

CASE STUDY



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It was a fairly tight timeline, but they delivered it on schedule, and everything worked. If you're thinking about working with AG, I'd say they would deliver a good service and do a good job for you.

Head of Enterprise Applications, Spirit Energy

AG upgrades S/4HANA for Spirit Energy

AG is an independent award-winning SAP specialist Consultancy, SAP Gold Partner and UiPath Gold Partner recognised for quality and innovation in SAP. Our solutions are intelligent, pragmatic, innovative and invariably loved by users. We aim to maintain the highest standards and to drive innovation and business value. We are proud to have been recognised not just for prestigious industry awards but also a place in the Financial Times (FT) 1000 – Europe's Fastest Growing Companies list 2021.

The Introduction

In Morecambe, UK, Spirit Energy's gas fields are coming to the end of their productive life over the next few years. The company is making a multibillion-pound investment to convert them for carbon storage.

It's one example of the work Spirit Energy is doing to transition its energy business, which has a rich heritage in oil and gas. Today, the company focuses on safely delivering production from its existing assets (mostly gas fields) and exploring energy transition opportunities from those assets.



End of support prompts S/4HANA upgrade

In 2022, the company had a transition to make: from SAP S/4HANA 1610 to the latest version. Upgrading from the 2016 version to the 2021 version was a significant jump. The five-year gap between versions presented a substantial challenge due to the accumulated changes.

Spirit Energy uses S/4HANA for finance, procurement and plant maintenance. S/4HANA plays a critical role in maintaining operations at the company. It serves as the prime data store and processing function for not only maintenance but also finance

and procurement. While there are some backup emergency response processes, if S/4HANA was down for a prolonged period, it would significantly hinder and the departments would struggle to function.

The upgrade schedule had to fit in with the financial year end and planned plant maintenance activities, which are when oil and gas assets are shut down for maintenance work. Due to limited availability for weekend shutdowns of the production SAP system for upgrades, adhering to the project schedule was critical. Missing the designated window could cause a significant delay for the upgrade, potentially up to three months.



There was a good commercial bid from AG, and we had confidence in them to deliver what they said they would. AG have focused on the upstream oil and gas market, and have recruited their resources accordingly, so they bring industry knowledge too.

Head of Enterprise Applications, Spirit Energy

AG wins on commercials and expertise

Following a competitive tender process, Spirit Energy chose AG to manage and implement the upgrade. A very competitive commercial bid from AG, coupled with their proven track record in delivering successful projects, led to their selection. Furthermore, AG's focus on the upstream oil and gas industry and the team's industry knowledge instilled confidence in the ability to understand the project's specific requirements.

AG also helped Spirit Energy's team to understand the opportunities arising from the upgrade. These included the potential to migrate to Fiori to build and customise apps more easily and a new asset maintenance solution in S/4HANA that could help rationalise their existing application portfolio.

The Solution

- AG brought specialist knowledge on the oil and gas industry, and its Accelerated ACTIVATE methodology for a successful upgrade.
- AG carried out the technical upgrade. This included mandatory functional changes reported by the SAP Readiness Check tool and code remediation for customisations.
- AG performed detailed testing and coordinated with other solution providers that integrated with S/4 HANA.

Working with customisations and integrations

The SAP implementation, like many on-premise deployments, involved a high degree of customisation. Following the formation of Spirit Energy in 2017, through the merger of upstream oil and gas assets from Centrica and Bayerngas, the company inherited the SAP platform from Centrica in 2013. This initial build catered to many complexities in Centrica's business at that time, and some of those complexities remain embedded in the current system despite not being directly applicable to Spirit Energy's present needs.

As is often the case, the SAP platform was integrated with a number of other applications and add-ons. These included Prometheus for short-term scheduling, Primavera for long-term scheduling, GLSU for uploading financial journals, OpenText for invoice archiving, Microsoft Power BI for reporting, Winshuttle for data loading, and UiPath for robotic process automation (RPA). Spirit Energy was also using AG's Smart Inspections SAP add-on. The presence of these multiple add-ons introduced complexity to the upgrade process. AG ensured continuous functionality of all these integrated elements after the upgrade.



AG were very good at highlighting where there is perhaps a gap in responsibilities and they make sure they've covered it, rather than see an impact on the plan. There was some complexity in working out which changes would be in which of our two test systems and how the sequencing of changes would work for the upgrade.

Head of Enterprise Applications, Spirit Energy

A smooth upgrade process

AG is an SAP gold partner and brought its **Accelerated Activate Methodology**, which emphasises teamwork with the client to deliver the project on time. For example, defects are prioritised with the client so that unit testing and system integration testing can proceed, while some low priority defects remain open. They are fixed later in time for user acceptance testing. AG also works with business users to not only optimising timeline on testing, and avoiding test duplication, saving time for the client and the project overall.

The Accelerated Activate Methodology for S/4HANA upgrade also comes with proven business test scenarios for the energy sector, further saving project time.

AG was responsible for:

- SAP technical upgrade
- Mandatory functional changes identified by the SAP Readiness Check tool
- Code remediation changes for customised programs and interfaces
- Detailed functional testing to validate the business processes
- Coordination with third parties to support the upgrade
- Detailed project management including project governance, reporting, and stakeholder and risk management.

To extend the support life for as long as possible, Spirit Energy adopted the latest version of S/4HANA, which at the time was 2021. Project faced technical challenges due to software stability. This introduced technical hurdles that required collaboration with SAP to address within the project timeline. To ensure timely completion, technical queries were escalated to SAP at the earliest stages to allow for sufficient response time. This proactive approach by AG's team eliminated the risk of delays arising from unresolved issues identified during the final testing phase and kept the project on track.

The upgrade went live with one low priority cosmetic defect outstanding, awaiting a response from SAP. AG put a process in place to release that change after the launch. Our team prioritised tasks effectively. When defects arose, we proposed workarounds to maintain progress. We ensured Spirit Energy was informed about the potential impact of any encountered issues.

Effective project management

Demonstrating a high degree of self-sufficiency, AG managed the project independently, keeping the client informed through regular updates. AG's team conducted integration testing internally before user acceptance testing with regular monthly updates to the steering committee at first, increasing in frequency closer to the go-live date.

AG were the senior partner for project management, working with a coordinator within Spirit Energy. The AG team also took on the responsibility for liaising with third parties, including the hosting partner and the companies that make the add-ons and integrated applications.

AG recognised the potential gaps in third-party responsibilities that could impact the project timeline and proactively took ownership of those areas to ensure a smooth project execution.

The Result

- Despite a challenging schedule, the upgrade completed on time.
- The new platform creates opportunities for Spirit Energy to adopt a new asset maintenance solution and new cloud-based functionality for creating and customising apps.

Delivered on time

The project began on 4th April 2022, and went live, on schedule, on 12th September 2022. The go-live date was followed by four weeks of hypercare.

Spirit Energy has now tasked AG with providing functional support for Basis and applications, as well as ongoing project work. AG's deep expertise as a trusted SAP partner to the client brought significant value to the project.

This successful project completion highlights how AG can run a smooth, efficient, and timely technical upgrade. We delivered the project within a tight timeframe, ensuring everything functioned as intended reflecting a commitment to quality and client satisfaction, making AG a strong choice for similar undertakings.