

# Natural Gas Utility Project Controls Analysis

understand. collaborate. implement.

A Service-focused Current-state Analysis project to develop a comprehensive strategic roadmap to set the improvement path for the Natural Gas Utility Project Controls organization for the next 3-5 years, including the identification and evaluation of current service offerings, and the processes and resources that support them.

## Overview

- Identify the organizational and cultural barriers to implementing an enterprise-wide Asset Development Process (ADP) to further define the project management processes, tools, and techniques to help large, capital intensive, engineered asset development projects achieve greater success
- Implement industry standards and best practices related to earned value analysis, quality assurance management, and project cost estimating
- Provide improvement recommendations to ensure the integrity of all operating assets

## Participants

- Executive VP, Engineering & Operations
- Vice President, Midstream Services
- Managing Director, Office of Program Management
- Manager, Project Controls

## Approach

- Determine business needs, gaps, constraints, dependencies, priorities, and issues / risks across Services and business owners (based on quantitative and qualitative data)
- Develop a standardized definition of a service to be used across the Project Controls organization
- Document suppliers, inputs, processes, outputs, and customers (SIPOC) for each service
- Analyze performance, financial and operational data and processes
- Determined technical capabilities and challenges and potential impacts to the business
- Identify initiatives required to move from current-state to future-state
- Define 2010/2011 Business Process Excellence Strategy Roadmap through prioritization and filtering of initiatives
- Conduct financial analysis comparing the total cost for each Project Controls service delivery to its inherent risk scoring and the total number of annual deliveries

## Results

- Identified \$500,287 in total services performed with \$561 as the average cost per service delivery and recommended areas for potential cost savings
- Provided improvement recommendations to simplify the current forecasting/cost tracking process
- Provided input into the new staffing model for Project Controls organization
- Quantified risk level of all services and processes enabling the prioritization of required risk mitigation planning and future continuous improvement initiatives based upon identified inherent risk scores
- Quantified maturity level of all services and processes revealing the quality level of social/business process documentation, extent of standardization, and ability to track service-level performance against customer requirements
- Identified gaps and improvement opportunities related to the Management of Change Process resulting in a reduction of project cost overruns