

GUIDE

# Why midstream oil & gas companies should modernize their ERP

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## Introduction

The midstream oil and gas sector, tracing its roots to the drilling of the first commercial oil well in 1859, has long served as the backbone of industrial development. This industry, while not the oldest, has played a defining role in shaping not only modern industrial America but the global energy landscape. Today, the sector is characterized by a unique blend: well-established corporations with decades of operational history,

now wrestling with the limitations of legacy tech, and agile startups facing rapid growth and seeking to scale efficiently from day one. Both face a central challenge—ensuring that their technology stack matches the demands of a volatile, data-rich, and rapidly evolving market.

A robust Enterprise Resource Planning (ERP) system is increasingly recognized as a corner-stone for tackling the

sector's diverse demands, serving as a unified hub that can streamline operations, drive compliance, and supercharge decision-making. In this paper, we explore why now is the time for midstream oil and gas companies to modernize their ERP environments—and why solutions like NetSuite offer a compelling path forward.

# Importance of ERP systems in the Industry

First, let's understand the difference between two core accounting systems in the midstream industry – Plant Accounting software and Enterprise Resourcing Planning software. A plant accounting system (e.g. Quorum/Tips) is a specialized tool used to track costs, revenues, production, and assets at a specific plant or facility, primarily for the purposes of operational and local financial management. Its focus is narrow, usually limited to one site, and does not integrate broader company functions like procurement, HR, or

consolidated financials. In contrast, an ERP system is an enterprise-wide software platform that unifies all key business functions—including finance, supply chain, HR, procurement—into a single integrated solution. ERPs provide company-wide data visibility, automation, and standardized processes across multiple sites and departments, which greatly enhances efficiency, reporting, and compliance. While plant accounting software helps manage individual facility operations, an ERP system connects those activities to the entire

organization for real-time strategic decision-making.

For midstream oil and gas companies, integrating plant accounting into an ERP eliminates siloed data, reduces manual reconciliation, and supports company growth and regulatory requirements. In short, a plant accounting system serves a single facility's needs, while ERP delivers holistic, scalable business management across the entire enterprise.

## ERP systems have become essential for oil and gas companies aiming to accomplish one or more of the following:

- ✓ **Unify processes across departments and subsidiaries:** A single source of truth boosts visibility and eliminates redundancy.
- ✓ **Enhance data management:** Reliable, centralized data means faster, more effective decision-making.
- ✓ **Ensure regulatory compliance and reporting:** Automated audit trails and ensure compliance with federal or state commissions, such as the Federal Energy Regulatory Commission (FERC)
- ✓ **Increase operational efficiency:** Automation cuts costs, reduces human error, allowing organizations to spend more time thinking and less doing.
- ✓ **Facilitate process automation and workflow management:** Modern ERPs enable dynamic, rule-based automation.
- ✓ **Integrate with emerging technologies & third-party operational systems:** Open APIs and strong interoperability future-proof investments.
- ✓ **Enable real-time reporting:** Instant access to metrics empowers teams to respond proactively to market dynamics.
- ✓ **Enable audit compliance:** An ERP system centralizes and secures records, making it easier to track transactions, ensure data accuracy, and meet regulatory requirements during audits.

### Case study

A client partnered with Embark to modernize its accounting workflows on NetSuite, bringing new transparency and stronger business controls to daily financial operations. The implementation gave leadership clearer visibility into the business and reduced the risk of errors that had come with legacy processes.

# Current challenges in midstream oil & gas

## Operational drag from manual processes

Despite their scale and sophistication, many midstream organizations continue to rely on outdated, on-premises ERP solutions. Manual processes and reconciliations undermine productivity and increase the risk of errors, while aging platforms require costly maintenance and are often at risk of losing vendor support. These legacy systems tend to create knowledge silos due to overreliance on in-house expertise, and internal teams frequently find themselves reacting to issues rather than focusing on optimization, especially when external support is insufficient.

## Technology constraints and integration gaps

System limitations—including a lack of roadmaps for AI or advanced analytics and poor integration capabilities—hamper the adoption of modern tools, making it difficult for companies to scale or adapt. As organizations grow, entry-level platforms like QuickBooks or Microsoft SL quickly become inadequate, leading to urgent challenges around consolidation, reporting, and overall scalability.

