

Project Management of Change (PMOC)

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Petroleum Development Oman

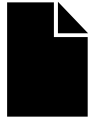


**Project Controls
EXPO**
UAE, Middle East

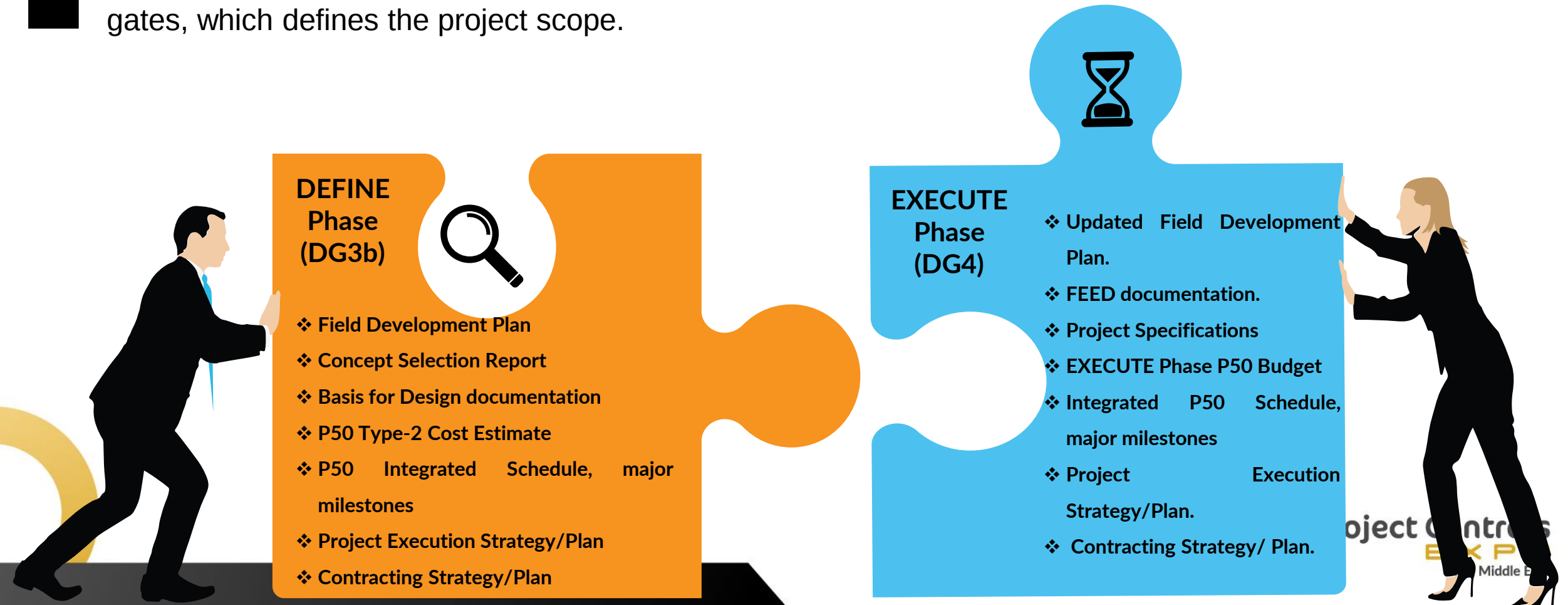
What is Change ?



Change : Changes are deviations from the **Project Basis**. It covers areas such as omissions or gaps in scope of work, incomplete definition of intermediate deliverables or methods, changed project premises or external influences.



Project Basis : is a set of **technical, cost, time and strategy/plan documents approved** at decision gates, which defines the project scope.



Change Criteria

Changes may be considered only if they meet one or more of the following Change Criteria:

HSSE

The Change is essential to maintain health, safety, environment and security standards

legislation

The Change is essential to comply with legislation or results from a change in legislation

Functionality

The Change is essential for system or component functionality or operability

Variation in Original Premises

The Change is essential for the implementation of the project, due to variation in original premises (estimate basis, schedule basis, strategies and plans, etc.)

Exceptional Case

In exceptional cases, BOM/DE may propose specific changes, and, in such cases, the project team shall use the PMOC process.

