

EVENT, DATE

# ABB OGC Care

Speaker, position

# Agenda

- What is OGC Care?
- Challenges and how we can help
- Risk of operating without a service contract
- Benefits of OGC Care
- Understanding your needs
- Contract models
- Building the right OGC Care Package
- Life cycle contract
- Asset Maintenance Partnership
- Customer cases
- Our contribution to your bottom line
- Benefit summary

# What is ABB OGC Care?

Global standardized framework for service agreements



ABB Oil and Gas Care delivers consistent, standardized service contracting agreements that help you cut complexity, control cost and maximize the value of your critical investments.

- Simplifying service interactions and performing all levels of service effectively and efficiently
- Providing the service agreement that best fits your unique needs
- Contributing to your revenue by helping you increase production and avoid unscheduled downtime

**ABB OGC Care objective: Understand your needs and deliver services that meet them**

# Challenges and how we can help



All customers are trying to anticipate equipment or process malfunctions or failures

- We can help optimize your maintenance strategy, and balance risk and cost with predictive, performance-based service
- The more we know about your environment and how you work, the better the service we can provide
- We assess your needs and help you determine the proper level of service engagement

# Financial risk of operating without a service contract

Today's operating facilities need to simplify processes to cut costs, maximize capital, ensure safety and increase production.

Without standardized service contracts, repair costs vary widely and can quickly escalate:\*



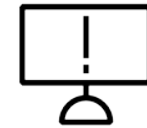
Determining costs is difficult since most plants do not keep adequate maintenance records

Without management control, **costs accumulate due to inefficient planning and scheduling**



Emergency repairs require **3 to 4 times more human resources, time and money** than scheduled maintenance

Many maintenance **costs are hidden**, such as the cost of shutting down a unit for repair or the cost of deferred production and disrupted schedules



A high percentage of all maintenance **time, costs and energy are spent on reactive activities**

**Reactive maintenance is ~60-70% less efficient** than planned and scheduled maintenance

# Benefits of OGC Care

Subtitle

## Standardized and consistent



**Standardized, consistent service delivery:** ensures companies receive reliable, predictable service across multiple geographies

## Tailored service



**Tailored service contracting:** provides the service agreement that best fulfills each organization's individual requirements

## Local/global



**Local engineering expertise with global support:** facilitates faster resolution time for greater equipment and process availability to help maximize production

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# Benefits of OGC Care (continued)

Subtitle

## Reduced complexity

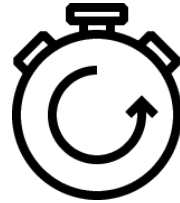
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**Reduced complexity:** simplifies service interactions and clarifies expectations, improving efficiency, reducing risk and controlling costs

## Faster

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**Faster issue resolution time:** increases reliability and availability of equipment and processes

## History archival

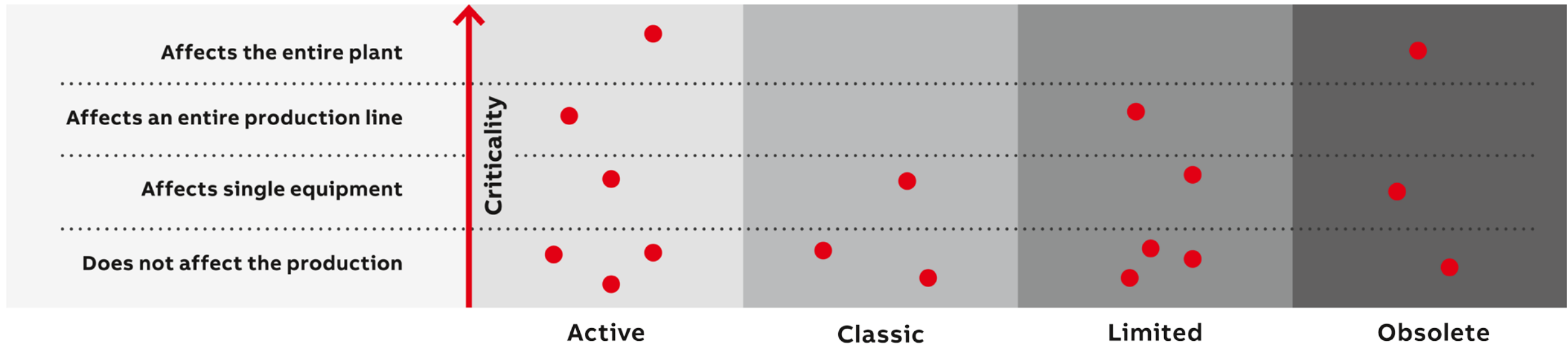
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**Service history archival:** provides existing performance data and behavior trends to guide predictive, proactive maintenance models

