VALUE CHAIN OPTIMIZATION

ENERGY MARKETING CASE

TRINDENT CONSULTING



An integrated energy company with upstream, pipeline, and refining assets throughout Canada and USA engaged Trindent Consulting to create and develop an industry leading Value Chain Optimization Process.

8.75%
DISTILLATE YIELD INCREASE

$80,140,000
GROSS MARGIN IMPROVEMENT

22.8%
HEAVY CRUDE RATE INCREASE

How we Made it Happen™

Short-Term Optimization

- Implemented weekly refinery stewardship report to identify/confirm opportunities and/or deviations to plan and assign optimization actions, enhancing short term execution.
- Redesigned short-term optimization process to focus draft calls on risk vs. reward discussion and ensure effective network-based optimization on forward months.
- Designed and installed a standardized database/process to challenge refinery constraints for management.
- Developed and documented clear Roles & Responsibilities in line with RAPID to ensure clear accountability.

LP Health

- Developed LP Assurance process to compare actual results against LP predictions via LP Accuracy Scorecards, enabling monitoring of discrepancies and prioritization of high-impact parameters.
- Established formal process for assigning corrective actions to LP vs. Actual discrepancies (e.g. model tuning, refinery test runs, and kinetic model development) through prioritized LP development list.

Mid-Range Planning

- Developed and installed a process to update mid-range (24 month) forward-looking long-range volume plan on quarterly basis.
- Built a standardized view of contract and sales tiers for agreed products.
- Installed pricing update process at a minimum of twice yearly and more frequently as needed.

Long-Range Planning/Pricing

- Implemented common pricing methodologies between planning, performance, and forecasting to align regional and local pricing offsets for feedstock, intermediates and products.
- Utilized the LRP process to communicate strategies and steward year-over-year probability performance.

Backcasting

- Developed and installed a monthly Network-based backcasting review and action management process to confirm previous month's performance, improve decision-making quality and enable continuous improvement.

"We have come a long way in a very short period of time and I want to thank you and your team for being an important part of our journey. We feel like there is more work to be done, but we are on our way and much of the foundation work is behind us. We are in a much better place, and I want to thank you for all your help in getting us to this point. "

- President and Chief Executive Officer