Video about change

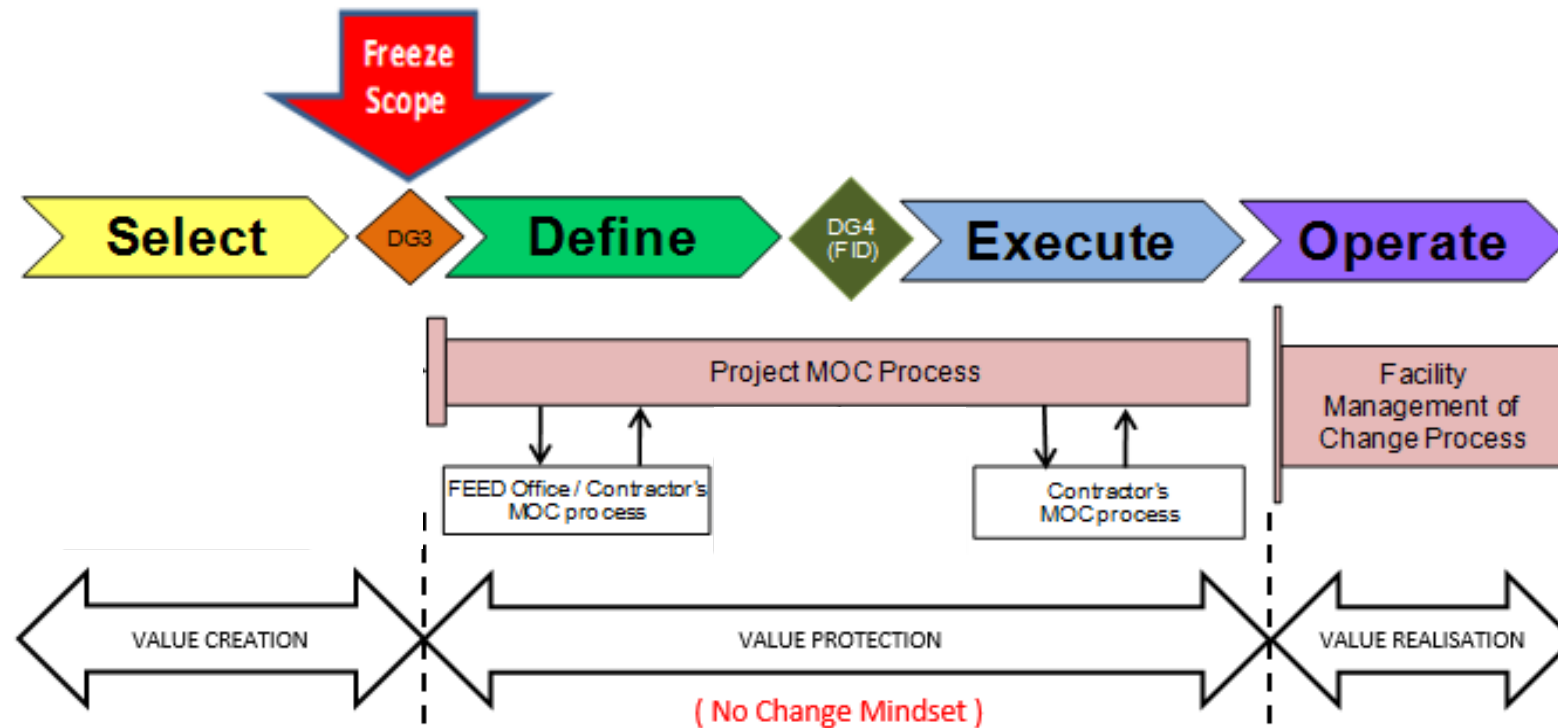


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What is PMOC ?

PMOC

The Project Management of Change is a formal process, which ensures that all changes made to project are brought about in a controlled and coordinated way that reduces any disruption to ongoing project activities and remains cost and time effective and meeting the original objectives.