# We start with your assets so we're on the same page

Electrification, automation, telecommunications



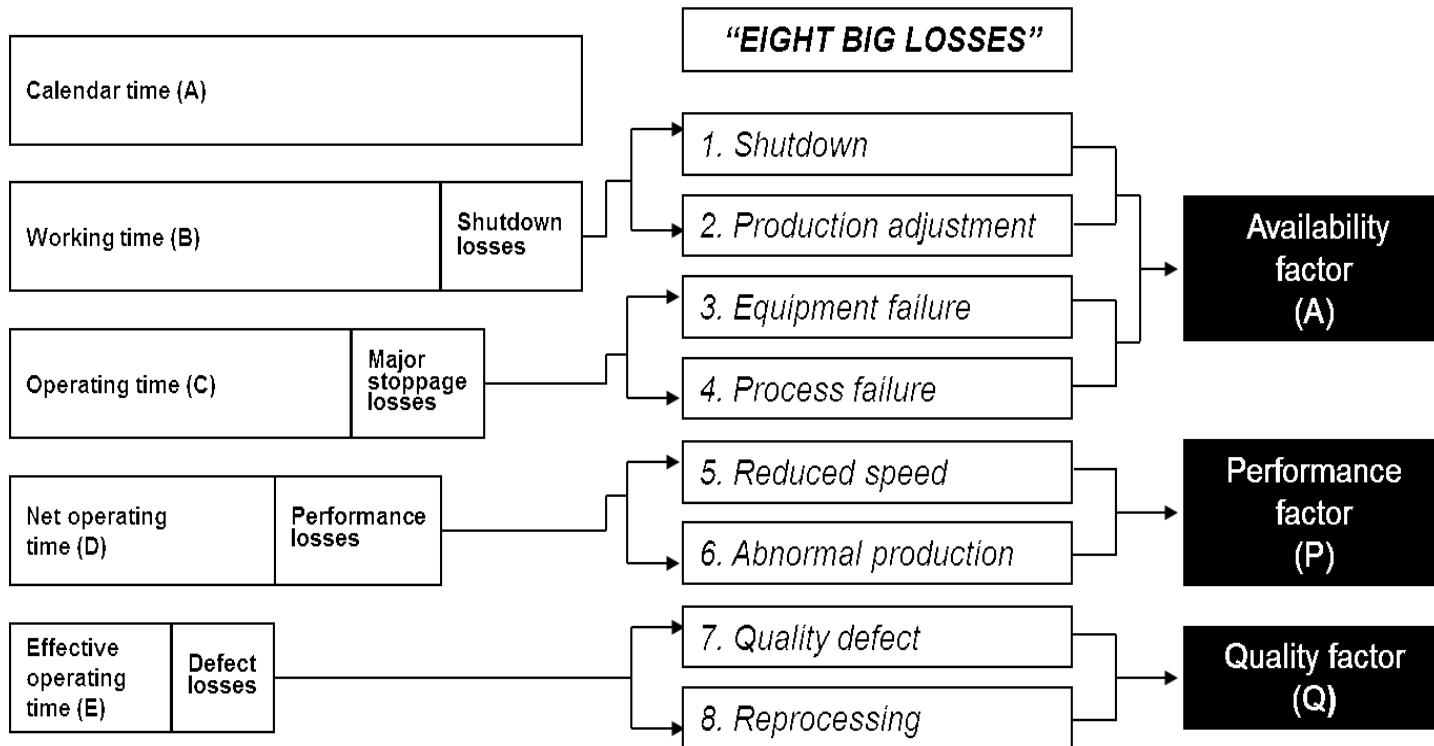


# We work with you to understand your needs

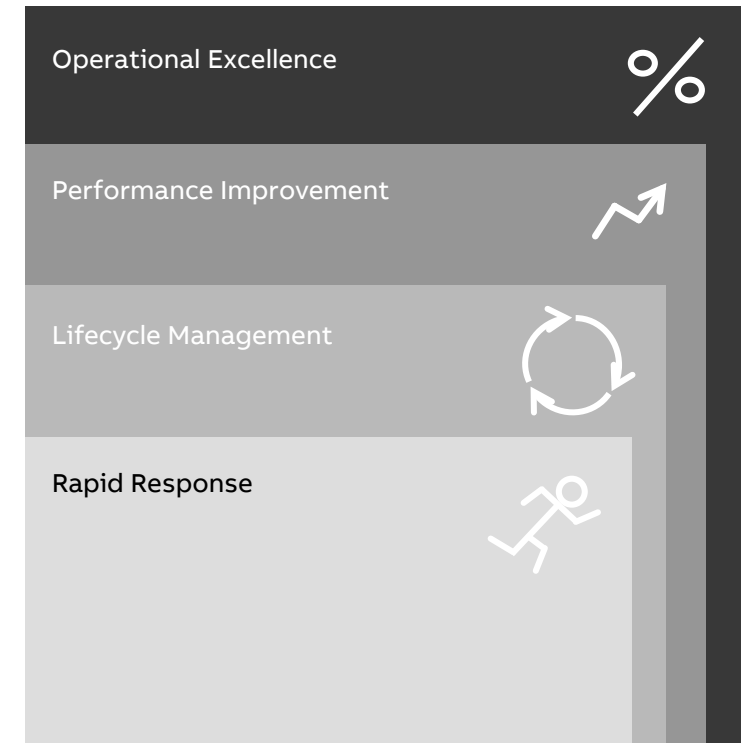
<b>If you need:</b>	Timely local and remote support	Asset and process support	Improved employee knowledge and skill sets	Latest features and functions	Parts and repair assistance
<b>Then consider:</b>	Rapid response support	Services designed to support maintenance	Training for plant personnel	Product and system life cycle support	Product and system repair support

<b>If you need:</b>	Higher asset utilization	Lower costs	Longer asset life	Higher production	High asset and process reliability
<b>Then consider:</b>	Product, system and process optimization	Services that help reduce variable costs	Product and system life cycle support production	Optimized equipment and process availability	Predictable equipment and process performance

