

# Initial Spares Parts Planning & Procurement

How to improve the effectiveness of the initial spares planning process for new equipment, the benefits more costs effective purchasing of initial spares to minimize costs and the number of items purchased. The covers the process from initial specification through to handover to the operations phase of the life cycle.

21<sup>st</sup> – 22<sup>nd</sup> Jan 2016, Kuala Lumpur, Malaysia



# **Program Overview**

This 2 day workshop is new and focus on the important activity of purchasing spares during the project phase. The workshop will provide the delegates with best practices and processes related to the planning and procurement of initial spares. This activity is usually done badly, resulting in duplication of stock, poor cataloguing, under or over stocking and poor ordering rationalisation.

Initial spares planning starts in the design phase with equipment specifications and the request for recommended spares parts list, until the items are handed-over to the warehouse and the items set-up in the CMMS. ISO55000 stipulates we have to demonstrate that all assets are effectively managed from cradle to grave, then initial spares planning and procurement process is an important process.

#### The course will focus:

- Will look more at responsibilities of who does what and the timing, who buys the customer or the EPC contractor and this will cover commissing & start up spares, 2 year spares and insurance spares.
- Achieving rationalisation in the initial spares phase by creating a master RSPL & Spares list, e..g. rather than purhase spares RSPL by RSPL we need to leverage grouping common items.
- The need to build into the design phase standardization.

#### Attend this course to Master:

- What is required under ISO55000 to manage the initial spares procurement process.
- Why existing RSPL/SPIR forms are ineffective.
- How to rationalise spares procurement.
- How to challenge vendors spares recommendation and specify inventory parameters.
- The importance of assigning a spares criticality.
- How to select stocking strategies to minimise stock holding.
- How to justify the financial case for high value spares.
- How to measure inventory performance.

# Unique features of this training:

Having the ability to implement directly once you are back at your workplace is crucial for every participant. During the 2 days training, practical involvement and exercises will be share.

- Discuss delegates issues with the initial spares process.
- Develop a process map (using post-lts) to cover specification, RSPLs, purchase, receiving, preservation, handover.
- Building a list of standard components.
- Converting vendors RSPL quantities into inventory control parameters.
- Reviewing RSPL procedures and formats and developing the ideal electronic RSPL.

# This program is intended

This training course is designed for:

- Maintenance Managers, Engineers,
- CMMS super users
- Warehouse Managers & Supervisors
- Project Engineers
- Spares & Inventory Personnel
- Purchasing & Logistics

# Initials spare parts planning & procurement (2 Days)

Topic 1	Issues with Procurement of Initial Spares
	Delegates state their issues in this process
	Common issues found in the process and industrial sectors, e.g. as lack of effective procedures, poor specifications, purchasing duplicates,
	The above will be supported by examples/case studies Discussion on stocking objectives
Topic 2	Initial Spares Planning & Procurement Process
	Review of the spares planning & procurement process.
	Delegates should understand their company's process so that areas of opportunity can be identified
	Group exercise develop a process map (using post-lts) to cover specification, RSPLs, purchase, receiving, preservation, handover
	Documents required to support the Strategic Asset Management Plan for initial spares
Topic 3	Effective CMMS Spares Set Up
	Information required in the spares data required in the pre-operations phase, spares categories, spares class and sub class, BOM, lead times, part descriptions, buying descriptions, Criticality, etc.
	Different spares replenishment strategies (ROP, DIR, CVD, Min-Max and when to select.)
	Examples of supporting documents
	Whether to use Excel or MS Access database solutions
	CMMS Data migration process
Topic 4	Effective Recommended Spare Parts List (RSPL) from Vendors
	A critical review of a typical RSPL form known as a SPIR (Spare Parts Interchangability Record and associated procedures send to vendor's
	How the standard RSPL request and receive process can be improved
	Examples of good and bad RSPL/SPIR
	Proposed format for the electronic RSPL/SPIR
	SPIRs, their purpose and why they are submitted incorrectly, principles good spares cataloguing to ensure zero duplicates, and ease of searching
Topic 5	Deciding Whether to Stock
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Topic 5	-
Topic 5	Factors in deciding whether to stock
Topic 5	Factors in deciding whether to stock Alternative spares
Topic 5 Topic 6	Factors in deciding whether to stock Alternative spares Company's maintenance strategy
	Factors in deciding whether to stock Alternative spares Company's maintenance strategy Capital spares
	Factors in deciding whether to stock Alternative spares Company's maintenance strategy Capital spares How to Challenge Vendors Recommended Quantities
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Topic 7	Purchasing Initial Spares
	Discussion in detail on how delegates currently carried out
	Options are to purchase by individual RSPL or to develop a master RSPL database and procure selectively – this maximising cost reductions
	Does the process include for a cross check against spares for existing assets
	Who to buy from OEMs or Vendors
	Instructions to vendors
	Responsibilities for commission, initial & capital spares (Company or EPC contractor)
	Documentation requirements
Topic 8	Deciding on High Value Spares
	High value, long lead time spares require a cost benefit analysis and the decision is whether to stock 0, 1, or 2
	Analysis using RAM (Reliability, Availability, Maintainability) software
Topic 9	Receiving, Inspection, Storage and Preservation
	The process to ensure that spares are managed during the project phase until hand over to the warehouse.
	Ensuring quality and complete material
	Updating spares technical details
	Storage and preservation guidelines
	Shortage & damage reporting



