

Collaborative Behaviours – TOTAL CULZEAN

Background

- Period: Q3 2015 - Q4 2019
- Headline description: Collaborative behaviours driving successful project execution of the Culzean field development.
- Companies/Organisations involved: In total 52% local UK content (Maersk Drilling, Sembcorp Marine Lowestoft, Heerema Fabrication Group Hartlepool, Subsea7, Wood Group, Bilfinger Salmis, Semco Maritime, Baker Hughes, Emerson, Siemens, Cameron, Bel Valves, Heatric and main yards Sembcorp Marine Singapore, MODEC Singapore, Heerema Fabrication group NL). Transport and Installation was undertaken by Heerema Marine Contractors, NL.

Critical behaviours (tick all that apply)

Reasonable Aligned Strategic Learning Change Respect Accommodating Openness

Description – how were critical behaviours exhibited?

The Culzean project was executed in an open, honest and collaborative way with all involved parties, safely delivered to the highest North Sea quality standards, ahead of schedule and significantly below budget (USD 500m+ savings). The key to the project success was the use of a balanced risk profile for everyone involved. The Operator, empowered by a fully aligned JV, adopted a 'hands-on approach' supported by competitively selected and experienced contractors and vendors using an E(P)C lump sum contracting philosophy for the yard and subsea activities. Offshore HUC activities were executed by Total E&P UK with manpower supplied by main contractors (refer above.) 18 months of upfront engineering FEED work allowed a balanced risk profile for all bidders with the Operator procuring long lead items for novation to the contractors. The model was praised by several parties involved in the project to be simple, fair and to promote agile execution with very involved and direct participation (and hence risk ownership) from the Operator. A project 'no change' philosophy allowed contractors and vendors to execute on a known scope with no changes introduced by the Operator, keeping change orders to an absolute minimum. Contractor cash-flows were closely monitored by the Operator. The USD 5bn project was executed with no disputes at the end of the project and with involved parties all wanting to participate in the next similar project of its kind. A very collaborative and joined-up Joint Venture Partnership between Total E&P UK Limited, BP and JX Nippon facilitated quick and effective decision making and project execution, as well as promoting an open environment for the sharing of best practices in uHPHT well design. A very open project sharing and learning culture applied.

Outcomes – impact of collaboration

Positive commercial outcome for all involved parties.

No variation to agreed lump sum contracts. No disputes or claims following project closures.

Offshore HUC execution completed within one year.

A USD 5bn project delivered safely and to the highest North Sea Standards, ahead of schedule and significantly below budget.