# OEE and ABB Service portfolio alignment



## ABB OGC Care



# Rapid Response





# Lifecycle Management



# Performance Improvement

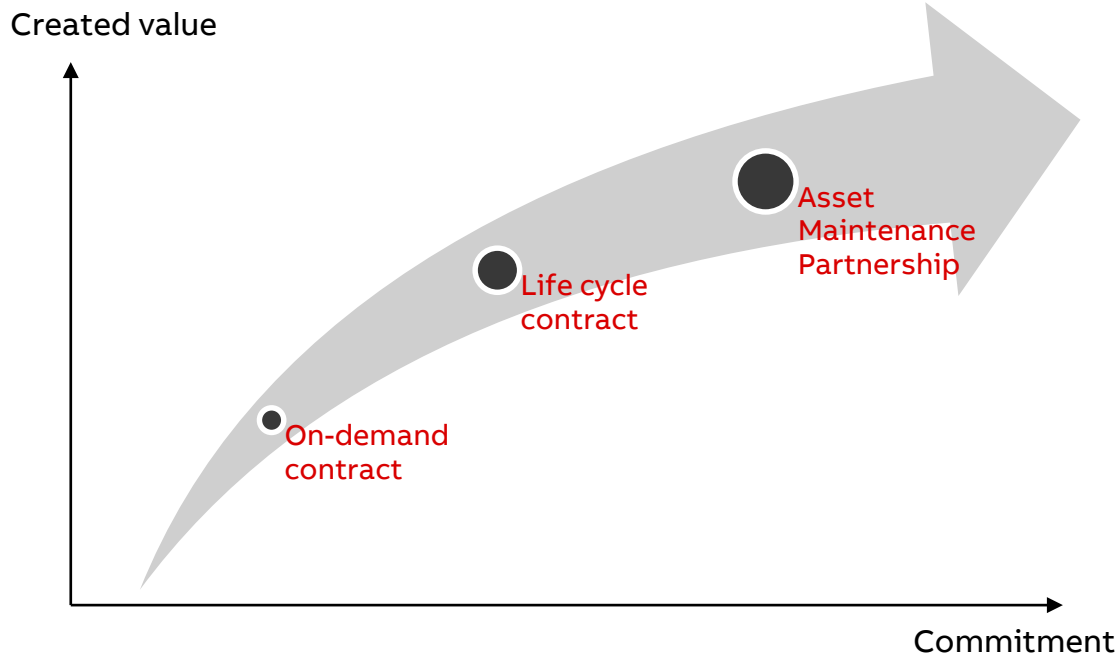


# Operational Excellence



# We help you build the right OGC Care package

## Contract models



# Life cycle contract

Contractor responsibility for life cycle services and cost planning

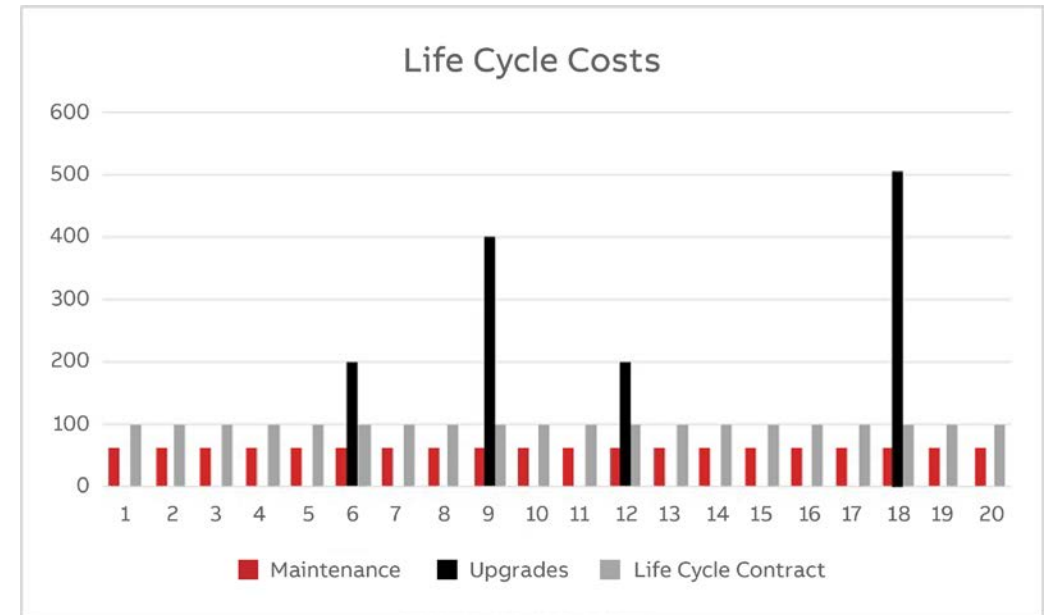
## Life cycle costs

Typical life cycle costs for DCS ~6% of installed base value

Includes:

- Regular maintenance costs for preventive maintenance, spare parts and technical support
- Life cycle activities for hardware replacement and updates/upgrades

