Integrated Capabilities

Midstream and Downstream Oil and Gas Services
Enhancing value
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 for over 50 years. GCA has a reputation for high-quality advice and insight that is impartial, technically based, 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 multidisciplined taskforce approach. It is our integrated nature that differentiates GCA from 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 project’s objectives.

GCA offers a customized market analysis for specific projects, considering both regional dynamics, global supply, and demand drivers.

There is a tendency in some oil companies and 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 considering the whole value chain on an integrated basis.

A key offering from GCA is our ability to look at the development of hydrocarbon resources throughout the value chain. 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 production to market.

This integrated approach, delivered through multidiscipline teams, ensures that key details are not lost in the interfaces between sectors. Projects are considered from a holistic perspective, free from supplier bias. This offers GCA’s clients superior results and a highly efficient process.

Beyond integrated projects, GCA’s midstream/downstream group can also deliver services that include technical and commercial risk assessment, strategy formulation, and advice on optimization of energy sales and purchase contracts. GCA provides technical and commercial support to clients engaged in mergers and acquisitions, as well as project screening.

Technical due diligence reviews and asset evaluations are core strengths of GCA. Our strong 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.

Any project GCA works on is strictly guided by our ISO 9001-certified Business Management System, which includes our much respected project management and peer review systems.

Range of midstream/downstream services

Strategic advice on investments and new developments
GCA provides advice covering the market analysis and all technical issues related to a project. This includes deciding on the best product mix and feedstock choice. We help with selection of the best configuration, advice on sales and purchase contracts, choice of management systems, staffing levels, estimates of capital and operating expenditure, and economic modeling to understand the expected NPV and IRR.
We typically cover everything from prefeasibility studies to bankable feasibility studies. We provide assistance during project implementation and support to put the best systems in place to get the most out of the plant after commissioning.

**Lenders due diligence**

GCA analyzes oil and gas projects in the areas outlined above, so lenders can assure them that everything is in place to deliver the project’s expectations, and to alert them to any threats to the success of the project. During the execution of the project, we monitor the project on behalf of lenders to keep them up to date on progress and to highlight any new threats to the project, either in 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 in the oil and gas value chain. These assets can range from oil and gas facilities to pipelines, storage, oil refineries, petrochemical plants, gas plants, LNG liquefaction, and LNG regasification plants.

Our technical due diligence covers an understanding of the asset, and provides comparisons with its competition that include knowledge of its strengths and weaknesses and analysis of future threats. We also assess the mechanical integrity of the asset and the processes in place to maintain the asset. This, coupled with our market knowledge, feedstock, and product price forecasts, allows us to build 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 create customized 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, 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.

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**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 customized 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.

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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.

Colin Harrison, Principal Consultant

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In any project, the management of interfaces among 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.

Zoe Young, Principal Consultant

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**GCA midstream/downstream core team members**

**Drew Powell**

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

**Richard Poole**

Richard is a senior member of GCA’s midstream/downstream groups, having provided global advice for more than 20 years. Richard’s expertise encompasses both the oil and gas value chains and includes strategic management advice, market studies, and prefeasibility studies.

**Mike Wood**

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

**Colin Harrison**

Colin is a highly experienced chemical engineer with a strong background in oil and gas, and projects providing technical and commercial due diligence; prefeasibility studies; and market and economic analysis. In recent years, Colin has conducted numerous LNG studies, including due diligence reviews on LNG regasification terminals; FSRU; small-, mid-, and large-scale liquefaction; and FLNG projects.
Mike Lazer
Mike recently joined the GCA midstream/downstream group, having previously served as vice president of KBC’s strategic practice. He brings strong technical and commercial experience to the teams, with a strong background in oil refining and related industries.

Zoe Young
Zoe is an experienced member of the GCA team with particular expertise in oil and gas market analysis and strategic advice, technical due diligence, and gas monetization studies. Zoe has also undertaken a number of expert witness assignments for GCA.

John Griffith
John leads GCA UK’s team of economic specialists, and advises on a broad range of commercial, corporate, and fiscal issues. He has provided economic analysis and cash-flow modeling in support of mergers and acquisitions, public offerings, expert witness work, and the valuation of assets and corporations.

Stuart Traver
Stuart leads GCA’s midstream/downstream activities in the Asia Pacific region. A former Conoco Phillips refining, marketing, and transportation manager, his areas of focus include business direction and development; investment feasibility; market assessments; contract negotiations; marketing of properties; and economic analysis across both oil and gas value chains.

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.

Additional Information
For more information about GCA’s integrated services, please contact your local GCA office.

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