



### Governing Business in the Sea-Water Desalination Sector Through Terotechnology (#81)

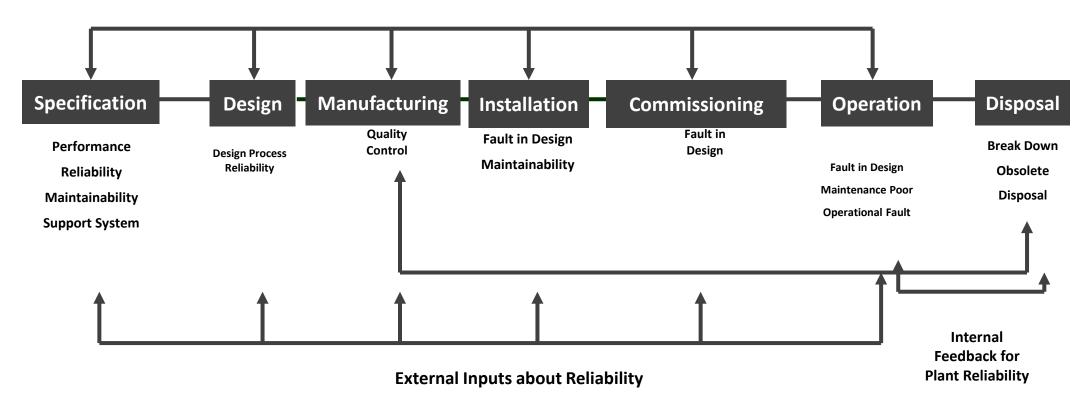
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### **Overview**

- Introduction
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  - Setting Objectives
  - Proposed Solution
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- Conclusion & Recommendations
- Acknowledgement

### **Introduction** - Problem Description

End User Involvement



Terotechnology in Brief - the optimization of total maintenance costs over the equipment's life-cycle

Down-Stream Management			Management		Up-Stream Management			
	Terotechnology			Time	Privatisation			
	Let the Machine Work	International	United Kingdom	1945-1955	United Kingdom Before 1945 All Services & Assets were Private Sector Owned After 1950 All Services were	International	Private Sector Ownership	
	ine			1955 - 1965	transferred to State Ownership	Dec 1960 The Organization for Economic Co- operation and Development (OECD <b>)</b>		
			1967 Government noticed of Decrease in Efficiency	1965 - 1970			State O	
			1973 Terotechnology Concept		The economy of socialists		Š	
		1978 German Translation	Terotechnology Conferences	1970-1980			Ownership	
	Optim		Terotechnology Periodical	980	1979 election of Thatcher		<u>ס</u>	
	Optimise Process				The Privatisation Concept (Idea Formulation) British Privatisation Program		The Pr	
	SS				1981 British Aerospace 51.6%		iva	
				1980-1990	1982 Britoil 51% 1984 British Telecom 50.2%		Privatisatio	
					1986 British Gas 97%	1986-88 France, Jacques Chirac privatised 22 companies	n Program	
					1987 British Airports Authority 100%		ram	

	Down-Stream Ma	anagement		Up-Stream Management		
	Terotechno	logy	Time	Privatisation		
	International	UK	· ·····c	UK	International	
		1993 BSI Dependability System			1990 Italy, Germany and	
Optimise	Sweden, Växjö University terotechnology college	1998 Manchester University Master in Maintenance Engineering & Asset Management	1990-2000		Spain Start Privatisation Program	
Business		2008 BSI 15686 Life Cycle Costing	2000-2010	2008 Combined Code was published on the Financial Reporting Council website	2009 OECD Corporate Governance	Busin
		2008 BSI 3845 Guide to Terotechnology	010	2013 Margaret Thatcher passed away	2013 The Economist Thatcherism	ess G
Industry 4.0	2010 ISO 55000 Asset Management – Overview, principles and terminology		2010-2020	2018 FRC announced the publication of a revised UK Corporate Governance Code	2019 OECD Guide to Privatisation Policy Maker	overnance

