



Refinery Increases Productivity by Improving Business Process Workflows

Integration of business management systems with VM-PA

Key Benefits

- Validation of accounting information in SAP corporate systems
- Accurate business and operational information readily available
- Elimination of double work
- Information delivery centralized on a single screen for approval

Background

- South American refinery with six remote terminals
- 90,000 bpd crude oil, increasing to 120,000 bpd

KBC Solution and Results

- Integrated a production accounting system with corporate systems
- Automation of information between systems

Client Challenge

A South American refinery invested USD 1.5 billion to increase capacity and improve their fuel quality. The project to increase fuel production capacity by 60% was the largest in the refining sector in the past 30 years. In addition, they wanted to modernize their operations by installing new business systems and upgrading existing ones in parallel.

In October 2017, while the company was building new process units and upgrading existing SAP* systems, they began the replacement of their outdated and poorly integrated accounting systems.

This implementation was a cultural change. For better oil loss tracking, the company was moving from partial accounting to a site-wide accounting system as recommended by international standards. In addition, they would move from monthly to a daily accounting schedule. The brand-new methodology would align with first-class procedures covering mass, volume, and energy balance.

The Solution

Because there were several on-going projects that would change the operating environment, the company needed a production accounting system that was flexible. The system had to be robust enough to integrate with existing and new systems and be able to withstand the constant disruptive events that was likely to occur during implementation.



To achieve this the company decided to implement Visual MESATM Production Accounting (VM-PA). For ease of implementation, the project team split the project into three stages.

The first stage would focus on implementation at the off-site though not delaying the start of daily accounting as opposed to monthly accounting like the company had been doing.

During the second stage, the project team would implement

the system at the process side including, existing and new process units.

The last stage would involve implementation at the remote terminals. It is ongoing and the project team expects to complete by fourth quarter.

As KBC put the VM-PA software online, the company retired their old systems and focused on improving their methodologies and integrations.

Results

VM-PA became the primary application for operators to input, calculate, and validate receipts and shipment data, as well as, inventory and tank movements, and process and utilities meters in an auditable environment.

Users enter receipts and shipment data into the VM-PA system along with the preliminary business information SAP requires, such as nomination number, position, and state. The accounting area corroborates this information before exporting to SAP.

When SAP receives this information, it generates additional business data which VM-PA automatically transfers, captures, and populates within its own records. VM-PA uses the latest SAP Web Services API technology for this integration. This process updates information immediately and makes it available to all users within the company. It provides consistent data to all systems and minimizes errors all without the need for human intervention, other than the preliminary data check for approval reasons. In addition, the VM-PA model includes the necessary information required by the Energy Intensity Index**.

The company was able to eliminate numerous spreadsheets like they had previously used. They can meet their needs using only one integrated system. The VM-PA system increases their productivity, saves them time, and reduces errors.

* SAP systems is a registered trademark of SAP

** Energy Intensity Index is a trademark of Solomon Associates



Houston Regional HQ

15021 Katy Freeway, Suite 600, Houston, TX 77094 USA

T +1 281 293 8200

T +1 800 726 5914