

Siemens PLM Software's Support for the Energy & Utilities Industry

CIMdata Highlight

Siemens PLM Software, in conjunction with Siemens AG, is taking a fresh approach to solving challenges in today's energy industry. To drive further progress, the company recently held an Energy Executive Council event in Houston, Texas, with attendance from key influencers throughout the industry, including independent oil companies (IOCs); oilfield services firms; oilfield equipment manufacturers; and engineering, procurement, and construction (EPC) firms.

The energy industry has traditionally adopted highly customized engineering processes for developing projects, and has struggled to reuse design information from project to project as well as to integrate that information throughout the lifecycles of projects. Lack of information integration and reuse has resulted in higher costs due to errors and process friction, ultimately leading to longer, more expensive project cycles. Combined with problems with information handover from each successive stage in major capital projects, this sets the stage for annual efficiency penalties that an IOC will struggle to ever recover from.

Siemens PLM Software has a long and successful track record of applying Product Lifecycle Management (PLM) to solve manufacturing challenges. CIMdata agrees strongly with Siemens PLM Software that the same technologies and processes can be applied to the energy industry with similar success. Siemens PLM Software is in a strong position to bring these solutions to the energy industry—in addition to its broader solutions for process and plant design, automation, and operations, its Teamcenter platform has a proven track record for supporting large-scale, complex PLM implementations and projects. Siemens PLM Software is also a major supporter of ISO 15926 which is designed to promote interoperability across projects involving authoring solutions from multiple providers. In CIMdata's view, this latter point is especially important, since the greatest challenges for the energy industry exist on large-scale projects, which must balance the need for interoperability between project stakeholders with the protection of intellectual property.

In an environment of persistently low energy prices, the energy industry is actively seeking solutions that optimize performance and reduce costs across their project lifecycles. The industry is going beyond the evaluation of capital expenditures (CAPEX) prior to commissioning and tightening operational expenditures (OPEX) post-commissioning. Instead, leading companies are beginning to look at total lifecycle expenditures (TOTEX). CIMdata believes that this focus on TOTEX will drive increased investment in information technologies and true lifecycle management. A relatively small investment in improved organization and interoperability for design and construction information can yield substantial TOTEX savings.

Siemens PLM Software is actively addressing this market opportunity, and CIMdata looks forward to their efforts to replicate its success with PLM in the manufacturing industry by applying the same technologies and processes for a leaner, more competitive energy industry.

About CIMdata

CIMdata, an independent worldwide firm, provides strategic management consulting to maximize an enterprise's ability to design and deliver innovative products and services through the application of Product Lifecycle Management (PLM). CIMdata provides world-class knowledge, expertise, and best-practice methods on PLM. CIMdata also offers research, subscription services, publications, and education through international conferences. To learn

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