## The cumulative cost of inaction

The cumulative impact is significant: delays in reporting reduce agility, manual consolidations stifle growth, and outdated architectures ultimately result in opportunity costs as new technologies become harder to adopt. Companies that persist with aging ERPs not only face greater operational risk and inefficiency but also risk losing ground to more adaptable competitors.

### Case study

An oil & gas company faced time-consuming manual processes around regulatory filings and producer data reconciliation. By migrating to NetSuite, Embark helped them automate FERC reporting and consolidate producer processes—dramatically reducing the manual effort required and freeing up the team to focus on higher-value work.

# Benefits of modernizing ERP systems

For midstream players, modern ERP systems deliver a step-change in business performance – including:

- Dramatic operational efficiency gains: **Unified processes** eliminate costly redundancies and free staff to focus on higher-value analysis.
- Better data, better decisions: With real-time reporting and analytics, executives and site managers alike can **act on insights**, not instincts.
- **Enhanced scalability** and flexibility: Leading cloud ERPs like NetSuite offer modular platforms, globally tested support, and a vast partner network.
- Seamless integration with new tech: API-forward solutions **future-proof scalable solutions** and enable integration with AI.

These improvements are not theoretical – they are already being realized by peer organizations who have made the leap.

Executives and site managers alike can act on insights, not instincts.

NetSuite, named a 2024 Gartner top leader for Cloud Core Financial Management Suites, can dramatically improve operational efficiency by:

- Unifying company processes onto a **single cloud platform**, eliminating redundant data entry and manual reconciliations.
- Automated workflows and standardized procedures streamline routine tasks, **allowing staff to focus on more strategic analysis** and value-added work.
- With real-time reporting and dashboards, NetSuite provides **immediate visibility** into financial, operational, and compliance metrics, supporting quicker and more informed decisions at every level of the organization.

NetSuite’s modular and cloud-based design ensures that companies can easily scale operations, add new sites or business units, and meet evolving regulatory or business needs without major

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disruptions. Furthermore, NetSuite’s flexible architecture offers seamless integration with emerging technologies—including AI analytics, Oracle Cloud Infrastructure (OCI), and industry-specific tools—using robust APIs. This integration ensures data flows freely between systems, supports innovation, and future-proofs the organization against changing technology demands.

With global support and a strong network of implementation partners, NetSuite helps midstream oil and gas companies grow and adapt in a volatile market, by enabling efficiency, data-driven decision making, scalability, and innovation, positioning organizations to thrive in today’s competitive energy landscape.

# Steps to Modernize ERP Systems

Embark has created a blueprint that allows companies to successfully migrate to NetSuite. Generally speaking, a successful ERP modernization journey is structured in approach but flexible in execution:

## Conclusion

The midstream oil & gas sector stands at a crossroads: those who modernize their ERP will win on efficiency, insight, compliance, and scalability. NetSuite has emerged as a leading platform for energy companies seeking unified operations, regulatory resilience, and a powerful foundation for technological innovation. Now is the time for leaders to evaluate—and invest in—ERP systems that will drive value for the next generation of energy challenges.

## Ready to Modernize Your ERP?

Embark's NetSuite practice has helped midstream oil & gas companies navigate ERP modernization with confidence. Whether you're starting from scratch, recovering from a failed implementation, or ready to scale, our team is here to help.

- 1 **Assessment:** Audit your current environment—identify process gaps, integration needs, and compliance risk. Invest in thorough process assessment and planning before migration.
- 2 **Planning and strategy:** Map out your goals, budget, and timelines. Invest in internal stakeholder alignment.
- 3 **Implementation and Integration:** Select a solution with a proven industry record; leverage a trusted partner with established energy sector references and experience implementation teams for a smooth rollout.
- 4 **Continuous iteration & optimization:** Review processes regularly and take advantage of updates and new automation features.
- 5 **Training and change management:** Prepare and upskill staff to maximize system value and minimize resistance.

## Case study

Ahead of an upcoming audit, a manufacturing client worked with Embark to clean up and organize its accounting data within NetSuite—enabling the team to move efficiently through the audit process with confidence. The engagement improved overall regulatory compliance posture and reduced the manual burden on finance staff.

# Modernize your ERP

Our team is here to help.