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THE ENERGY DATA ANALYSTS

Infield Systems Limited

Subsea Benchmarking

A Draft Outline of Proposed Study

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Principal Aim

To produce the largest and most comprehensive commercial benchmark assessment of the subsea arena ever produced to aid participants in their strategic, project and operational planning.

Proposal

Infield Systems Limited (ISL) propose to undertake a comprehensive worldwide study of the 1,541 subsea related fields to assess the key commercial benchmarks within the multitude of different subsea development solutions that have been deployed and to understand the main cost differentials, key trends and likely impacts on future developments.

Background

The global subsea market has grown and developed into a \$5bn¹ year global industry fuelled by factors as diverse as deepwater developments and small development tiebacks. The past two years has seen the nature of projects increase in their diversity, scale and scope to the point that many of the established commercial benchmarks are less valid and the associated risks of new projects are increasing.

Objective

After extensive consultations with a number of operators, major contractors, engineers and equipment suppliers it is clear that there is a need for a new set of commercial benchmarks of subsea developments worldwide. The provision of such benchmarks will enable cost-effective comparison and assessment across a range of key commercial variables, increased understanding of contractual and cost issues and provide a valuable input into strategic, project and operational planning.

Format

ISL propose to combine an extensive programme of desk research of historic, current and planned subsea developments and an in-depth industry survey of operators, contractors and suppliers to assess in detail the key commercial parameters of the most significant subsea development schemes (single well tieback shallow GoM, deepwater West Africa multi-well to FPSO etc) and benchmark these by region and type across the world. The exact range of parameters will be decided by ISL and the Principal contributors.

Output

A comprehensive assessment and commercial benchmarks for subsea well developments by a range of key parameters including scheme, project schedule, detailed costs by element, operator type, contractual position, water-depth etc including reasons and lessons learned in relation to cost overruns or schedule changes.

- *All participants* - A summary report with accompanying notes and information across sectors and regions plus a one day presentation² of the key findings at a chosen location.
- *Partners* – as above plus further detailed results and analysis
- *Principals* – as for Partner plus additional analysis on their specific input parameters and two days of presentation & discussion with Senior Analysts.

Confidentiality

It is not intended that any operator, contractor or supplier be specifically identified, referenced or noted, either directly or indirectly, within the benchmarking study unless volunteered and accompanied by written confirmation. In addition all information supplied, received or sourced from participants, their employees or representatives without a public domain reference will be regarded as confidential and commercially sensitive and as such

¹ \$5.2bn 2005 year – Global Perspectives Subsea 2004/08 – Market Update published by ISL

² Travel & accommodation costs excluded

will be maintained within ISL's strict confidentiality guidelines.

Project Schedule:

Stage 1	Expressions of interest	T 0
Stage 2	Agree parameters with principals	T +15 Days
Stage 3	Confirm project with all participants	T +25 Days
Stage 4	Interim results	T +150 Days
Stage 5	Final Results	T +225 Days

Cost to Participate

Principle	£17,000 (includes right to shape 4 project parameters plus full & detailed results), payment in three parts
Partner	£11,500 (detailed results), payment in two parts
Associate	£6,700 (summary results only), lump sum payment

Please note that these costs are for confirmed participants up to Stage 2. Beyond this date all late entrants will incur a 40% late-entrants premium.

Requirements

Interested parties are required to express their initial interest to participate and at which level by the start of the schedule.

References	
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