

KOA Oil, Japan

Case Study

The Business Challenge

Deregulation and overcapacity of the Japanese market has led to increasing competition among the Refiners. KOA Oil, like many others, is facing the need to adapt its operation to meet the changing demands of this new situation. Business agility is a key characteristic of this more demanding market place and the Refinery's computer systems are a key component in the delivery of this.

Just over ten years ago KOA Oil invested in a "state of the art" Refinery Information System (RIS) to provide an integrated suite of applications to automate many of the day-to-day tasks not provided for by their Process Control systems. At that time there were no comprehensive package solutions available and KOA Oil decided to implement a custom solution for its Refineries.

This bespoke RIS has worked well over the intervening years but is now a significant obstacle to the implementation of new business processes. Our client had already started to replace other refinery computer systems with new package solutions and needed to understand the feasibility, cost, and benefits of also replacing their RIS.

The Study

A study was carried out before making any decisions to commit to a particular vendor. The study identified the important functionality of the existing

KOA Oil is an independent Japanese Refiner that is partly owned by the Nippon Mitsubishi Oil Group. It has two refineries, at Marifu and Osaka, of a similar size with a total capacity of 250 KB/day.

KOA Oil is a progressive company that is keen to adapt its business processes and adopt new technology to maintain its competitive position.

system and determined its strengths and weaknesses. The study reviewed packaged solutions currently available on the market, to assess their suitability and integration requirements. Finally, the study addressed the implementation schedule and costs of a project to install the new system and decommission the existing one, at both refineries.

Integration with other new packages was an important consideration. KOA Oil had recently, or was in the process of installing new software for Process Historian, Laboratory, Maintenance, Accounting, Off-sites Management and Truck loading systems. A new Refinery Information System needed to provide a platform that would allow integration of these new applications and the development or integration of additional applications in the key areas of Process Accounting, Operation Scheduling, Coke Management, Order Management, Tax and Customs Reporting, Operating Instructions and Operations Monitoring. Furthermore the new system needed to be adaptable and flexible. Inflexibility was a major failing of their existing system. Ready availability of all types of Refinery data to both applications and end-users was

a key requirement of the new Refinery Information System.

Single vendor solutions for Refinery Information Systems are still quite immature but have certainly come a long way in 10 years. Rex was able to recommend a number of alternatives that would meet KOA Oils requirements and give them a "world class" solution for the next 10 years.

Why Rex?

Rex's long involvement with plant information systems and their vendor independence would ensure that the right consultancy and technical skills were brought to bear and that the resulting recommendations would be justifiable and unbiased. Rex won the project against competition from one of the "Big Five" consultants

About Rex

Rex is an independent Consultant and Systems integrator which delivers supply chain and manufacturing solutions to the global oil and chemical sector. Rex was established in 1983 and is headquartered in the UK. (www.rexprocess.com)

