Abstract

The management of risks for any oil and gas organization is dependent on the consistent, measurable, repeatable and auditable method of making decisions. The difficulty of decision making across diverse asset portfolios (i.e. offshore platforms, onshore gas plants, pipelines, rail & road transport, chemical refineries) is that there is differences in life cycle activities and focus on their assets, strengths, weaknesses, threats and opportunities. The objective of this paper is to propose a methodology that will aid in the decision making process by unitizing the risk, from the different business units or assets or organizations with a common unit of measurement or comparison. The unit of measurement or comparison will be a means of relatively comparing the different portfolios based on the individual risk based exposure and help develop criteria for the prioritizing and optimizing of the organization’s strategic goals and values. In other words the methodology will provided consistency in an organization’s focus on their overall risk management goals and establish an auditable paper trail on how decisions were made.