

**BAKER & O'BRIEN**  
INCORPORATED

A PROFESSIONAL CONSULTING FIRM SERVING THE ENERGY,  
CHEMICAL, AND RELATED INDUSTRIES WORLDWIDE



## Hot Topics in Midstream and Downstream

**AIPN/ICDR CONFERENCE  
OCTOBER 24, 2019**

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# Baker & O'Brien: Independent Energy Consultants

## Overview

- Independently owned and managed
- Technical and commercial expertise
- Active over full life cycle of assets: new project development -> business support -> commercial disputes

***Capital Project Services***

***Operations Support***

***Commercial Analyses***

***Mergers and Acquisitions***

***Dispute Resolution***

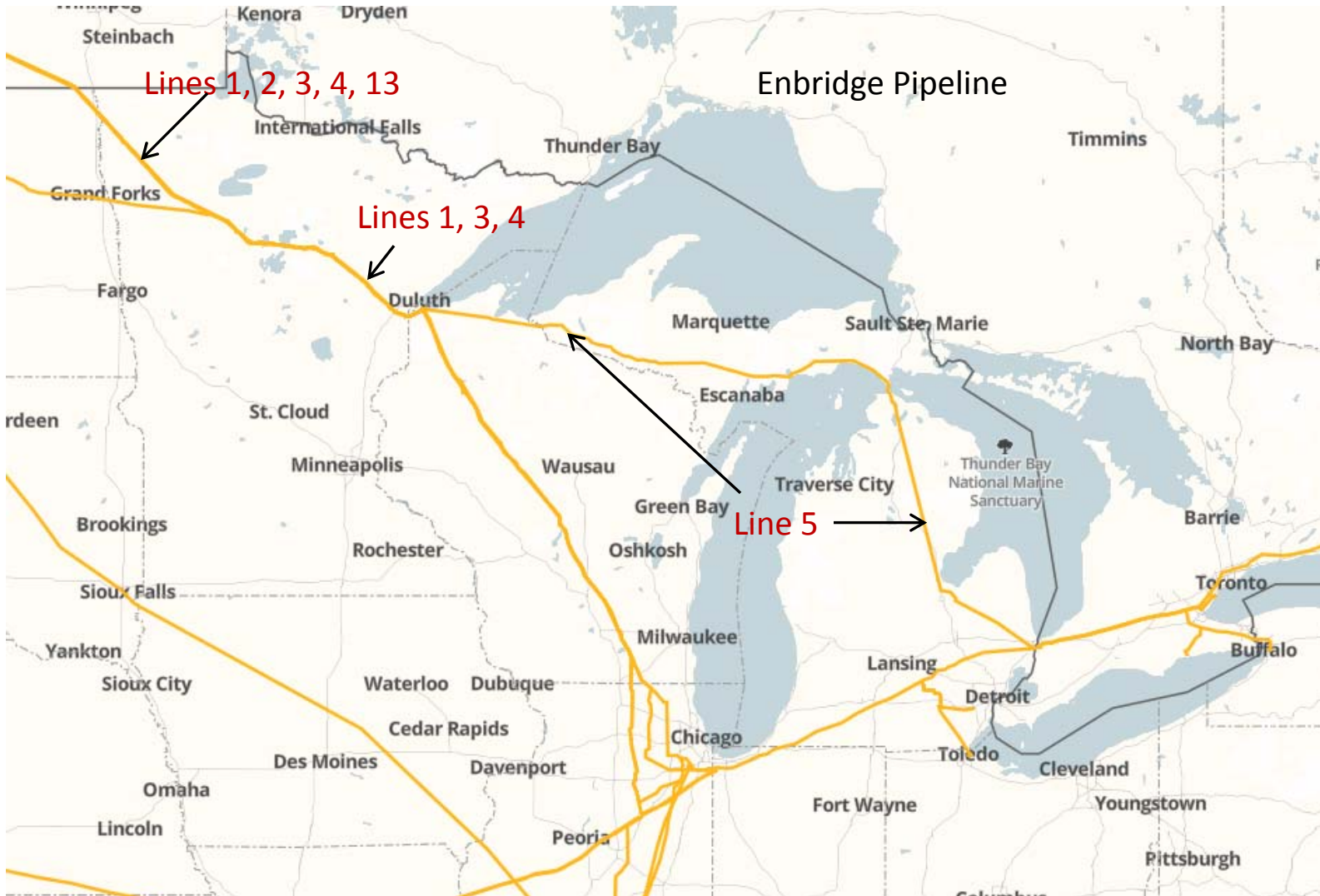
## Consulting Staff

- Chemical, Mechanical, and Electrical engineers
- Most have advanced degrees – MBA, economics, or finance
- Consultants average over 30 years industry experience
- Experienced problem solvers

