

ارامكو السعودية Saudi Aramco

Projects Design and Construction Management

December 3, 2007



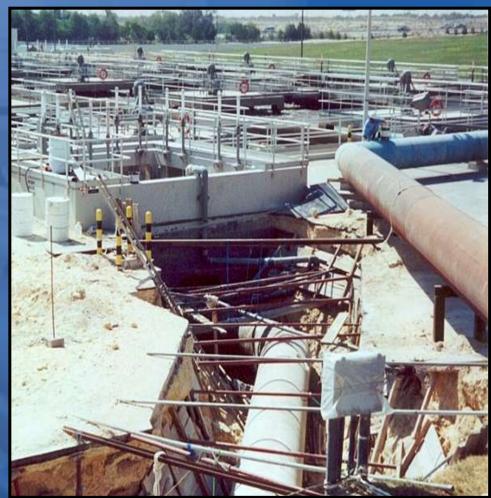
- **1. PROJECT EXECUTION PLANNING**
- **2. PRELIMINARY ENGINEERING**
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- **5. DETAILED DESIGN**
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- 9. TESTING AND START-UP
- **10. PROJECT COMPLETION**

PROJECT EXECUTION PLANNING

- Contracting Strategy
- Preliminary Design / Detailed Design (Scope)
- Material Procurement
- Construction
- Integrated Project Team Roles & Responsibilities

PROJECT EXECUTION PLANNING (cont.)

- Project Controls Schedule / Cost
- Quality Planning
- Safety Planning for Plant and Construction
- Permitting



<u>PRELIMINARY ENGINEERING</u>

- Preliminary Engineering Deliverables:
 - Scope of Work
 - Specifications & Data Sheets
 - Preliminary Design Drawings
- Environmental Impact Assessment
- Full Project Execution Plan
 - Issued for approval by 30% preliminary engineering completion

<u> Preliminary Engineering (cont.)</u>

- Project Proposal Review and Approval
 Review Packages (30%, 60%, 90%)
- Proponent Reviews
 - Others Department Reviews
 - Facilities Planning
 - Environmental Protection
 - Inspection
 - Loss Prevention
 - Consulting Services
 - Power Distribution

VALUE IMPROVEMENT PRACTICES

- Value Engineering and a group of other value management techniques called Best Practices
- Most of the Best Practices applied by Saudi Aramco follow processes identified in Construction Industry Institute (CII) publications

VALUE IMPROVEMENT PRACTICES (cont.)

Project Execution Planning Workshop
 - an alignment practice

Project Definition Rating Index - a measure of scope definition completeness

Constructability

 use of construction knowledge during planning and design

- Schedule Optimization
 - combination of schedule reduction and compression techniques

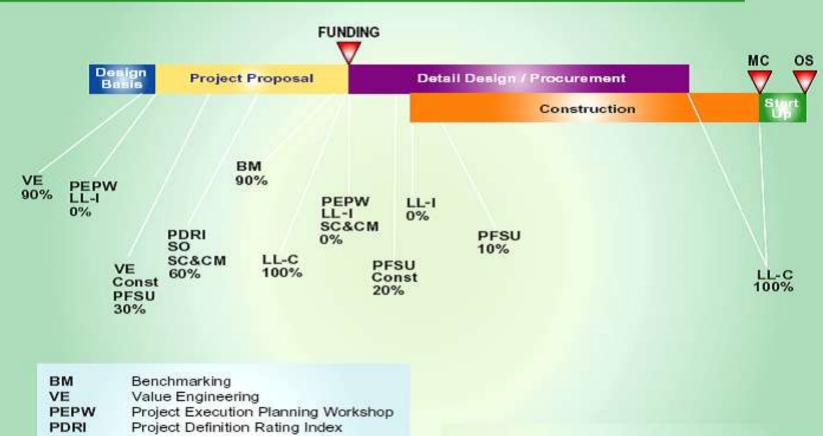
VALUE IMPROVEMENT PRACTICES (cont.)

- Scope Control plus Change Management
 a formal system for managing scope changes
- Planning for Start-up
 - tools and techniques to facilitate start-up planning
 - Lessons Learned
 - Implementing, collecting, managing and using what has previously been learned

