

# RightAngle

## CASE STUDY

**How capSpire Achieved System-Generated, Segmented P&L and Enhanced Transparency into Business Activity for Eighty-Eight Oil**

DISCOVER

The capSpire logo features the word "capSpire" in a white, lowercase, sans-serif font. Above the letter "i" in "Spire" is a small, stylized icon consisting of three overlapping triangles in shades of orange and yellow, resembling a flame or a signal. A registered trademark symbol (®) is located to the upper right of the word.

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## 01 THE ASSIGNMENT

**Eighty-Eight Oil, LLC, a privately held organization within True companies of Casper, Wyoming, markets and transports crude oil from the Rocky Mountain region all across the United States. The company had an upgraded RightAngle system that wasn't leveraged to its full potential. As a result, there was little visibility into P&L drivers or market trends that would help management achieve its strategic vision. After conducting an initial business assessment, capSpire recommended that Eighty-Eight Oil incorporate all vital business functions within its commodity trading and risk management (CTRM) system. This work involved implementing risk, P&L reporting, and credit management, as well as automating the pipeline-ticketing process.**

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## 02 THE GOAL

**capSpire's role was to expand and complete the company's earlier RightAngle implementation to achieve system-generated, segmented P&L; improve risk management and reporting; realize more operational efficiencies; and gain greater visibility into market trends. The ultimate aim was for Eighty-Eight Oil to maximize its investment in and daily use of its RightAngle system, and accomplish their desired level of business insight.**

## 03

### THE CHALLENGE

**Eighty-Eight Oil had implemented RightAngle s11 several years previously and had recently upgraded to RightAngle s16. However, the RightAngle system only handled accounting functions. The system wasn't segmented in a way that enabled management to identify the most profitable business activities or prioritize higher-margin transactions with any level of precision. Additionally, the way that pipeline deals were modeled within the system prevented management from fully understanding transportation costs, which impacted margins.**

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## 04

### THE SOLUTION

**Phase 1:** capSpire performed an on-site business assessment, which involved interviewing all personnel at Eighty-Eight Oil. In talking through the pain points associated with current processes, capSpire learned which questions regarding business activity the client was unable to answer, which reports could not be produced, which activities were redundant or most time-consuming, and which issues kept recurring. capSpire also reviewed organization structure, risk policy, segregation of duties, and compliance and controls.

**Phase 2:** capSpire delivered a reliable, systematic means of getting answers about business activity for Eighty-Eight Oil. First, the team set up and configured risk and P&L reporting so that the client could better understand why and how they made money. Second, the team set up the credit center, which incorporated the most up-to-date price structure and gave the client the capability to quickly and easily review credit daily. Lastly, capSpire redesigned and automated the pipeline-ticketing process. Now, instead of being half a million to one million dollars off in the system, transactions can be reconciled within three to seven cents.

**Phase 3:** capSpire selected a member of Eighty-Eight Oil's team to serve as a super user. As a result of capSpire's training, this individual learned about the system in depth and can now serve as a go-to internal resource for quickly answering questions and providing efficient support for minor issues. This enables the client to be more self-sufficient. However, through an ongoing managed services agreement, capSpire still provides on-demand support.

## CLIENT QUOTE

*"We couldn't be happier with the results. The capSpire team has done an absolutely superb job—their knowledge, expertise, demeanor, and professionalism made this project a success."*

Fred Catchpole - Superintendent, Eighty-Eight Oil

## 05 THE RESULTS

With capSpire's assistance, Eighty-Eight Oil now has a wealth of information about P&L and business activity, available in near real time and in one central location.

- + LESS MANUAL ACTIVITY, MORE AUTOMATION
- + GREATER CONFIDENCE IN THE ACCURACY OF RIGHTANGLE REPORTING AND P&L DATA
- + CAPABILITY TO REVIEW CREDIT DAILY
- + HIGHLY PRECISE TRANSACTION RECONCILIATION—WITHIN 3 TO 7 CENTS