Project teams must remain focused on delivering the original scope

No more – No less

Classification of Changes based on impact levels

Change Levels

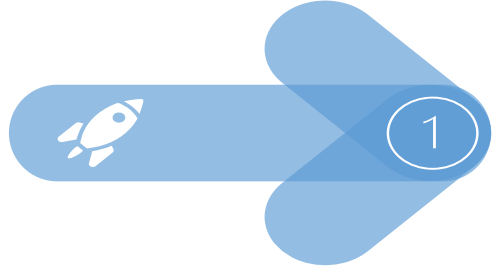
Changes can be classified in four Levels according to their cumulative impact (total impact of all approved Changes + impact of the current Change) on each BVD. Below table provides guidance to set impact levels

Impacts on (BVTs)	Metric	Baseline	Change Level - 4	Change Level - 3	Change Level - 2	Change Level - 1
Major Milestone(s)	Milestone Date(s)		Changes with no impact on BVTs	< 1 month	1 month to 3 months	> 3 months
Type-2 Estimate (not applicable during EXECUTE phase)	\$			$\leq 1\% \Delta$	$\leq 5\% \Delta$ or US\$100k	$> 5\% \Delta$ or US\$1mln
EXECUTE Budget (including P50 Contingency)	\$			$\leq 1\% \Delta$ or US\$5mln	$\leq 5\% \Delta$ or US\$10mln	$> 5\% \Delta$ or US\$50mln
Operating Expenditure	\$M/Y Opex			$\leq 1\% \Delta$	$\leq 5\% \Delta$	$> 5\% \Delta$
Asset Production	k bopd			$\leq 1\% \Delta$	$\leq 5\% \Delta$	$> 5\% \Delta$
Asset Integrity (for Sour Projects)	QRA (max IRPA)				$\leq 5\% \Delta$	$> 5\% \Delta$
Asset Availability	%				$\leq 3\% \Delta$	$> 3\% \Delta$
Reserves	M Boe				$\leq 5\% \Delta$	$> 5\% \Delta$

(QRA - Quantitative Risk Assessment, IRPA - Individual Risk per Annum)

General Guideline on change level		$\leq 1\% \Delta$	$\leq 5\% \Delta$	$> 5\% \Delta$
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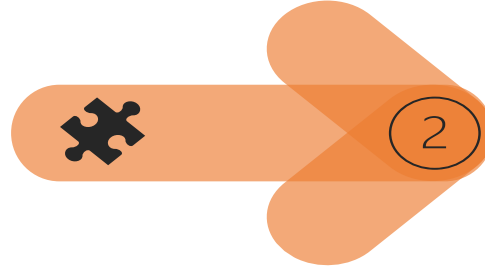
PMOC Process



Project Registration

In order for Project Teams to initiate a change, the project is to be registered. This registration is done by the PMOC Coordinator with data provided by Project Team. Following are the points to consider when Registering the Project:

A project should be registered in the PMOC tool as soon as it passes through DG3b & DG4. Project Manager and/or Project Engineer shall ensure timely registration of project.

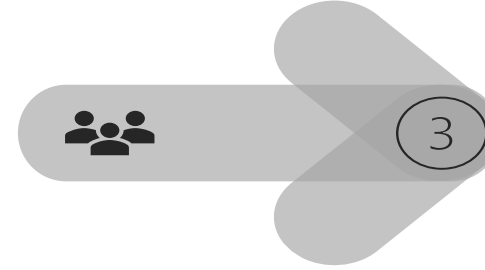


Change initiation & Decision Making

This step is where Project Team raises a change to the Project Basis. In this stage the essential requirements are clarity and alignment- get the facts right and document it precisely.

PMOC is raised when Project Team see the need to deviate from the Project Basis that define the Project Scope:

- Technical (Specifications and requirements, Scope of Work)
- Contracting strategy/plan
- Project Approved Budget and
- Project Main Milestone (M130)



Data Change Request

This step is where Project Team raises a change to the Project Basis due to typo error while project registration leads to wrong data entry, or not using latest updated document (old version).

Wrong unit of measurement (m3 / Barrel).



FRD-2 Simplified Process

This step is where Project Team raises a change when a change has the approval and endorsement from board/management/DRB/corporate with involvement of appropriate Approval Authority based on the Approval Level of the change.