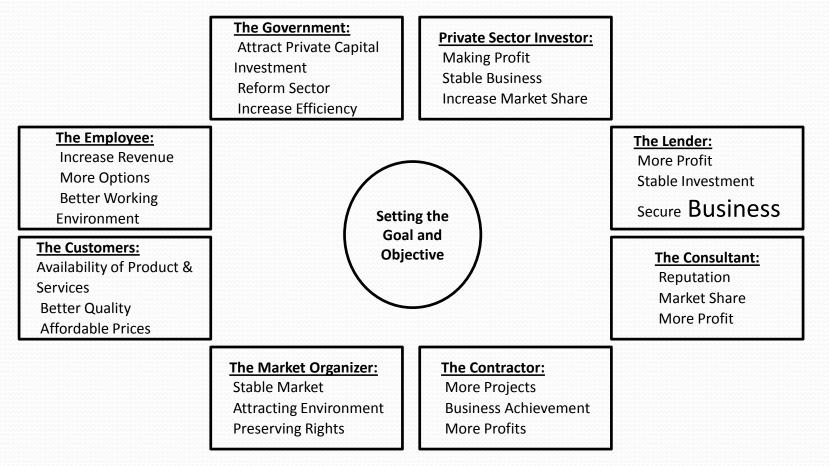
### **Introduction - Setting Objectives**

- The main objective of this paper is to discuss
- the controlling of the whole-life asset cost related to the desired efficiency and the optimization of total operation and maintenance costs over the equipment's life-cycle in the sea water desalination sector

• through

 integrating the Terotechnology System into the Business Governing System and Code.

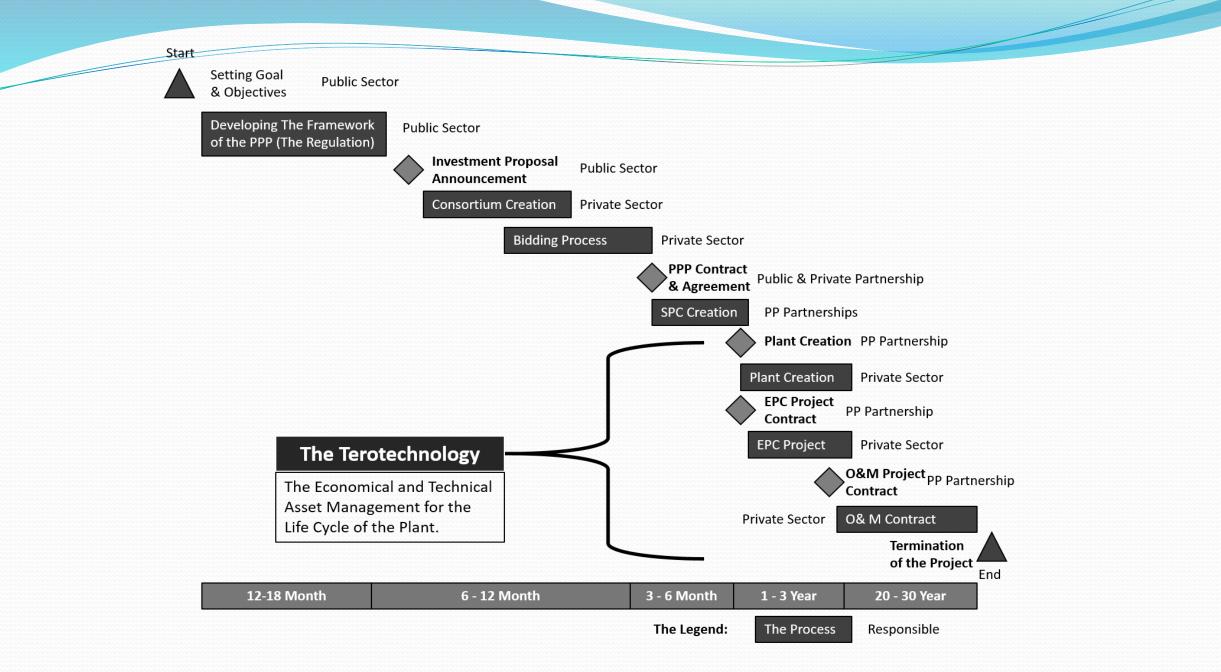
### **Introduction - Proposed Solution**



