PETRONAS E&P Technical Data Contractor Compliance Index (CCI) – Towards Data Submission Excellence

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Presentation Outline

- Background
- Data Submission Requirement
- Contractor Compliance Index (CCI)
  - Objective
  - Components
  - Indicator
  - Scoring sample
- CCI Performance for Data
- Conclusion
Technical Data was formed to elevate functional excellence and delivery discipline of data management.
Technical Data, PMU is the *custodian* of all generated *petro-technical data* identified for *archival* purposes, ensuring final data are *safeguarded* and *preserved* for a long term usage and according to *standards*.

**Track and enforce data capture & recovery**

Review submission progress against activities conducted by the PSCs.

**Manage data requests, data reviews & data packaging**

Facilitate data requests, data review, and data packaging for internal and external users for block promotions and various G&G studies.
In 1974 PETRONAS was given the mandate to manage the Malaysian oil and gas resources through the Petroleum Development Act. This is carried out through Petroleum Management Unit that plays the role of regulator in managing the Contractors.

Petroleum Development Act (PDA) 1974
**Data**

**PPGUA**

*Volume 10 Section 5*

- In accordance with the terms and conditions of the Petroleum Arrangement (PA), PETRONAS has *the entire ownership* of all original data and information generated from upstream petroleum activities under the applicable PA.

- A copy of the original data:
  - *Technical data, information and samples* relevant to Geological & Geophysical (G&G), surface and subsurface engineering data i.e. seismic, drilling, well, core sample, platform diagram, conceptual design, technical reports, etc.

  *Physical samples* such as drill cuttings, drill cores, a representative portion of sidewall cores, fluid (oil, gas, condensate, water) & any other types of samples.

- Shall be submitted to PETRONAS to be *preserved* for future use in the domestic E&P ventures.
Contractor Compliance Index (CCI)

**What**
A holistic measure to evaluate Petroleum Arrangement (PA) Contractors compliance level objectively

**Why**
It serves as an indicator for PETRONAS to recognize the contractor through incentive or impose Consequence Management if necessary

**How**
CCI rating will be based on the audit findings, compliance to PSC and PETRONAS standards & guidelines, and performances. The final score will be classified as Good, Fair, Unsatisfactory and Poor

**COMPONENTS**
- HSE
- Exploration
- Development
- Production
- SCM Governance
- Finance
- Data & Capability
- Drilling
- Work Programme & Budget
- Malaysianisation

**WHY?**
- Promote healthy competition
- Track PSCs’ performance
- Identify issues and challenges
- Collaborate and share best practices
Each component may have 1 or more sub-components and indicator where the Contractors will be assessed and evaluated

Sub-Component 1
- Indicator 1
- Indicator 2
- Indicator 3

Sub-Component 2
- Indicator 1
- Indicator 2

Sub-Component 3
- Indicator 1
- Indicator 2
- Indicator 3

Total score will be tabulated at the end. Final score will be classified as:

- **Good**: 1.00-1.99
- **Fair**: 2.00-2.59
- **Unsatisfactory**: 2.59-3.09
- **Poor**: 3.10-4.00
**CCI Indicator for Data**

<table>
<thead>
<tr>
<th>Sub-Component</th>
<th>Indicator</th>
<th>Good</th>
<th>Fair</th>
<th>Unsatisfactory</th>
<th>Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data</td>
<td>Annual Technical Data Submission for past year (e.g. activities in 2012 to be submitted by end of 2013) (100%)</td>
<td>100% submission as per completed activities + latest completed activities</td>
<td>100% submission as per completed activities</td>
<td>&lt; 100% submission as per completed activities</td>
<td>&lt; 80% submission as per completed activities</td>
</tr>
</tbody>
</table>

The ruler is based on following criteria:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Details</th>
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<tbody>
<tr>
<td><strong>Timeliness</strong></td>
<td>Submission of primary data types on agreed timeline as per PPGUA</td>
</tr>
<tr>
<td><strong>Quality</strong></td>
<td>Compliance to standards and formats of all data types</td>
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<tr>
<td><strong>Quantity</strong></td>
<td>Data dimension and volume</td>
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<tr>
<td><strong>Effort</strong></td>
<td>• Frequent engagement</td>
</tr>
<tr>
<td></td>
<td>• Written justification</td>
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<td></td>
<td>• Prompt follow ups</td>
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</tbody>
</table>
CCl Scoring Sample

To improve MPP Implementation & Unplanned Tenders and Sourcing Governance

High NR related to Payroll, Drilling & Project Audit and high no. of Recurring Issue

100% compliance to technical data submission & training commitment execution

Poor

Good
In overall, most of the contractors have made improvement on Capability & Data component scoring in CCI 1st Half 2013.

Average by CCI components, 1st Half 2012 vs 1st Half 2013

<table>
<thead>
<tr>
<th>Component</th>
<th>YTD Q2'12</th>
<th>YTD Q2'13</th>
</tr>
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<tbody>
<tr>
<td>HSE</td>
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<tr>
<td>Exploration</td>
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<td>Production</td>
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<td>SCM Gov</td>
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<tr>
<td>Finance</td>
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<tr>
<td>Cap &amp; Data</td>
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<tr>
<td>Drilling</td>
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<td>WPB</td>
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<tr>
<td>Malaysianisation</td>
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<td></td>
</tr>
</tbody>
</table>

**Legend:**
- **Good**: 1.00 – 1.99
- **Fair**: 2.00 – 2.59
- **Unsatisfactory**: 2.60 – 3.09
- **Poor**: 3.10 – 4.00
In Conclusion

- More proactive response from the PSC on data submission
- Improvement in overall performance in data submission percentage
- More collaboration among PSCs in resolving issues and challenges
THANK YOU