This change is initiated in the system by PMOC coordinator

Prior to initiating the FRD2 change, PMOC Coordinator requires proof of management approval

A PMOC raised as a FRD2 does not go through the CRP

The change and impact approval should also be aligned with the appropriate level or higher. For example, if the impact is a level 3 then either documented Level 3 or Level 2, or Level 1 endorsement to be provided.

PMOC Initiation and Decision Making Process

Initiator

Initiate Change Proposal; input Impact Assessment, attach supporting documents and enter Implementation Plan



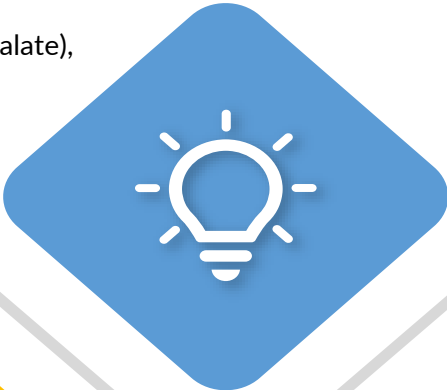
Portfolio Focal Point / PMOC Coordinator

Drop non-change proposals, and confirm quality; sent back/Proceed



CRP - 2

Take decision on L2, L3 and L4 changes.
(Approve, Reject, sent back, Escalate), and review L1 changes).



CRP-1 (Decision Executive)

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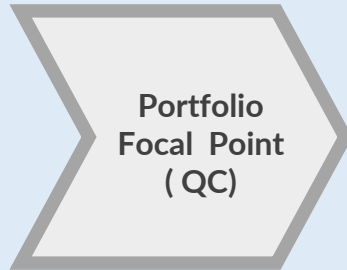
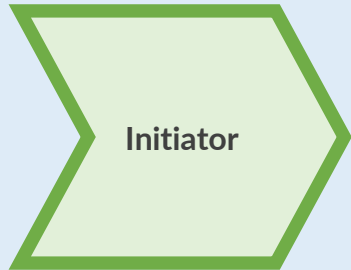
Note :

After CRP2, key members will meet DE and present the L1 changes, with supporting documents

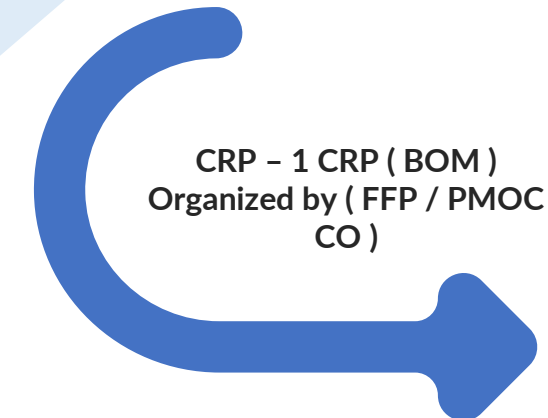
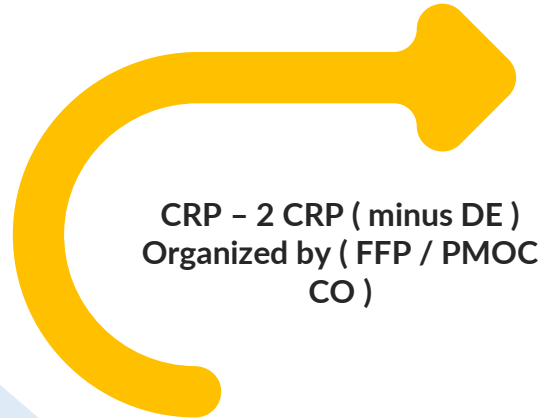
PMOC Roles & Responsibilities

1. Fill change initiation form fully.
2. Attach assessment impact.
3. Other supported documents. Implementation plan
4. Register change in PMOC too.

Drop non-change proposals
Confirm quality inputs
(Return / Proceed)



1. Project is registered twice in PMOC tool after DG-3 B (Define)
2. After DG-4 (Execute phase)
3. Check change initiation process.