Setting the Goal and Objective of the Various Business Stakeholders

	IWPP		Public Sector	Public Private Partnership	Private Sector	Asset	
	ร	_	Demand/ Supply				
	nnical Investo Consortium Creation	Success of Transformation	Feasibility Studies		Investment Proposal		
			Legalization		Feasibility Studies		
	ical Inve onsortiu Creation		Government Guarantee		Loan/ Financing		
	Technical Investors Consortium Creation		Bidding Start		Investor Agreements		
			Concept Report		Financial Closure		
			RFP Invitation		Investor Consortium		
	Special Purpose Company Creation	Т Т			Bidding		
		0			RFP Submission		
		es	RFQ Invitation		RFQ Submission		
		Ŭ	Quotation Analysis				
	C C	Su	Successful Bidders				
	S		PPP Contract	SPC Creation	PPP Contract		
				EPC Project Invitation			
				Bidder Invitation		Specification	
		lent		RFP Invitation		Engineering	
	Plant Creation	Performance Improvement		RFQ Invitation		Manufacturing	
	Crea	oro/		Contracts Signing		Installation	
	lant	<u>n</u>		Commissioning		Commissioning	
	۵.	JCe		Operation Activities			
		nar		Maintenance Activity			
		for		Procurement Activity			
	Production Operation Maintenance Start	Success of Per		Financial Activities		Operation and Maintenance	

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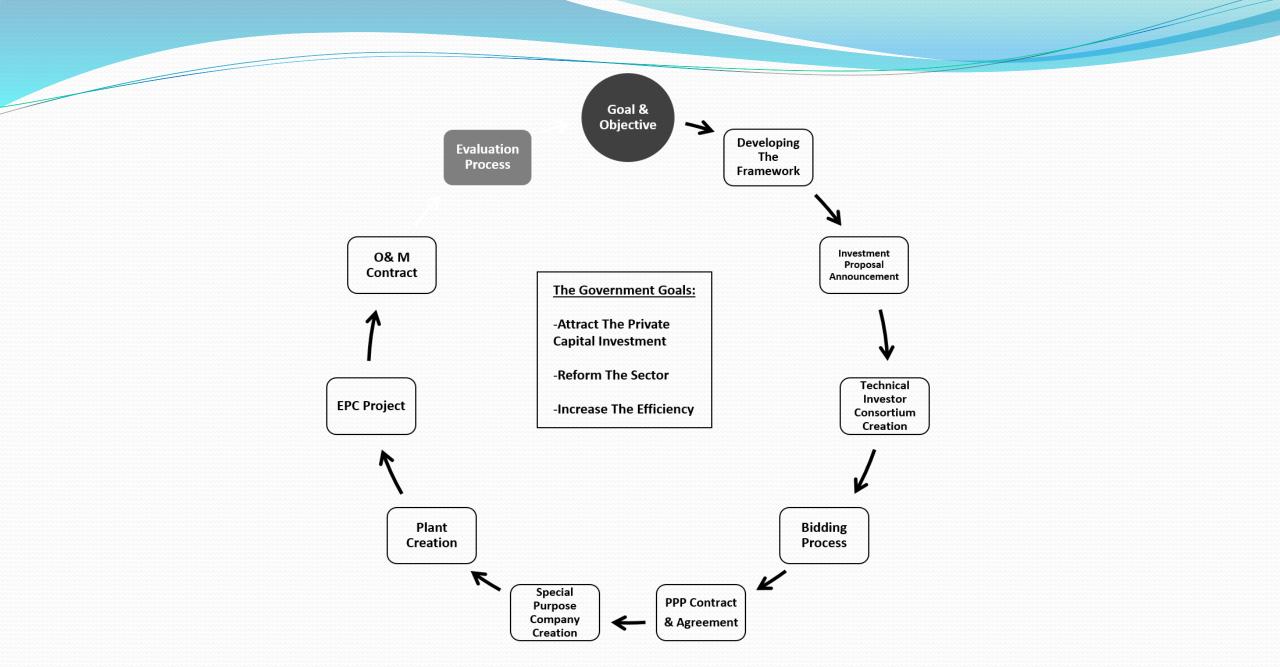