PETRO1 provides Oil & Gas Trainings & Consultancy services ranging from Petroleum Engineering, Exploration & Production, Subsurface and business related activities in the oil & gas industry. We had successfully made impact to petroleum professional mainly the Top 50 Oil & gas players in the Asia Pacific Region.

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- Hess
- Saipem
- Clough
- Mubadala Petroleum
- Bureau Veritas Pertamina •
- Peritus international

- Petrofac
- **Keppel Corporation**
- Singapore refining Company
- Salamander Energy .
- Binh Son Refining Vietnam
- PTT Global
- Newfield Atkins Australasia
- Brunei Methanol
- Curtin univeristy
- Technip
  - Premier Oil

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- PTT EP
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- Brunei LNG
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# **Principal Program Facilitator**



#### David Thompson, RAMsoft UK

David extensive experience covers all aspects in Maintenance, Reliability and Operation management. His area of strength covers specifically in maintenance management audit reports, RCA, Shutdown planning and failure code systems, CMMS, KPIs, Spares Optimization, RCM and RAM Modelling

#### RAMsoft, UK

For the past 40 years, David had been actively involved in:

- Conducted over 400 audits including fast track audits, in-depth audits and distance audits in maintenance management
- Developed Policy and procedures documents for a number of Oil & Gas Companies.
- Currently working for Worley Parsons in UK writing document for a number of FEED projects worldwide.
- Wrote standard and guidelines on many topics on maintainability, RCA, workpacks, Shutdown planning and failure code systems.
- Wrote over 400 audits reports covering excellence in Maintenance management and in specialist topics spares, CMMS, KPIs and Reliability Management system.
- Presented Papers at several Maintenance & Reliability Symposiums in Europe, Malaysia and Brazil.
- Online distant learning instructor for Robert Gordon University in Assets integrity and Reliability Management.
- Undertaking a major CMMS data Cleansing Project as part of a CMMS upgrading.

#### Symposiums

- European & world Maintenance Congress 2007
- Applied Reliability Symposiums Europe 2009, Brazil 2008, Asia 2006, 2007, 2010.
- Presented paper at the Applied Reliability Symposium Singapore 2013 (4<sup>th</sup> Year)

David has worked for many blue chip companies either directly or through a consulting role.

David,s International Clients : Nippon Oil, Talisman, Petrofac, State Oil Dubai Petroleum, Novartis, EGGBOROUGH POWER STATIONS, Chinese Oil & Gas company, worley parsons, sabic, Qatar petroleum, Scottish power, wood group, shell Nigeria, hustsman, ENI oil, Saudi Aramco and SONANDOL P&P

David has conducted many audits of maintenance practices and CMMS use spanning the last 20 years. David has a particular interest in helping companies collect better data and to try and make reliability of interest to the regular maintenance engineer by concentrating on applications rather than complex mathematical theory.

David is a certified instructor in RCA, and Reliability Methods and Techniques. David has developed and delivered training programs world-wide including both offshore and onshore facilities topics include Maximo CMMS, RCM, FMECA, Weibull Analysis, RAM Modelling, Reliability Growth, Analysis, and Fault Tree Analysis, Incident / Root Cause Analysis, work planning and control, spares optimisation. In addition David has conducted training in many other maintenance management topics.

