



Midstream/Downstream Services

**Gaffney,
Cline &
Associates**

Who is Gaffney, Cline & Associates?

Gaffney, Cline & Associates (GCA) is a global consultancy offering technical, commercial, and strategic advice to the oil and gas sector. In business for over 50 years, GCA has developed a reputation for high-quality advice and insight that is impartial, technically sound and commercially astute.

What makes GCA different?

GCA provides broad-based and detailed technical and commercial advice to clients across the upstream, midstream and downstream sectors of the oil and gas industry using a multi-disciplined task-force approach. It is our integrated nature that differentiates GCA from our competitors. GCA's experienced staffing provides all the capabilities found in an integrated oil company, and our methods are specifically designed to meet the technical, strategic, and commercial requirements of a client's objectives.

Our midstream/downstream group is expanding and further growth is envisaged through our oil and gas commercialization services. Many of our clients now regard GCA as fully integrated, able to provide insight, guidance, and advice on a wide range of strategic issues.

How GCA works

GCA provides asset appraisal and project evaluation of oil and gas developments, infrastructure and monetization solutions including advice on the competitiveness and economic viability of a project. Our specialized upstream, midstream and downstream knowledge and skills allow us to focus on a client's needs throughout the oil and gas value chain.

Our customized market analysis, considering regional dynamics, global supply and demand drivers, is a key to our oil and gas commercialization services.

There is a tendency in some oil (producing) companies and oil (service) companies to treat the upstream (including subsurface), midstream and downstream aspects of a project separately. In reality, assessing the feasibility of any upstream development requires the consideration of the whole value chain on an integrated basis - exactly as practiced at GCA.

A key offering from GCA is our ability to look at the development of hydrocarbon resources to commercialization. GCA's in-house midstream and downstream specialists contribute to providing a truly integrated solution to clients. This gives us the ability to analyze and provide advice on the best options for monetization and moving product to market.

This integrated approach, delivered through multidiscipline teams, ensures that key details are not lost in the interfaces between value chain components. Projects are considered from a holistic perspective, free from supplier bias. This offers GCA's clients superior results and a highly efficient process. GCA also offers individual service packages including technical and commercial risk assessment, strategy formulation and advice on optimization of energy sales and purchase contracts.

The well deserved reputation for honesty and directness has been cemented over a number of years. We always provide the best possible solutions to clients' problems and challenges; delivering analysis, discussion, conclusions and recommendations that are fully tailored to the client's specific circumstances.

Range of Midstream/Downstream services

To complement the upstream services that GCA is renowned for, our midstream/downstream group offers full oil and gas commercialization services. Some of the specific service areas are described in more detail below.

Strategic advice on investments/new developments

GCA provides advice covering market analysis and all technical issues related to a project, including the selection of the best product mix and feedstock choice. We help with selection of the best configuration, advise on sales and purchase contracts, choice of management systems to be put in place, optimal staffing levels, estimates of capital and operating expenditure, economic modeling to understand the expected NPV and IRR.

We typically cover everything from pre-feasibility studies through to bankable feasibility studies. We provide assistance during project implementation and support to ensure that the best practice is in place to optimise the plant after commissioning.

Lenders due diligence

GCA analyses oil and gas projects, in the areas outlined above, for lenders to give them the comfort that everything is in place to deliver the project expectations and red flag any threats to the success of the project. During the execution of the project we monitor on behalf of lenders to keep them up to date with progress and highlight any new threats either through the project execution or changes in the market environment.

Mergers and acquisition due diligence

We offer technical, commercial and strategic due diligence to companies looking to purchase assets along the oil and gas value chain, ranging from oil and gas facilities, pipelines and storage, through oil refineries, petrochemical plants gas, gas plants, LNG liquefaction, and LNG regasification plants.

Our technical due diligence covers an understanding of the asset and provides comparison with its competition and knowledge of its strengths and weaknesses along with analysis of future threats. We also carry out an assessment of the integrity of the asset and the processes in place to maintain the asset. This coupled with our market knowledge plus feedstock and product price forecasts allows us to build up an economic model of the facility, incorporating the expected gross margin along with operating and capital cost requirements.

Oil, gas, LNG and refined product market studies

We carry out bespoke market studies for clients, based on our knowledge of existing markets and long term views on supply and demand. These studies cover alternatives for feedstock supply or product sales, understanding whether products will be used in the local market or exported along with price forecasts for feedstock and products at the facility gate.

