

Beyond RLM at Equinor

Status and plans for Equinor to replace current RLM (Remote Logistics Management) functionality when moving to S/4HANA.

SBN – Energy Day, 9th March 2021
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Goal



SAP S/4 HANA

Replace and improve "RLM functionality" as a first step on our move to S/4HANA journey

RLM on SAP IS-OIL ECC 6.0 on HANA

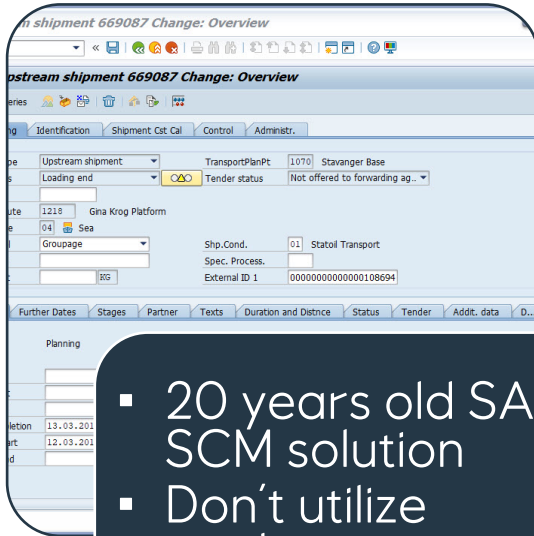


RLM – Key facts

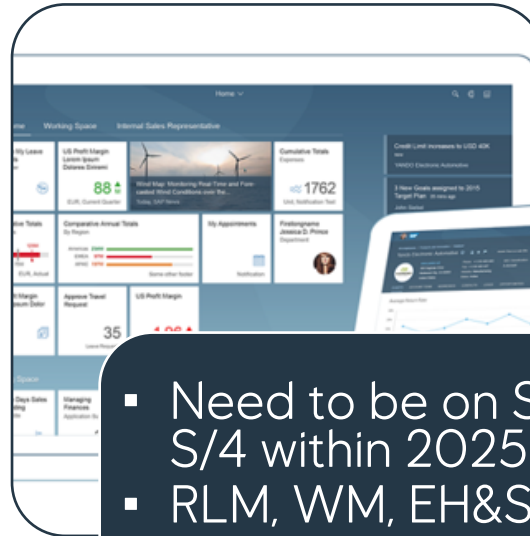
Fully supported in SAP ECC until 31.12.2025

Fully supported in SAP S/4HANA Compatibility Packs until 31.12.2025

Why



- 20 years old SAP SCM solution
- Don't utilize modern technology in warehouse operations
- Old GUI



- Need to be on SAP S/4 within 2025
- RLM, WM, EH&S, etc. not maintained by SAP after 2025
- Transition to S/4 is a huge project -> BRLM is first step



