

# R110-T3

ET3 Atypical  
Non-Load, Non-Lead Interventions EJP  
Summary

## Procurement Source to Pay

BAU IT Capex



## Procurement Source to Pay – investment summary

This investment aims to enhance procurement capabilities through digital transformation, leveraging technologies like artificial intelligence (AI) and advanced data analytics to improve efficiency, risk management, and supply chain transparency.

### Drivers for digital investment

There are four significant drivers for this digital investment:

- Increase in Grid Capacity: The largest network upgrade in a generation requires a different approach to construction and business capabilities to ensure successful, safe, and swift delivery.
- Increased Regulatory Demands: Compliance with new standards and regulations necessitates an upgrade in systems and processes.
- Technological Advancements: Opportunities to enhance operational efficiency and effectiveness through digitization and automation.
- Rising Customer Expectations: The need for better performance management and customer engagement tools to meet expectations for reliability and quality of service.

### Options Considered

A comprehensive optioneering and Cost Benefit Analysis exercise was used to evaluate various options. Credible options allow us to keep pace with the market and enable procurement.

### Preferred Solution

The preferred solution includes:

- Procurement Digital Evolution: Implementing scalable solutions for supplier partnership management, upgrading expense and helpdesk systems, and automating contract lifecycle management.
- Procurement Insights: Using advanced data models to enhance decision-making, improving integration with business plans, and enhancing sustainability and risk management reporting.
- Artificial Intelligence: Integrating AI technologies to automate tasks, improve decision-making, and reduce risk, including generative AI for tender analysis and cognitive AI for supply chain risk management.
- Supply Chain Transparency: Enhancing tools for supply chain visibility, risk management, and decarbonisation to meet Net Zero goals.

### Timeline

The proposed delivery programme spans from FY27 to FY31.

### Conclusion

The proposed investment in the Procurement Source to Pay process is a strategic initiative designed to address the pressing challenges of a dynamic and increasingly complex supply chain environment. By focusing on digital evolution, insights, AI, and transparency, this program will enable NGET to enhance capital efficiency, secure critical assets, and support the delivery of the RIIO-T3 business plan. Through this investment, NGET will build resilience and agility in its procurement capabilities, facilitating streamlined supplier engagement, fostering a competitive supply market, and ensuring the efficient deployment of strategic infrastructure.