We work with countries on services that range from single-field studies to gas master plans and hydrocarbon utilization strategies.

Most of our midstream/downstream projects encompass technical, commercial, and strategic aspects, and often include upstream considerations. For example, on a recent project we investigated the fundamental question of where a country's future gas supplies were to come from. The project involved geologists and reservoir engineers reviewing the potential for new indigenous gas resources, our facilities engineers deriving the costs of developing those fields, our midstream specialists considering what infrastructure would be required to get the gas to market, and our market analysts assessing what gas prices the market could, or indeed should, pay. This truly was an integrated project.

Strategic advice and investment identification

We provide derivation of investment plans, identification and valuation of specific assets, discussion of general industry trends and potential opportunities with company boards.

Economic analysis and asset evaluation

These services include bespoke cash flow model development, analysis and advice on financing, and training on economic analysis.

Expert witness testimony

This includes provision of written reports, testimony at arbitrations, and other services.

In any project, the management of interfaces between personnel of different disciplines or the various stages of a process can be time consuming and lead to inefficiencies. When all the required disciplines are available under one roof, as in GCA, these inefficiencies can be minimized. Our multidiscipline teams report to one project manager and are typically located in the same GCA office, with experts flown in from around the globe if necessary. Tools such as videoconferencing and other communication tools are incredibly useful, but there is often nothing as valuable as being able to walk into a colleague's office and bounce ideas around face-to-face.



Team Members Include:

Drew Powell

Drew is a chemical engineer by training with 25 years industry experience and a particular expertise in oil and gas field development, cost estimating and technical due diligence. Drew is responsible for ensuring the delivery of high-quality pertinent advice to GCA's clients across the EMEA region.

Richard Poole

Richard is a senior member of GCA's midstream/downstream group, having provided global advice for more than 30 years. Richard's expertise encompasses oil and gas value chains and includes strategic management advice, market studies and pre-feasibility studies.

Mike Wood

Mike, a former CEO of IHS Energy Group, Consulting Division, has over 35 years experience. Within GCA, Mike leads the development planning group and provides advice on cost estimating, facilities definition, pipelines, economic analysis and technical due diligence.

Charles Goedhals

Charles is predominately concerned with onshore and offshore conceptual field development planning and project execution. He has expertise gained from 35+ years in the industry, in techno-economic field development studies with a thorough knowledge of project definition on an international basis. He is fully aware of complete field-life-cycle evaluations from preparing technical and project development plans through to economic evaluation of prospects and fields from marginal to complex reservoirs.

Nick Fulford

Nick is Global Head of Gas and LNG for GCA, with 30 years of experience at British Gas, Centrica and Direct Energy, where he has held various senior executive and planning positions. Nick was actively involved in British Gas' early LNG growth prior to becoming assistant to Chief Executive Sir Roy Gardner where he played a major part in Centrica's demerger. Nick subsequently led the company's move into North America where he developed the strategy and executed the acquisition of Direct Energy. Prior to joining GCA, Nick's focus was on unconventional resource opportunities in the US and Canada.

Carlos Jorda

Carlos is a senior executive with almost 40 years of experience in the international oil and gas industry. He has served at the highest executive levels in refining and marketing, corporate planning, and as president of PDV America and chairman of the CITGO board of directors. Carlos leads GCA's midstream/downstream activities in North and Latin America.

Angelica Ceregido

Angelica has 35 years of oil and gas experience that combines her career in Deloitte's Enterprise Risk Management group with almost 20 years of industry with CITGO Petroleum and PDVSA and training as a chemical engineer. Her industry experience includes, among other, refining, international marketing, acquisitions, trading and treasury functions. She advises in the formulation, analysis and execution of M&A, logistics, marketing and financial and operational risk management projects.

Zulay Hankamer

Zulay has more than 30 years of experience with BP, Total and PDVSA in international business development for midstream and downstream projects for monetizing oil, natural gas and gas liquids (NGLs, LPG and LNG). She advises on contractual terms, economics and strategy for refining, LNG, power, petrochemical and GTL projects as well as in the commercialization, logistics, trading and risk management of hydrocarbons.

Lalitha Seelam

Lalitha is a chemical engineer with 9 years of experience in research, process engineering and consulting of various projects in the oil and gas, petrochemicals and pharmaceuticals industries.

Additional Information

For more information about GCA's integrated services, please contact your local GCA office.

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