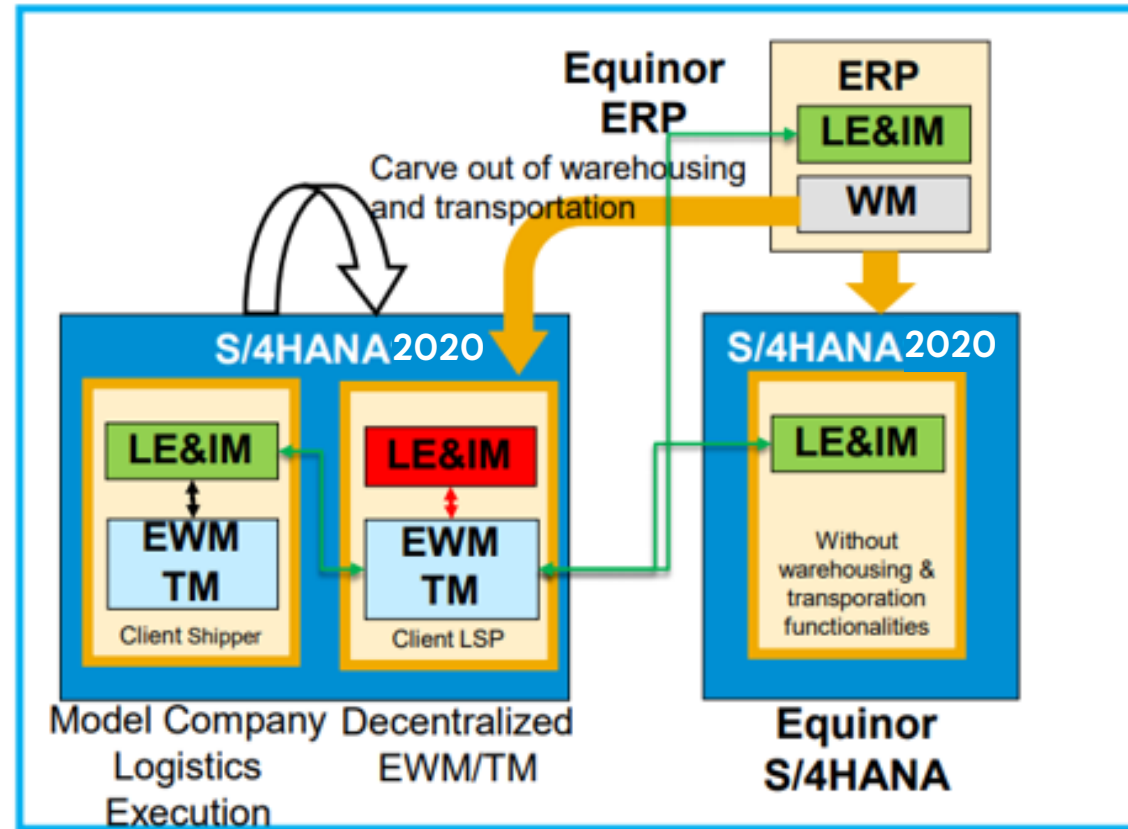
- A modern trustworthy IT tool supporting our complex, modernised and automated work processes

Architecture

All warehousing and transportation functionalities needed for beyond RLM flows are designed on a decentral EWM/TM system

The greenfield sidecar S/4HANA EWM/TM system can remain after S/4HANA migration of Equinor ERP!

The greenfield sidecar S/4HANA EWM/TM system can be shared with other oil and gas companies running ERP or S/4HANA !



THE BEST RUN **SAP**

BRLM components

Equinor has complex work processes.

Requires complex (yet standardized) IT systems to support this

- SAP ERP (Enterprise Resource Planning)
- EWM (Extended Warehouse Management)
- TM (Transportation Management)
- TCD (Transportation Cross Docking)
- ARM (Advanced Return Management) ???
- EM/GTT (Event Management/Global Track & Trace) ???
- Integration to WELS

Material numbers



- EWM processes requires material numbers for all materials
- For former text requisitions, a non-valuated material number is created automatically.
Ongoing discussion if this material number should be deleted after fulfilment of the process, or if should keep it for future use
- For catalogue requisitions (without material number), a non-valuated material number is created automatically

Proposal:

- The catalogue item will be updated with a reference to the material number
- The next time the catalogue item is used, the same non-valuated material number is used.

