



DXC Technology

Outsourcing applications management and IT hosting to DXC proves a successful strategy for international pipeline operator

The power of an IT services partner

Challenge

- Support a highly complex operational and financial business model
- Harness the power of IT experts and leadership without taxing capital
- Maintain operations during a period of changes in energy markets and an ownership transfer

Solution

- Outsource key IT functions to a provider with technology and energy industry expertise
- Build and support critical applications including the company's core transactional support system
- Develop and manage highly-available, redundant data centers to host enterprise systems

Results

- Outsourcing enables the company to focus on its core business while leveraging cutting-edge IT
- Flexibility ensures company can rapidly adapt to changes in a dynamic energy market
- Twenty-year relationship with HPE (now DXC) will minimize the disruptive effects of ownership transition

“HPE (now DXC Technology) contributed substantially to the software's design—then built it to meet our business requirements and our expectations in terms of functionality, performance, and quality”

– Terry Stephens, Information Systems Director for Interconnector

Twenty years ago, Interconnector Ltd. constructed a 235 km, bi-directional sub-sea gas pipeline between the UK and continental Europe. But to operate the pipeline, the company needed business IT, so it hired HPE (now DXC Technology) as its strategic IT outsourcing partner. DXC developed and now manages Interconnector's business-critical applications and also manages the company's IT systems, ensuring Interconnector has the IT platform it needs to run its business today and in the future.

Around two decades ago, under the guidance of the British Government, a consortium of European energy companies formed Interconnector (UK) Limited.

The company's purpose: to construct a sub-sea gas pipeline between the UK and continental Europe.

Interconnector's 235 km pipeline, completed in 1998, was a major technological achievement. It is physically bi-directional, allowing natural gas to be moved either into or out of the United Kingdom depending on regional supply and demand.

With terminals in Bacton, England and Zeebrugge, Belgium, the pipeline traverses the North Sea; to build it, Interconnector had to accommodate fishing grounds, dump sites, military training areas, existing cables, and busy shipping routes, including those serving Antwerp, Europe's second largest port. Some 6 million cubic meters of material were removed from the sea floor during construction. Work in some areas was conducted at depths of up to 60 meters (197 feet).

Putting the pipeline into place and building its terminals was only the most visible piece of the venture; however, Interconnector is more than just a pipeline operator. The company also brokers access to the pipeline on behalf of energy companies wanting to move natural gas in or out of the UK and continental Europe. Interconnector tracks the movement of gas through the pipeline, and manages access to the pipeline's capacity and resources. It provides tools for shippers to submit their requirements, manage their inventory, and trade capacity on an hourly-hour basis.

These are highly complex operational and financial transactions, which is why, when it was time to build the underlying business architecture required to execute them, Interconnector turned to DXC.

Outsourcing as a business strategy

Most outsourcing stories involve companies that hand over portions of their existing operations to an outsourcing partner. But Interconnector is different: outsourcing was an integral piece of its business strategy from the company's founding.

“We decided early on that we didn't want to hire in-house resources to develop and maintain our business systems,” notes Terry Stephens, Information Systems Director for Interconnector. “We realised that outsourcing our IT to IT experts was a cost-efficient path to achieving the highest-caliber business systems.”

Interconnector selected DXC as its IT outsourcing vendor because DXC was able to support all of the company's needs—from data center hosting and PCs to applications development. Equally important, DXC provided resources with energy industry background; these individuals understood Interconnector's needs and the needs of Interconnector's customers.

Business Matters

- Outsourcing enables the company to focus on its core business while leveraging IT industry leadership and cutting-edge IT technology and resources
- State-of-the-art IT platforms and resources achieved without requiring capital funding
- Flexibility ensures company can adapt in the event of changes in energy markets, customer requirements, or regulatory environment

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Developing critical business applications

Application development is one of the main functions DXC performs on Interconnector’s behalf—and one of the first applications DXC developed was the software that forms the heart of Interconnector’s business: the Interconnector Shippers Information System (ISIS®).

DXC developed ISIS as an Oracle application to ensure that future enhancements to the software could be done cost-effectively. The reason? ISIS plays a critical role in enabling Shippers to import or export natural gas in response to market demands.

The application enables Interconnector to rapidly respond to multiple requests from Shippers whilst managing pipeline utilisation by tracking past, current, and predicted demand inventory levels.

In response to a particular request, ISIS executes a sophisticated set of rules governing Shippers’ requirements, gas flow rates, and gas flow direction. ISIS then captures machine-to-machine data from meters on the pipeline to monitor the actual amount of gas flowing.

ISIS-family applications are web-based, so they can be accessed via personal computer and mobile devices. And they can use “energy industry” standard AS2 (Applicability Statement 2) for business-to-business electronic messaging between Interconnector and its partners.

