Cost reduction in the oil and gas industry
The 100 day challenge
Operators in the oil and gas industry need to reduce their costs to remain competitive and maximise economic recovery.

ABB’s challenge for operators is to reduce costs while maintaining (or improving) safety and production efficiency - and starting to see benefits within 100 days.

Identifying and eliminating low value activities
Market conditions in the oil and gas industry mean that reducing operating and lift costs is a clear priority for operators. Stopping low value engineering activities is the least painful approach to cost saving.

When carried out well the cost savings are accompanied by:

- Sustainable safety and integrity
- Improved production efficiency / uptime
- Organisational focus on key activities

The benefits are also there year on year.

The sort of low value activities that can be stopped include:

- Maintaining redundant equipment
- Carrying out maintenance, inspection or testing of equipment too frequently
- Carrying out maintenance or inspection during TARs that could be done on-line

ABB has been helping operators in the oil and gas industry operators to eliminate these low value activities, thus saving money and improving uptime. We have brought this experience together into the 100 day challenge.

ABB’s approach
ABB’s approach to the 100 day challenge is part of our broader approach to help boost production efficiency in the oil and gas industry.

Step 1 is a rapid assessment to identify the opportunities that exist and can be delivered in the timeframe.

Step 2 is the planning and development stage where ABB specialists develop the revised maintenance, inspection and testing plans that can be delivered in the timescale.

Step 3 is implementation and putting the revised plans into practice.

ABB’s 100 day challenges is for operators to hunt out these hidden opportunities and act to realise the benefits - implementing the changes within the 100 days.
Some typical areas the can provide rapid benefits include:

- Managing redundant equipment - full decommissioning of redundant systems to ensure they remain safe, don’t interrupt production and don’t get maintained
- Non-invasive inspection - which items can be safely inspected on line to reduce costs and the workload in TARs. The frequency of all inspections can often be reduced too
- EX hazardous area inspections - how to safely reduce the frequency and scope of electrical equipment inspections
- PSV review - increasing the test intervals for pressure relief valves and maintaining or improving the level of protection they provide
- Reducing the frequency and scope of TARS - how to extend the interval between TARS by removing workscope from the events and changing test and inspection intervals
- Safety instrumented systems testing workload reduction - how to do more on-line testing and reduce the frequency of proof tests while maintaining the level of protection provided
- Improving compressor reliability - how to significantly reduce the frequency of compressor issues, leading to reduced breakdown maintenance and more uptime
- Bringing planning, preparation and scoping work on-shore - using photographic records and tools to scope remedial work, plan the work and prepare work packs, all with minimal or no need to send people offshore
- Remote monitoring and diagnostics - tools and services to diagnose problems before they cause production losses and costly breakdown maintenance

**ABB’s experience**

ABB have extensive experience of applying risk based maintenance approaches to help customers optimise maintenance procedures and intervals. We also have considerable expertise in solving long term technical problems, often including rigorous root cause analysis to ensure that the solutions are sustainable.

Our team of experienced specialists with operational heritage will use their experience to make pragmatic technical judgements and offer solutions that are cost effective.

ABB is focused on delivering results. Our strengths can be found in our people and their world-class experience, gained from providing the most appropriate solutions to world leading companies. These are supported by proven methodologies and the technology base of the ABB group.

Some of the areas discussed regularly lead to 40% reductions in low value engineering activities.