

Collaboration Case Studies: Buzzard Phase II Project

Background

- Buzzard owners and supply chain partners have recently received full sanction to move ahead with the Buzzard Phase II project (BP2).
- BP2 is a subsea development of the Buzzard northern area with first oil scheduled towards end 4Q 2020.
- The objective of BP2 is to safely develop additional reserves, supporting the MER UK goal of recovering the maximum value of economically recoverable petroleum.

Critical behaviours (tick all that apply)

Reasonable Aligned Strategic Learning Change Respect Accommodating Openness

Description – how were critical behaviours exhibited?

CHANGE. BP2 is using an integrated and fully co-located project team comprised of Nexen (operator) and supply chain partners AGR Well Management, Baker Hughes, a GE company (BHGE), COSL Drilling Europe, Subsea 7 and Warley Parsons Services. Key project management roles are filled by the supply chain providing direct contract/contract interface management. The project team scope is also much wider than traditional projects and includes all aspects from drilling, subsea and topsides facilities work.

ALIGNED. The team is working together based on an incentivised, outcome-based commercial model supported by specific KPI's. This enables transferring/sharing of risk and reward with the supply chain.

OPENNESS. ECITB Collaboration toolkit and behavioural KPI's are used to facilitate a collaborative approach.

STRATEGIC. Significant investment in the local UK supply chain, supporting jobs and future skills across a number of UK locations.

Outcomes – impact of collaboration

By working collaboratively the BP2 owners and supply chain partners are best positioned to achieve reduced costs through project execution efficiencies, share rewards and achieve early delivery compared to conventional contracting strategies.