Decision on L - 2, 3, 4

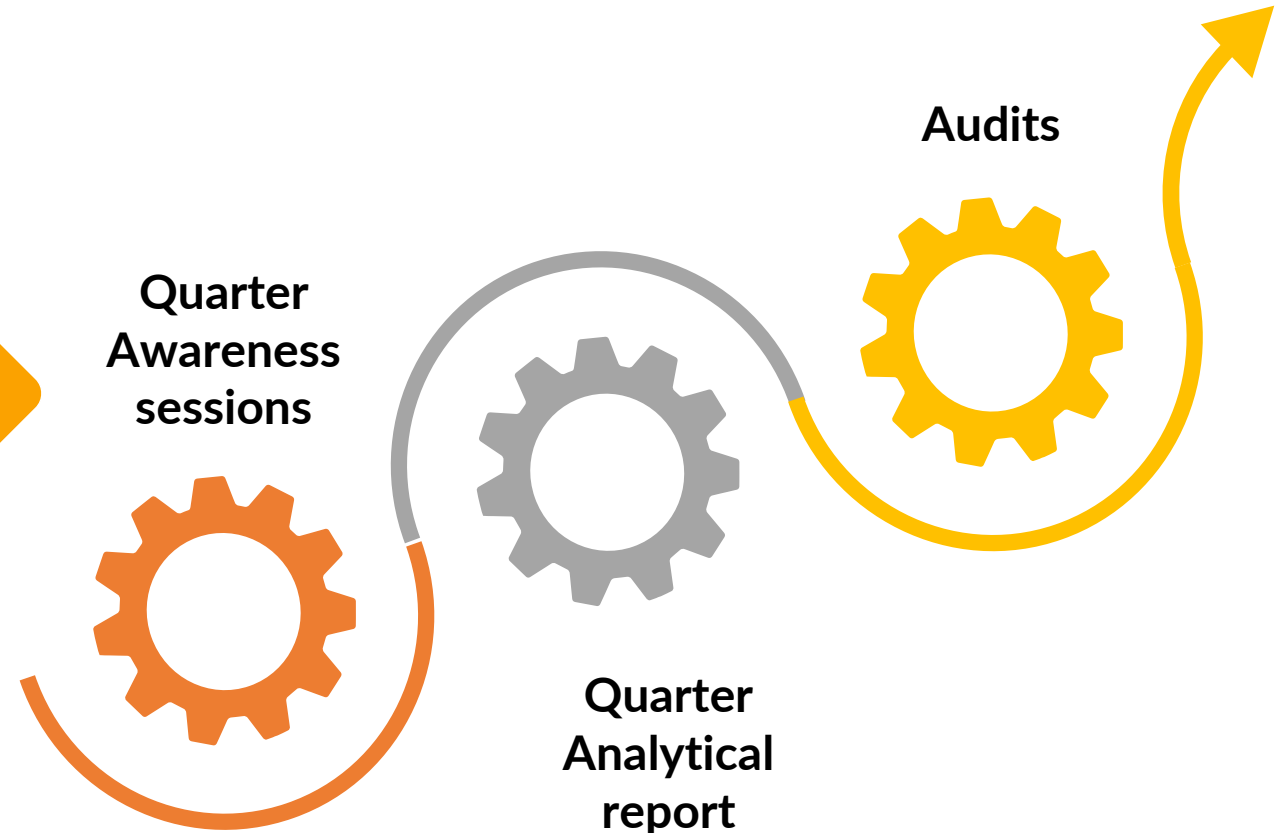
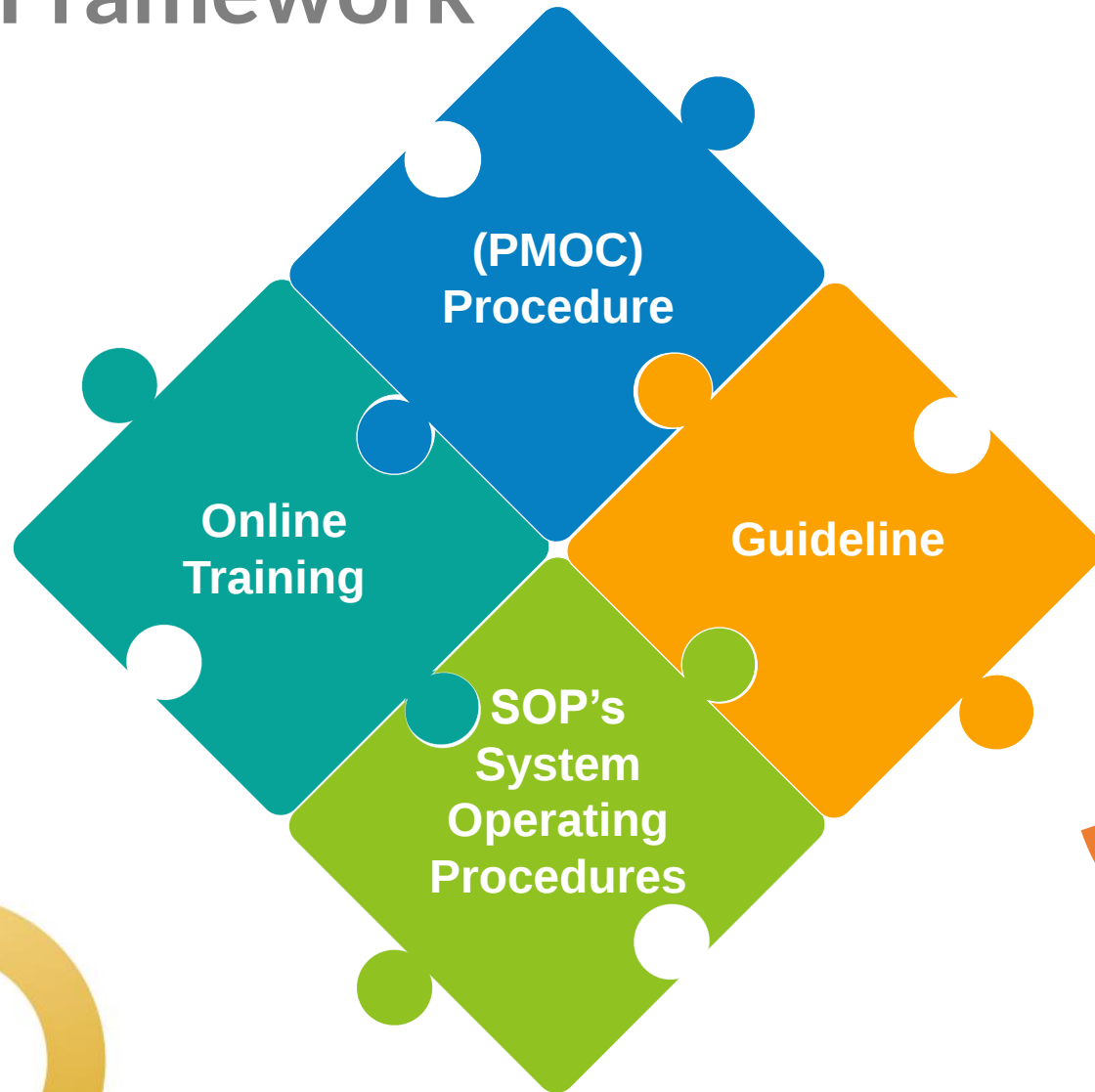
1. Review impact assessment
2. Take decision on L-2, 3, 3) approve, reject, return and escalate.
3. Review L-1 (return / process)