Requires long-term commitment



Reduce costs up to 20% for 15+ year contract

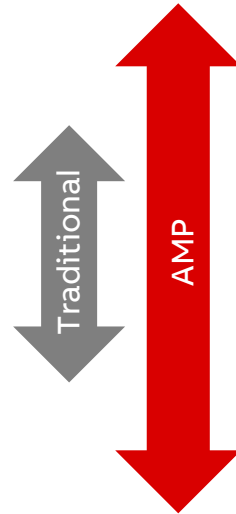


# Asset Maintenance Partnership

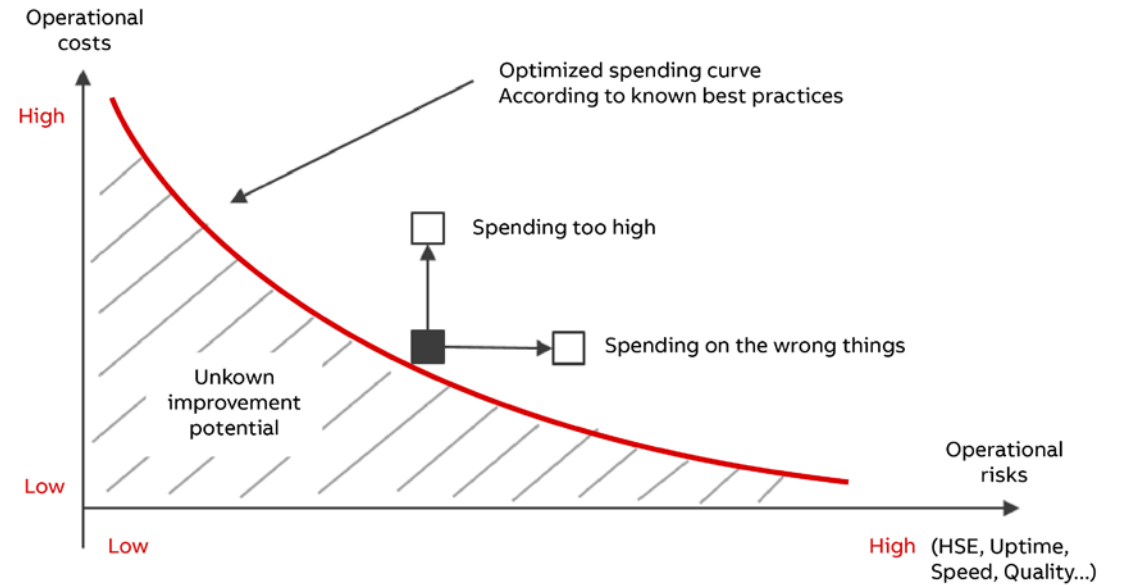
A performance-based approach to increase productivity and reduce costs

## To increase productivity we must understand:

- What are the operational risks?
- What are the operational costs?
- How to optimize the maintenance strategy to balance operational risks and costs



## Operational risk versus operational costs



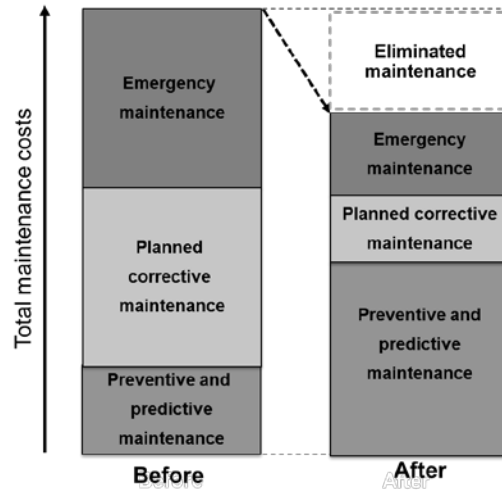
Productivity = balanced operational risk versus operational costs