Supply processes

SP1 - Stock/Stock

SP2 - Non stock/Stock

SP3 - Stock/Non stock

SP4 - Non stock/Non stock

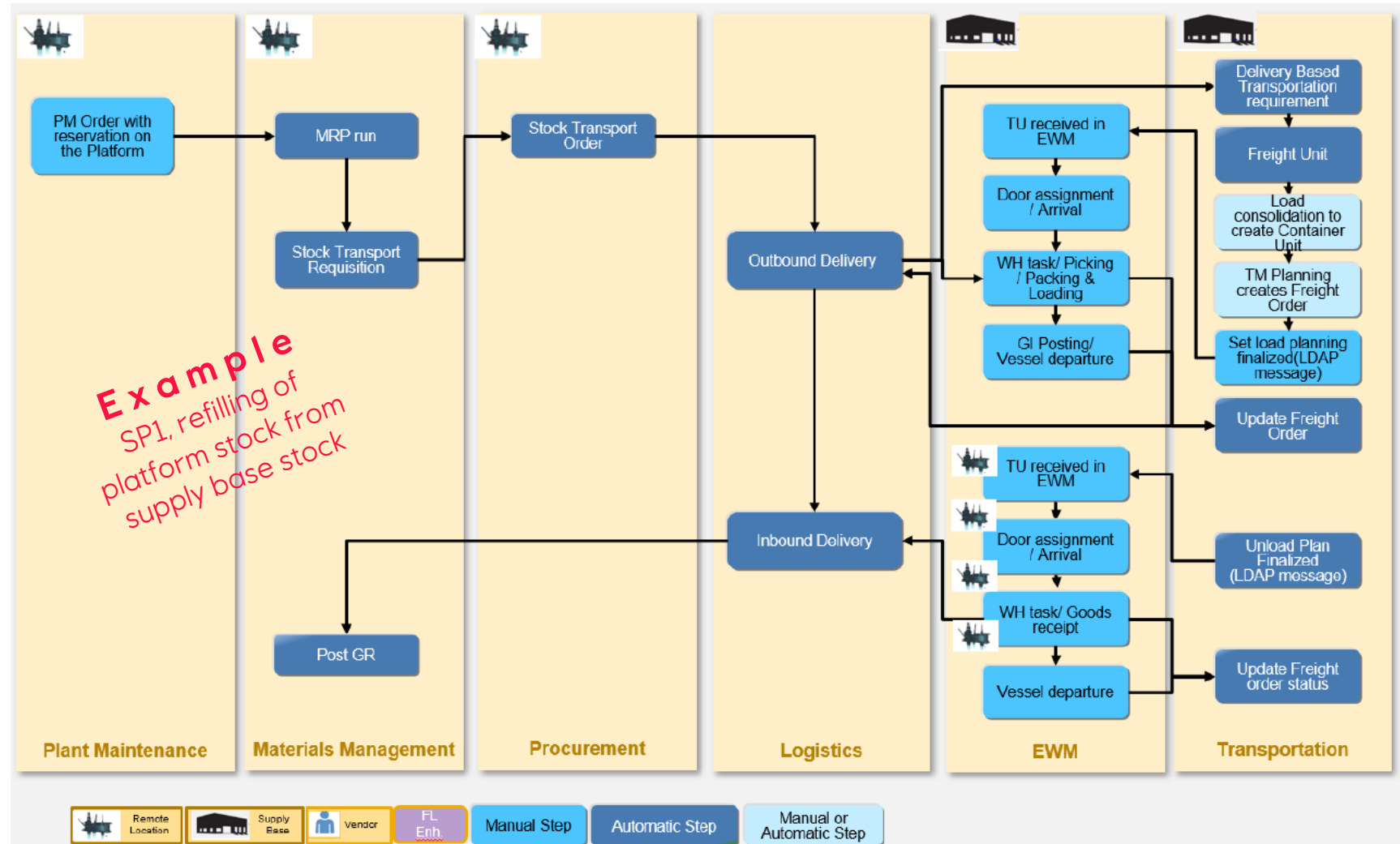


Figure 10: Supply chain process 1 (ST/ST) - STO between base and platform triggered by MRP (process flow)

Many new objects in BRLM (EWM, TM, TCD...)



