leading managed services provider by ALM, Everest Group, NelsonHall, IDC, ISG and HFS, among others. Headquartered in Clark, New Jersey, GEP has offices and operations centers across Europe, Asia, Africa and the Americas. To learn more, visit www.gep.com.

GEP SMART

GEP SMART is an AI-powered, cloud-native software for direct and indirect procurement that offers comprehensive source-to-pay functionality in one user-friendly platform, inclusive of spend analysis, sourcing, contract management, supplier management, procure-to-pay, savings project management and savings tracking, invoicing and other related functionalities.

GEP NEXXE

GEP NEXXE is a unified and comprehensive supply chain platform that provides end-to-end planning, visibility, execution and collaboration capabilities for today's complex, global supply chains.

Built on a foundation of big data, artificial intelligence and machine learning, GEP NEXXE is next-generation software that helps enterprises make supply chain a competitive advantage.

100 Walnut Avenue, Clark, NJ 07066 | P 732.382.6565 | info@gep.com | **www.gep.com**

Clark, NJ | Austin | Chicago | Atlanta | Toronto | Mexico City | San Jose | São Paulo | Dublin | London | Amsterdam | Dortmund, Germany | Frankfurt | Oslo | Prague | Stockholm | Toruń, Poland | Cluj-Napoca, Romania | Tampere, Finland | Helsinki/Espoo | Riga, Latvia | Pretoria | Abu Dhabi | Mumbai | Coimbatore | Hyderabad | Kuala Lumpur | Singapore | Surabaya, Indonesia | Shanghai | Dalian | Tokyo | Sydney

Copyright © 2025 GEP. All rights reserved.


GEP®
INTELLIGENCE
DRIVES
INNOVATION