# Asset Maintenance Partnership

A performance-based approach to increase productivity and reduce costs

## Assessment phase

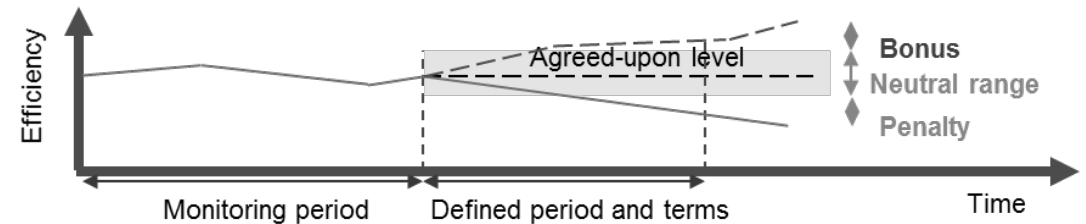
Installed base, customer targets, maintenance strategy (FMEA, RCA, maintenance plan), KPIs, proposal generation



## Service agreement phase

**Maintenance teams** (site manager, technology manager, engineer, HSE officer), **generate**, plan and execute work orders, continuous improvements, reporting, verify and optimize, **collect and report KPIs**

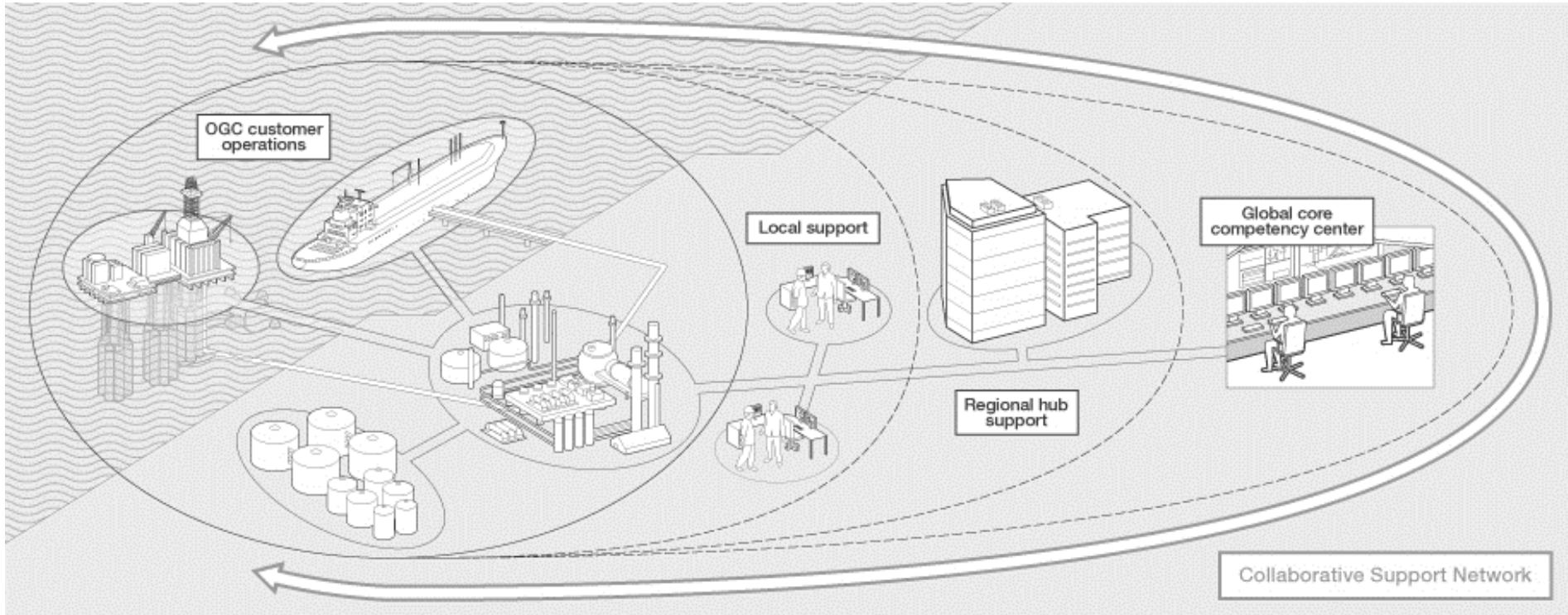
## Performance index



A shared-gain approach drives actions that produce value

# Putting experts in place to improve your process and system performance

## Local service with global support



More than 1,800 global service specialists backed by world-class tools and processes

