Real-Time is Money

NEXTSTEP closes the loop from oil rig to trading desk

Evening on the North Sea, an oil rig lit up with thousands of lights bobs in the rough waters, slowly emptying a pocket of crude oil from below the ocean floor. The night operators monitoring their instruments are electronically connected to the mainland and both electronically and economically, to a web of people and transactions that provide energy for the entire planet.

Upstream, traders in New York monitor the price of Brent Crude, the North Sea oil, evaluating movements which might result in changed production orders. Real-time pricing information is fed into Mesa spreadsheets, running under the NEXTSTEP operating system. Automatically, graphs are generated that reflect the company's current margins on oil production operations.

In Mexico City, a trader with PEMEX, the state owned oil company, receives a message that a key oil facility will have lower production for the month. An analysis of current oil prices using a proprietary application developed in NEXTSTEP shows that Brent Crude can be bought to make up the shortfall. Using a trade entry system developed for NEXTSTEP by SHL Systemhouse, the trader places a BUY order for Brent Crude.

In New York, the Mesa graph suddenly jumps -- the price for Brent Crude has risen based on the increase in demand. A manager in New York sends a NeXT Mail message to the Oil operations department in London, requesting a production increase from oil rigs in the North Sea.

Early the next morning a production manager in London increases the demand requirements for North Sea operations, sending a message to shift operators on the rigs themselves.

Jeff Kvam, a Vice President with SHL Systemhouse, states that the energy marketplace is a rapidly emerging marketing for computer technology. "For the past 10-15 years, " states Kvam, "the energy industry didn't update their technology. Now they are ready to leapfrog into the mid-1990s by going directly to NEXTSTEP."

SHL Systemhouse has created a consulting organization dedicated to delivering NEXTSTEP systems and software to international energy trading firms. Already Phibro (a division of Solomon), PEMEX, and Enron are customers of NeXT and SHL and many more are on the way. "We are talking to virtually every energy firm in the world -- in Europe, in South America, in the United States -- SHL has a vertical solution with NEXTSTEP that will make a huge difference for these firms."