Decision on L - 1

Approve / Reject / Return
Present decisions on L- 2, 3,
4 (for info)

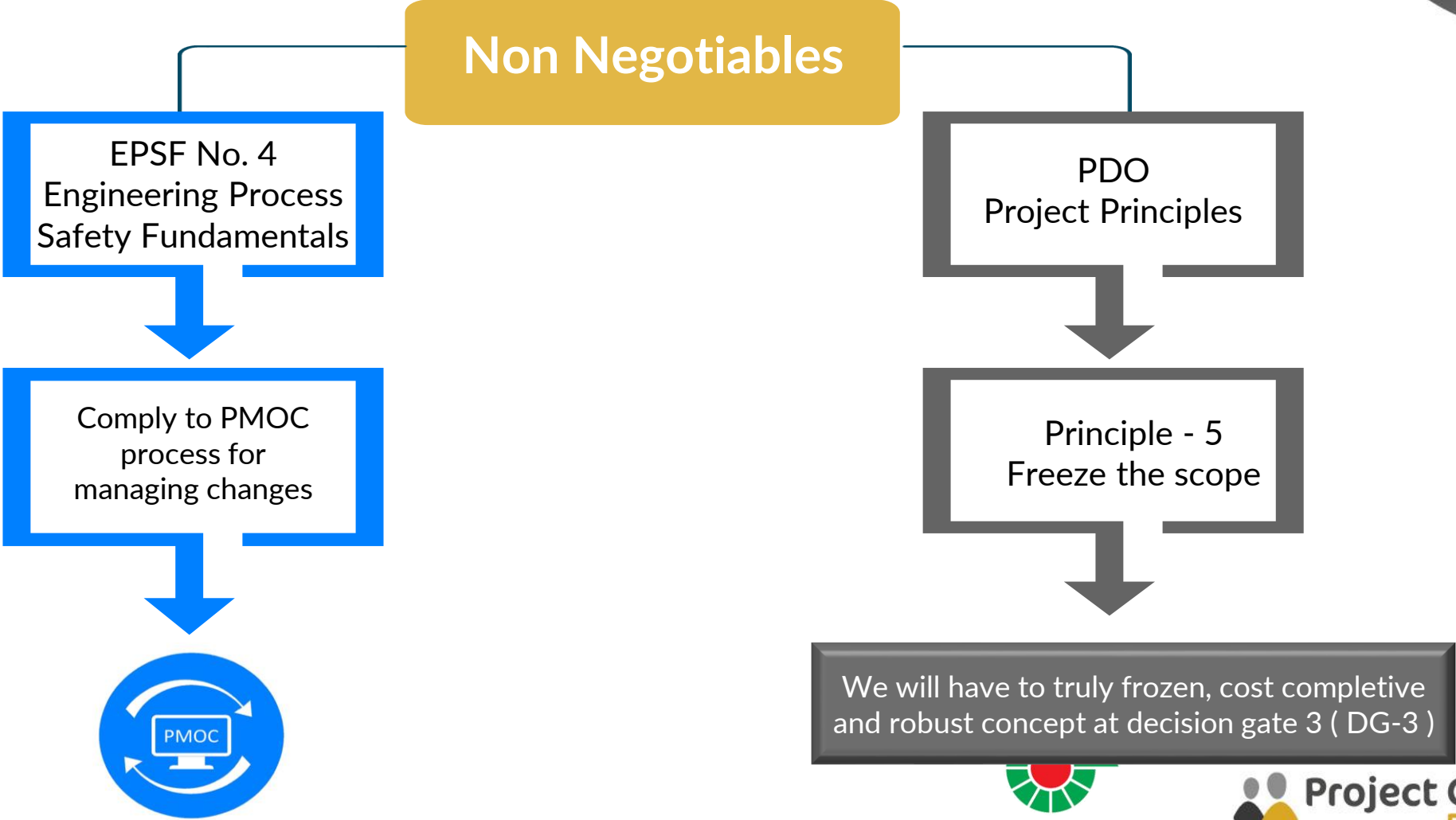
BOM = Business Opportunity Manager
DE = Decision Executive

Project Management of Change (PMOC) Framework



Link PMOC with process safety.

 **PMOC** Is a key element for PDO engineering process safety and project principles



Process Safety Event : Condensate Reboiler DSS piping leak (20.03.2022)

The field operator discovered a leak in the Condensate Reboiler insulated piping

The field operator isolated the reboiler in the field, stopping the HTF flow.

Due to the high temperature (180°C), drainage had to be postponed until the next day when it cooled down to 80°C.

The insulation and coating were removed, and a Die Penetrant Test (DPT) was conducted, revealing cracks at 4 locations in the horizontal section of the piping.

In response to the incident, the operational reboiler TR2 operational was immediately shut down and isolated.

Failure of DSS piping attributed to cracks in weld joints of the horizontal piping section and weldolet connection.



PRELIMINARY LEARNINGS

- CRA are not always better than CS, all associated threats and effects need to be analyzed considering the existing process conditions.
- **Compliance to Project Management of Change and Technical Variance control to be ensured for FCP projects.**
- Ensure PEFS as-built to reflect the as-is material class in the field as part of project close-out.

Open Questions



THANK YOU