Application development leverages collaborative and agile techniques so that it can respond rapidly to the needs of the business and deliver the right software on time. DXC has leveraged the ISIS technical platform to deliver other customer-facing applications and has integrated ISIS with the client’s ERP finance module to streamline customer billing.

In addition to the customer-facing ISIS, DXC also manages a number of internal applications, including ERP systems, permit to work, engineering software, and security applications.

Hosting provides efficient, reliable business platform

In addition to applications development, DXC also manages Interconnector’s IT infrastructure from Interconnector’s two data centers—one in the UK and a mirrored site in Belgium. These provide an efficient and highly reliable platform for the company’s business systems. The redundancy of the architecture reduces the risk that outages will affect Interconnector’s operations. Global Traffic Manager devices dynamically direct service users to whichever site is preferred given application availability and maintenance activities.

The two companies’ hosting agreement encompasses high-availability Oracle and Microsoft® SQL Server database services; server, domain, storage area network, secure application web and proxy services; network and firewall services; and VPN connectivity. Applications in the environment run under VMware virtualisation technology. Virtualisation enables the environment to function as a private cloud to deliver scalability and optimise capacity management.

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The enterprise-class hardware used to power the applications includes HPE ProLiant servers and HPE EVA Storage Arrays. Server Automation and Operations Manager provide infrastructure and security monitoring, central reporting on operating system provisioning, patch deployment, and server configuration.

DXC also supplies and manages Interconnector’s PCs and common operating environment via Mobility and Workplace Management that supports all employees. As part of the common operating environment, DXC manages and supports the client’s mobile and collaborative working technologies, including managing all of the client’s Microsoft Office 365 services (Skype for Business, Exchange, SharePoint, Identity and Security), office telephony, video conferencing, print solutions, and mobile working solutions for mobile phones, tablets, and laptops.

DXC supports specialised SharePoint-based applications such as an executive meeting management solution. These applications allow Interconnector and its partners to communicate and collaborate easily and securely whilst being supported by a DXC enterprise security model that ensures confidentiality and information security.

Functionality, performance, quality

DXC has been Interconnector’s IT partner of choice since the company’s system development started in 1997. DXC’s contribution as a strategic applications developer has been critical to Interconnector’s success and has been underpinned by the excellent working relationship developed between the two organisations.

“We couldn’t operate without ISIS,” notes Stephens. “It gives us the ability to monitor shipper requirements and the availability of Interconnector capacity in near real time. This enables operators to make ‘flow rate and direction’ decisions less than two hours before the gas molecules actually flow.”

“HPE (now DXC) contributed substantially to the software’s design—then built it to meet our business requirements and our expectations in terms of functionality, performance, and quality,” Stephens comments.

Given this level of trust and partnership between the two companies, it’s no surprise that Interconnector recently renewed the outsourcing contract. But another factor also figured into Interconnector’s decision to re-commit to HPE (now DXC). The company is about to enter a new phase in its business: On its 20th anniversary, ownership will revert from the consortium that founded it to Interconnector itself. In addition, the energy market has evolved due to the introduction of new regulations. As a consequence, access to the pipeline and the commercial services that Interconnector provides will change. The challenge to the partnership is to complete the transition without interruption to the company’s vongoing operations.

Customer at a glance

DXC services

- DXC Applications Development
- DXC Applications Management
- DXC Security Services
- DXC Mobility and Workplace Management
- DXC Network Management Services

Maintaining a stable relationship with DXC will help Interconnector minimise the effects of this disruption. “Our goal is to maintain business continuity during the transition period,” says Stephens. “By extending our partnership with HPE (now DXC), we maintain a high degree of predictability around our critical business systems.”

DXC’s hosting services also play a role in preparing Interconnector for its upcoming business changes. Because the infrastructure that DXC provides to Interconnector is architected to be highly scalable, Interconnector is positioned to expand its capabilities if needed. DXC is currently working with Interconnector to update ISIS and any of Interconnector’s other software applications to address regulatory commercial changes.

“For nearly 20 years, HPE (now DXC) has earned our respect and our trust,” Stephens concludes. “And no matter what the future brings, having HPE as our outsourcing partner helps ensure our efforts to evolve and adapt will succeed.”

About DXC Technology

DXC Technology (DXC: NYSE) is the world’s leading independent, end-to-end IT services company, helping clients harness the power of innovation to thrive on change. Created by the merger of CSC and the Enterprise Services business of Hewlett Packard Enterprise, DXC Technology serves nearly 6,000 private and public sector clients across 70 countries. The company’s technology independence, global talent, and extensive partner network combine to deliver powerful next-generation IT services and solutions. DXC Technology is recognized among the best corporate citizens globally. For more information, visit www.dxc.technology.