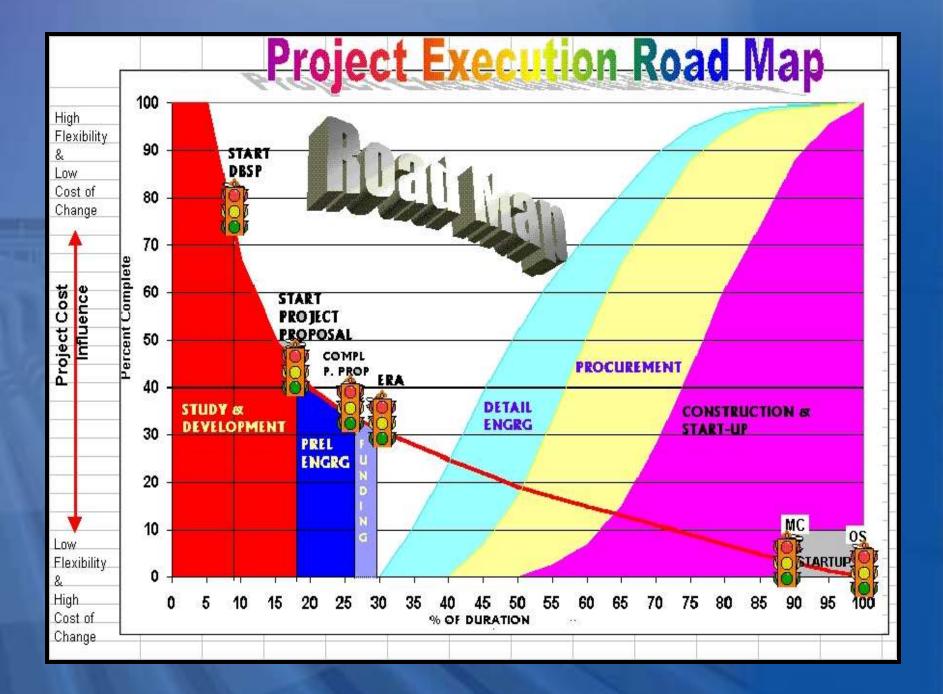
VALUE IMPROVEMENT PRACTICES (cont.)

- Value Engineering
 - a function oriented multidisciplinary team approach
 - optimize project execution
 - eliminate unnecessary costs
 - without sacrificing total project performance, quality, and reliability.

Project Performance Optimizing Practices



- SO Schedule Optimization LL-I Implement Existing Lessons Learned
- LL-C Collect New Lessons Learned
- PFSU Planning For Start Up
- Const Constructability
- SC&CM Scope Control & Change Management



OTHER ASSESSMENTS

- Project Quality Plan
- Preliminary Hazard Identification Plan
- Facility Communications Requirement
- Operations Training Requirements

DETAILED DESIGN

- Final Project Execution Plan
- Engineering Deliverables
 - Scope of Work
 - Specifications
 & Data Sheets
 - Detailed Drawings
- Final Hazard Identification Plan



<u>DETAILED DESIGN (cont.)</u>

- Special Design Considerations
 - Tie-Ins & Shutdowns
 - Protective Coatings
 - Non-Metallic Materials grating, ladders, handrail
 - Metallurgy
 - Instrumentation and Controls
 - Access-egress & equipment handling (housed plant vs. outdoors plant design)

DETAILED DESIGN (cont.)

OUTSIDE PLANT





HOUSED PLANT

MATERIAL PROCUREMENT

- Vendor Inspection
 Requirements
- Use of Recommended Vendor Lists
- Saudi Manufacturers
- Spare Parts Data Package



<u>CONSTRUCTION CONTRACT</u>

Bid Package
Pro Forma Contract
Technical Scope
Scheduled Milestone
QA/QC Requirements
Safety Requirements



<u>CONSTRUCTION CONTRACT (cont.)</u>

- Bid Slate Development
 - **Job Explanation Meeting**
- Bid Period / Questions
- Bid Review Program
 - Technical Review
 - Commercial Review

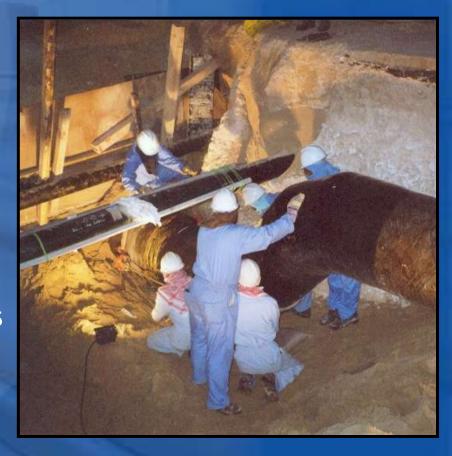


<u>CONSTRUCTION ACTIVITIES</u>

- Mobilization
- Construction & Procurement Schedules
- Work Permits & Safety Procedures
- Contract Administration
- Progress Monitoring
- Inspection Construction & Procurement
- Control of Special Processes
- Coordination with Proponent
- Construction Technical Support

TESTING AND START-UP

- Mechanical Completion
- Pre-Commissioning
- Hydrostatic Testing
- Instrument Loop Testing
- Electrical Testing
- Final Tie-Ins & Shutdowns
- Commissioning
- Functional Testing



PROJECT COMPLETION

- Operator Training
- Performance Acceptance
- Project Record Books
- As-Built Drawings
- Equipment Inspection Schedules
- Project Close Out Report
- Record Retention





