

## Teesside Terminal | 2014

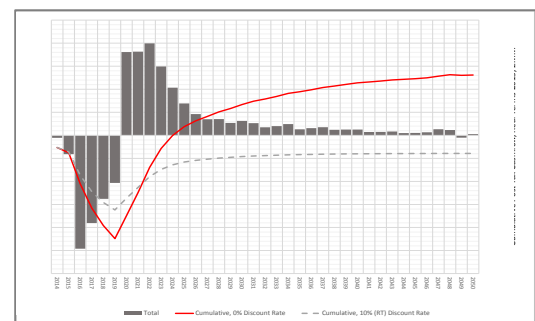
### ConocoPhillips

Customer: Keli Hand, Terminal Integration Manager

**Dundas scope:** Late Life Strategy, OPEX Estimation, Engineering Peer Review, Petroleum Economics

#### PROJECT DESCRIPTION

The Teesside oil stabilisation terminal was developed in the 1970's and received first oil in 1975 from the Ekofisk complex. The terminal is operated by ConocoPhillips. The original design throughput capacity was 1 million BOPD. Today the terminal receives just below 300 MBOPD of unstabilised crude oil from the Norwegian and UK sectors of the North Sea. Against the backdrop of ageing infrastructure, the owner group anticipated a requirement for the plant to continue to operate for a further 40 years, during which, throughput will gradually decline. A long term planning approach was required and accordingly, a series of associated study work was commissioned with Dundas. Alternative strategies were identified and assessed quantitatively against their ability to optimally contribute to the business objectives for the terminal.



#### DUNDAS ROLE

Dundas personnel facilitated a three day project framing workshop for over 35 representatives from the five owner companies. The output from the workshop included decision criteria, project objectives, and definition of a number of alternative strategies including full decommissioning of the terminal with new build, partial rebuild, and continuing to maintain. Dundas prepared a comprehensive document describing a "Reference Case" against which the CAPEX, OPEX and ABEX of the alternative strategies could be compared. Included in the Dundas scope was design, build and utilisation of a complex cashflow model that enabled a pseudo 100% ownership view to be represented, incorporating the impact on both shippers and terminal owners in the context of complex cross border tax interactions. Dundas peer reviewed the cost estimates and prepared formal reports evaluating the alternative strategies and recommended the preferred approach.