COST ENGINEERING:
Principles & Practice in the Petroleum Industry
ENG15
Introduction:
Cost Engineering has grown to become a critical aspect of project cost management.

In the petroleum industry, projects capital expenditure (CAPEX) is huge; and mostly associated with engineering design and construction.

Cost engineering as an obvious ‘commercial side’ of any engineering discipline and vitally so, such that costs (investment spending) must be ‘engineered’.

In order to effectively manage engineering projects (by delivering them within budget & on time), it has become imperative that cost engineering principles & practice be emphasized; which is the reason for the design of this course.

This course is designed to enable participants arrive at accurate and current cost estimates through their understanding of cost analysis, cost assessment, project planning project risk assessment, and design-to-cost.

The Total Cost Management (TCM) principles as applicable to portfolio of assets & projects in the petroleum industry through project Management principles will be part of this course delivery. Emphasis will also be on Cost Analysis, Cost Estimation & Control through applicable & effective monitoring techniques.

This program is aimed at engineers, economists, planners & accountants that are in charge of cost verification, cost benchmarking and project or asset cost control and budget monitoring.

The program will be delivered in classroom setting over a five day period and will employ relevant case studies and class / group exercises in addition to exposing attendees to various frameworks, policies and acceptable global Standards as prescribed by both AACE Intn’l and ACostE of UK.

Course Content
3. Cost Estimation:
- Cost Estimation Methods: Stochastic or Deterministic.
- Definitive vs. Order of Magnitude Estimates.
- Classification of Cost Estimate.
- Cost Estimate Quality Assurance.
- Cost Estimation Best Practice: Cost Modelling, Validity of relevant data, Labour, Project Time Frame, Inflation, and Estimations; Technology & Uncertainties.

4. Engineering Economics
   - Economic Rates & Ratios.
   - Time Value of Money.
   - The Notion of Discounted Cash flow (DCF & IRR).
   - Opportunity Cost of Engineering Projects & Project Ranking.
   - Non-Economic Project Attributes (Corporate & Public Image, Aesthetics/Style & Colour),
   - Financing Options.

5. Strategic Asset Management/Portfolio & Program Management:
   - Project Monitoring.
   - Project Performance Measurement.
   - Budgeted Cost vs. Work Performed.

6. Project Cost Management
   - Cost Monitoring.
   - Cost Control & Cost Containment.
   - The Role of Project Planning & Scheduling in Cost Management.
   - Planning & Scheduling including:
     • Work Breakdown Structure.
     • Critical Path Analysis for Cost Engineering & Cost Management.


Who Should Attend
- Cost Engineers.
- Project Control Engineers & Project Managers.
- Planning Dept Engineers.
- Cost Accountants.
- Quantity Surveyors.
- Construction Engineers & Supervisors.
- Contract Management Staff.
Venue: 1. Lagos.  
2. London UK. 

Date: To be Agreed. 

Tuition: £3,250 + VAT

5 easy ways to register or to make an enquiry:

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