Some examples:

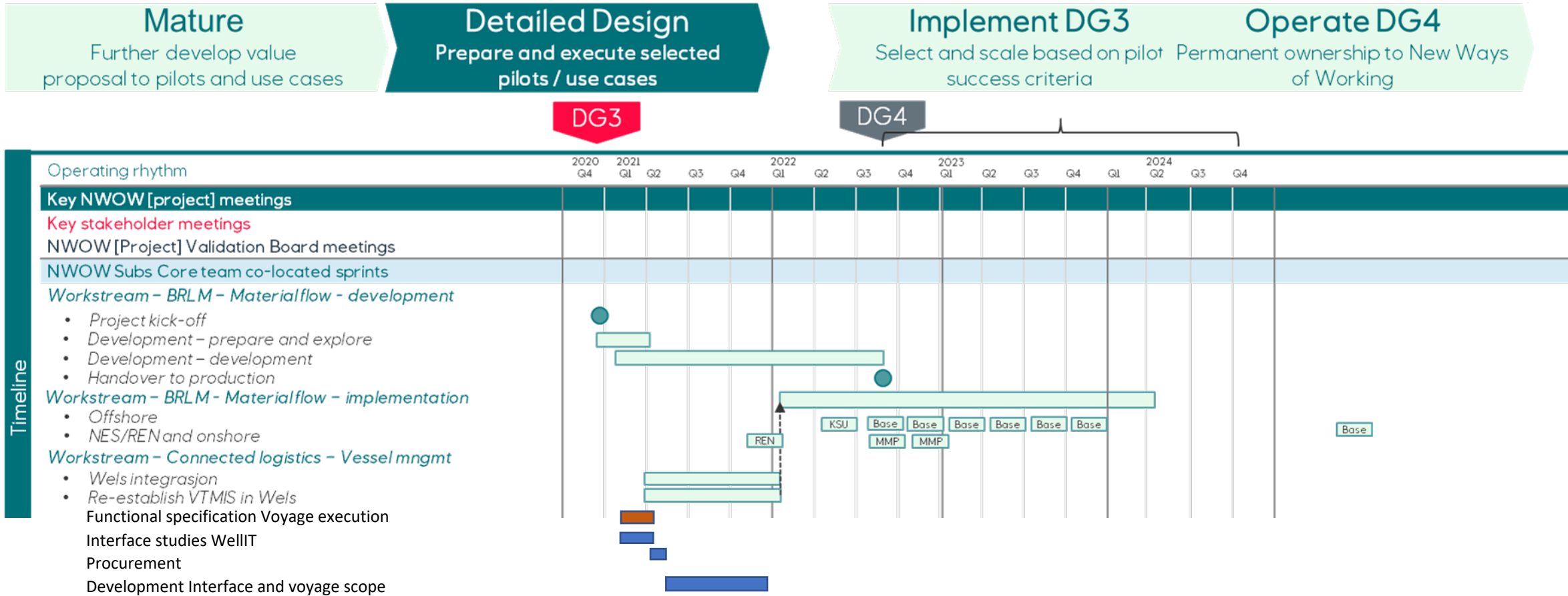
- ASN – Advance Shipping Notification
- Inbound delivery
- FO – Freight Order
- FU – Freight Unit
- TU – Transportation Unit
- TR – Transportation Request
- PMR – Production Material Request
- Etc.

Connected Logistics 'as-is'

[illegible]

1. Decommission Vessel Transportation Management Information System (VTMIS) in SAP ERP, and establish the corresponding functionality for voyage planning and execution in WELS
2. Decommission VTMIS/SAP dependent applications and establish corresponding functionality based on voyage planning and execution in WELS, i.e. replace 'Vessel log' and 'VTMIS on Web' with corresponding, functionality based on enhanced 'WELS Reporting client'
3. Move cost capturing and allocation logic from SAP to WELS, i.e. move the basis for cost allocation from SAP to WELS, but carry out cost distribution and financial postings in SAP ERP
4. Enhance cargo package functionality in WELS
 - a) to handle transportation needs related to Equinor owned material
 - b) and to handle 3rd party transportation needs with an SAP work order reference
5. Required interfaces to exchange voyage and cargo information, during planning and execution, between SAP and WELS
6. WELS app improvements/enhancements for efficient cargo operations, i.e. loading and unloading at supply base and installation
7. Determine potential additional requirements from hybrid scenarios like 'subsea' and OCTG
8. Determine requirements related to land transport of 3rd party materials originating from WELS, e.g. ASN messages

Timeline





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