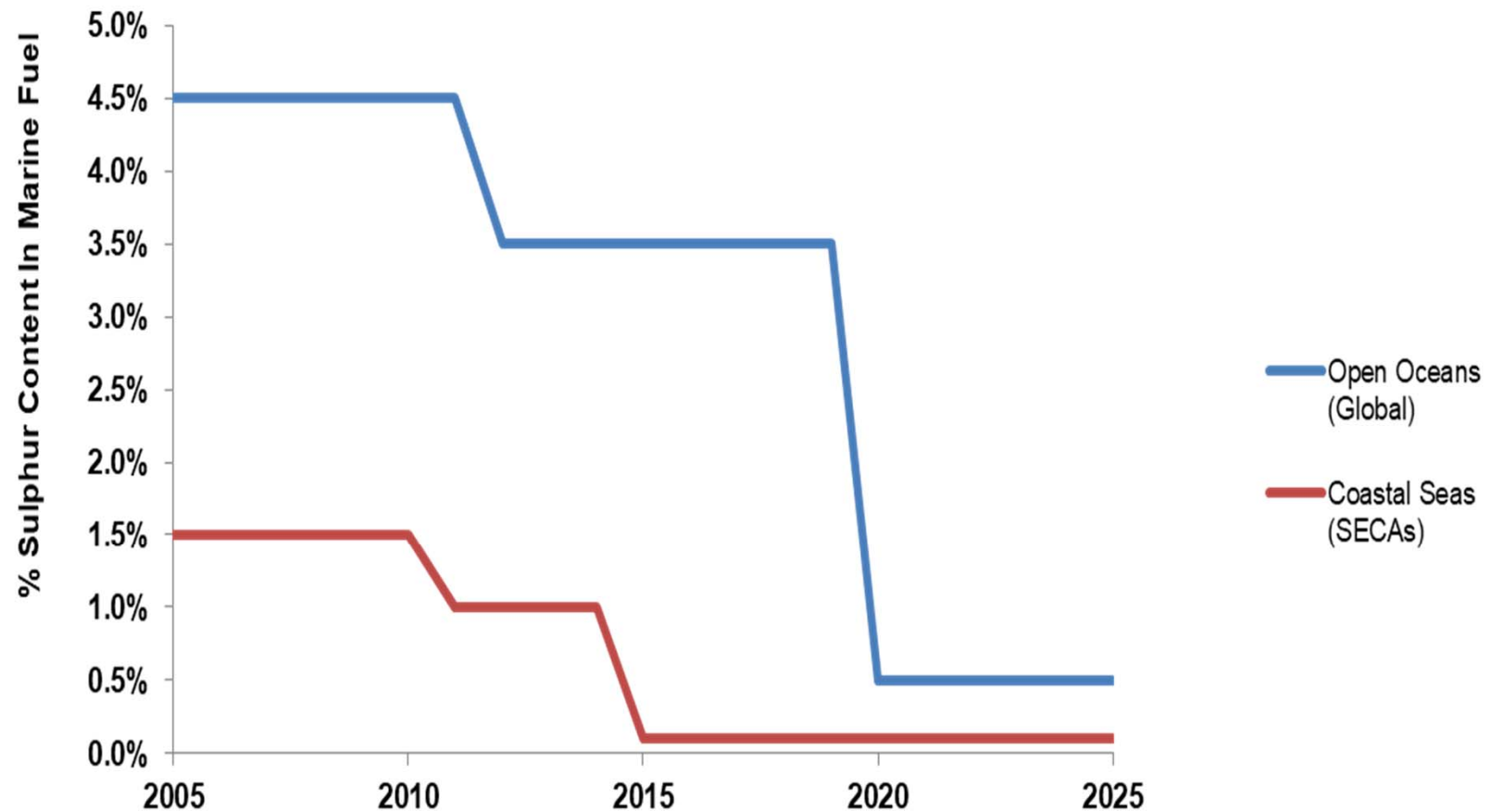
## Hot Topics in Midstream and Downstream

- **Impact U.S./Australian LNG exports on world markets**
- **U.S. Renewable Fuel Standard requirements**
- **Climate Change Litigation and Regulatory Actions**
- **IMO 2020 sulfur limits for bunker fuel**
- **Changes in construction contracting disputes**

# Infrastructure Disputes



### Marine Bunker Fuel Pollution Regulation – MARPOL International Maritime Organization – IMO



- **Monetary value of disputes are growing**
  - Projects in excess of \$1 billion
  - Australian LNG projects in excess of \$10 billion
- **Complexity**
  - Organization
  - Scheduling
  - Owner/Contractor interface
  - Peak manpower
- **Shift from Lump Sum Turnkey (LSTK) to reimbursable contracts**

- **Fast track projects**
  - Adequacy of front end engineering design (FEED)
  - Cost, schedule, and risk implications
- **Owner's role and responsibility**
  - Oversight versus interference
- **Contractor's role and responsibility**
  - Means, methods, and reporting
- **Cost overruns exceeding liability caps**
  - Was there gross negligence, willful misconduct, or fraud?



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