#### Early days

David initially started in the steel making and mining sectors and for the past 15 years in the oil & gas sector. David was the UK partner for Reliasoft one of the world's leading reliability engineering companies, and is currently part of a team to implement improved Asset Reliability in the Middle East, including RAM and RCM studies.

#### **REGISTRATION DEADLINE**

As an internationally operating training organization, PETRO1 would appreciate receiving registrations at least one (1) month prior to course commencement. Registrations after this date will be accepted provided that places are available. We strongly recommend early enrolment to avoid disappointment!

## **Investment Packages**

Initial spares parts planning & procurement	Early Bird Full 2 Days	Standard Price Full 2 Days				
Per Delegate	SGD 1998()	SGD 2437()	[			
<ul> <li>Please note the to qualify.</li> <li>The above presented on the total sector of total</li></ul>	<b>3 AND SENT THE</b> nat all registration must be ice are inclusive of GST 6% motion Deadline – 15th 1	e made at the same time				
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Job Title:	Job Title:					
Email :						
Contact No:						
Department:						
2.Name:		Mr Mrs M	s_Dr_			
Job Title:	2.Name:Mr Mrs Ms Dr Job Title:					
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Contact No:						
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Industry:						
Address:						
Postcode:	Coun	try:				
Telephone:	Fa	x:				
Email:						
Authorized Signat	ture:					

## **REGISTRATION FORM**

#### PROGRAM DETAILS

Venue: Kuala Lumpur, Malaysia Date: 21<sup>st</sup> – 22<sup>nd</sup> Jan 2016

CONTACT: kelvin
MAIN: +603 7727 3952
FAX: +603 7722 5278
Email: registration@petro1.com.my

Credit Card Payment			
Please Debit my credit card:			
VISA MASTERCARD			
Card Number:			
Security Code: Expiry Date:			
Named printed on card:			

Signature:

#### Payment Method

By cheque/ Bank Draft: Made Payable to PETRO1 SDN BHD By Direct Transfer: Please quote invoice numbers on remittance advice.

#### GST input Tax claim

Organization who have register under GST is allow to claim on any GST incurred (Known as input tax) on their purchase to the business.

ACCOUNT NAME : PETRO1 SDN BHD BANK : HSBC Amanah Malaysia Berhad ACCOUNT NO : 054 - 048061 - 701 (SGD) SWIFT CODE : HMABMYKL

#### All bank charges to be borne by payers. Please ensure that PETRO1 SDN BHD received the full invoice amount. \* Credit card payment will include a charges 2.8%

Payment Policy: Upon receipt of a completed registration form, it confirms that the organization is registering for the seat(s) of the participant(s) to attend the conference or training workshop. Payment is required with registration and must be received prior to the event to guarantee the seat. Payment has to be received 7 working days prior to the event date to confirm registration.

Venue: All of our training courses are held in 4 – 5 star venues. The course fee does not include accommodation or travel cost. It's recommended to book the hotel room early as there are only limited room available at the discounted corporate rate.

#### DATA PROTECTION

The information you provide will be safeguarded by Petro1 that may be used to keep you informed of relevant products and services. We take it seriously when it come s to protection of our client data.

Cancellation & Substitutions: Upon receipt of a completed registration form, it confirms that the organization is registering for the seat(s) of the participant(s) to attend the conference or training workshop. Should you be unable to attend, substitutes are always welcome at no additional cost. Please inform us as early as possible. Payment is non-refundable if cancellation occurs 7 working days prior to event commencement. However a substitute is welcome at no additional charges. If cancellation occurs 5 working days prior to the registration date and there is no substitute, the organizer reserves the right to charge 50% of the total investment from your organization.

PETRO1 SDN BHD is not responsible for any loss or damage as a result of a substitution, alteration or cancellation/postponement of an event. PETRO1 SDN BHD shall assume no liability whatsoever in the event this training course is cancelled, rescheduled or postponed due to a fortuitous event, Act of God, war, fire, labor strike, extreme weather or other emergency.

<u>Walk in Registration</u>: Walk-in participants with payment will only be admitted on the basis of seat availability at the event and with immediate full payment.

Program Change policy: The organizer reserves the right to make any amendments and/or changes to the workshop, venue, facilitator replacements and/or modules if warranted by circumstances beyond its control.