

T.A. COOK IN THE PRESS

Hydrocarbon Engineering | May 2015

Case Study, Canada

The Challenge

At a Canadian bitumen upgrading operation, management was looking for ways to improve their Turnaround (TA) performance for maintenance staff and contractors. Their previous TA suffered from a 190% cost overrun and a doubling of TA duration, representing a \$CAD100m loss. After attending T.A. Cook's TARfighter Shutdown Project Simulation conference in Houston, Texas, conversations at the venue led to the client inviting T.A. Cook to view their operation in order to evaluate their current level of TA preparation.

An initial Turnaround Readiness Assessment was conducted by T.A. Cook over a two week period which showed there was a 19% probability of failure to meet the Fall 2015 Turnaround budget and duration. After reviewing the detailed recommendations and achievable benefits listed in the Assessment, the client requested T.A. Cook's assistance in preparing for the 2015 Fall Turnaround.

The Solution

A one year project involving key steps was agreed as the best way to increase TA readiness and lower the probability of failure from 19% to a 7-10% target. These steps included working with the client's management team as well as on-site coaching of front line supervisors; by December 2014, the second Assessment showed the probability of failure had fallen to 12%.

Prior to T.A. Cook's arrival, Risk Management did not exist as a managed process. As a result, the T.A. Cook team worked with the client to develop a dynamic Risk Management methodology, including a Risk Matrix and Risk Register, to identify and mitigate the potential for increased cost overruns.

Planning and scheduling effectiveness were then enhanced by developing the planning process flow and RACI model to increase the consistency and productivity of planners. To boost efficiency and improve work plan estimates and completeness, T.A. Cook installed

a planner walk down checklist, estimating norms comparison and scheduling rules of engagement. The rules of engagement required schedulers and contractors to agree on when a job milestone was met, when progress should be reported and in what increments.

By integrating Short Interval Management into the Management Control and Reporting System (MCRS) active supervision in the field was improved. Furthermore, by documenting and agreeing KPIs with the client, the gaps between the current state and "world class" were identified, promoting productivity enhancements.

Finally, following a review of the existing client TA manual, T.A. Cook worked with the execution team to standardize, document and update the content to help provide supervisors with clearly defined guidelines for TA management.

Benefits

By implementing active management and ensuring that supervisors and managers have access to the training, tools and processes they need to manage their teams properly, the predictability of TA success has increased.

From productivity improvements already achieved ahead of the Fall 2015 TA, the client will realize savings of between \$CAD3.6m and \$CAD4.8m from labour alone. In addition, the decreased TA duration and increased preparation will deliver solid ROI and substantial cost savings: particularly valuable at a time when every dollar is being scrutinized.



*Kosmo Lisowski,
Senior Consultant,
T.A. Cook Consultants, Inc.*