# Customer cases

## Customer need

Offshore oil producer in Brazil needed to **maximize equipment availability** to ensure running production

## Contract model application

**Rapid Response** includes 24/7 technical support with guaranteed response time, corrective maintenance and recommended spare parts

## Customer benefit

**Increased productivity** can be worth **more than 150 kUSD/hour**, when downtime is decreased by returning equipment to operation quickly, with an **opex reduction of 20 to 30%** across the operational life cycle

Offshore oil producer in Asia wanted **assurance its site would be available** to produce safely and efficiently for as long as possible

**Lifecycle Management** includes life cycle assessments, inspection and diagnostics and preventive maintenance to optimize and extend equipment life through efficient upgrade solutions

**Extended capital lifetime by more than 15 years** can be achieved along with **decreasing total cost of ownership by up to 20%** via long-term planning

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## Customer cases (continued)

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### Customer need

Offshore oil producer in the United Kingdom needed to **optimize its maintenance plan** to save costs and keep plant integrity at the highest level

### Contract model application

**Performance Improvement** includes condition monitoring solutions and predictive maintenance for optimization of equipment and processes

### Customer benefit

**Increased HSE and productivity** can be achieved **and maintenance costs can be reduced by 8 to 12%** when compared to preventive maintenance\*

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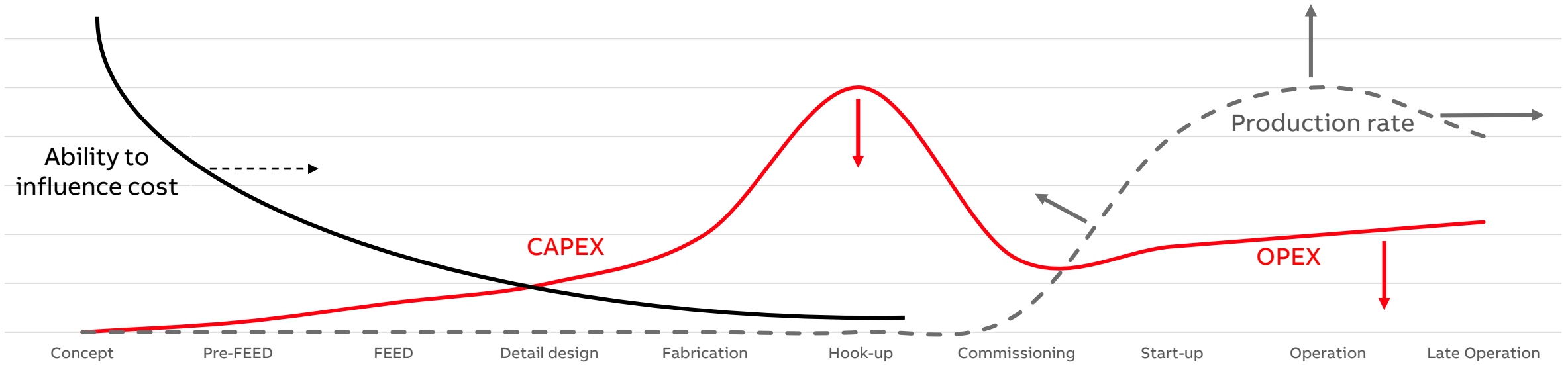
Offshore oil producer in Norway needed to **improve asset utilization, reduce operating costs and increase production efficiency** to raise its recovery factor

**Operational Excellence** includes process optimization, alarm management, cyber security and functional safety services

**Improved operations** with **seven days of additional production** per year can be achieved at the same time as HSE is improved

# Our contribution to your bottom line

We can help you reduce total cost of ownership and increase productivity



# Benefit summary

ABB Oil, Gas and Chemical Care delivers consistent, standardized service contracting agreements that can help you cut complexity, control cost and maximize the value of your critical investments

- We simplify service interactions and perform all levels of service effectively and efficiently
- We provide the service agreement that best addresses your unique needs
- OGC Care contributes to your revenue by helping increase production and avoid unscheduled downtime





**ABB**