Terotechnology location on Public-Private-Partnership Projects (BOOT)

1	2		4
Business Strategy Creation	Special Company Creation	Plant Creation	Production Creation
Corporate Direction:	Organization:	EPCM Project	O&M Project
-Vision -Mission -Goal & Objectives -Plans -Projects -Budget	-Management -Financial -Technical <b>Processes:</b> -Policies -Procedures -Forms -Automations <b>Assets:</b> -People - Money <b>Physical Assets</b> (Equipments) Final Product & Services:	Physical Assets Creation: -Management -Supervision -Control -Consultation -Design -Design -Procurement -Manufacturing -Contracting -Installation 1. Civil	Operation: -Plant Process -Availability -Reliability Maintenance: 1. Management Planning & Follow-up •Control •Documentation 2. Work •Mechanical •Electrical •Instrument •Civil
	- Availability & Reliability - Quality	<ol> <li>Mechanical</li> <li>Electrical</li> <li>Instrument</li> <li>Commissioning</li> </ol>	<ul> <li>Test&amp; Inspection</li> <li>Material:</li> <li>Stock Control</li> <li>Procurement</li> </ul>

The Terotechnology

Why Terotechnology fits in Public-Private-Partnership Projects (BOOT) Option



The Evaluation and the Assessment Process (Reaching the Gap)

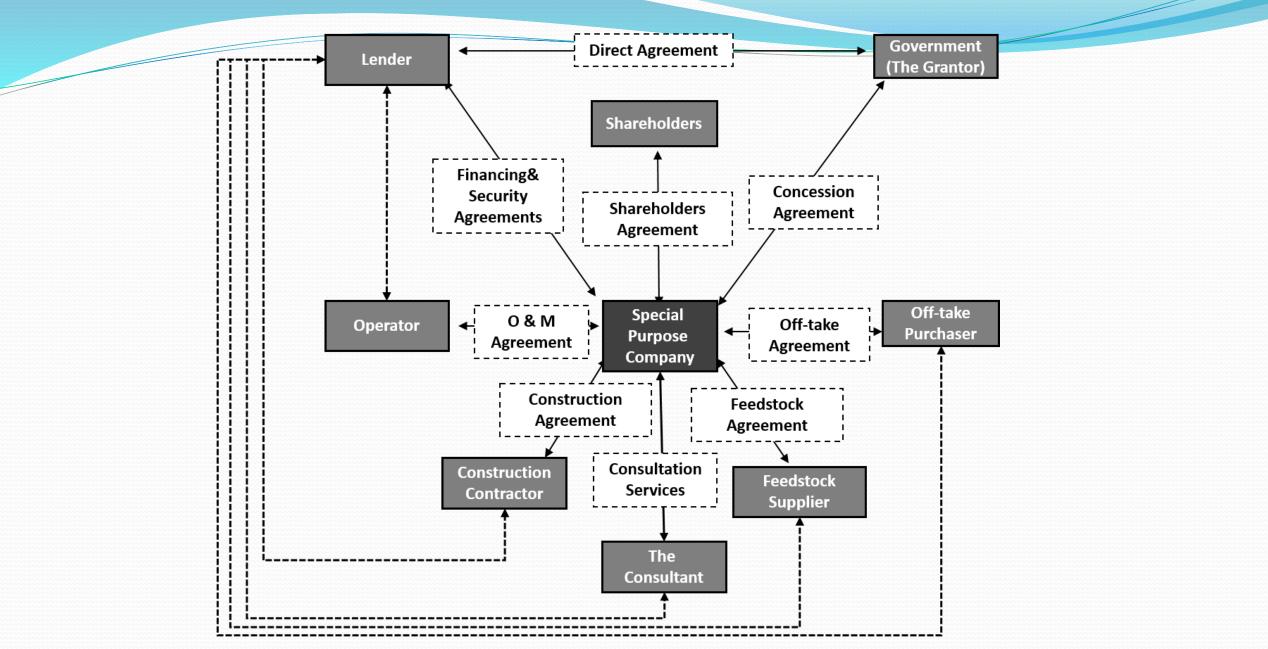
# Methodology

The British Standard Institute had issued BSI PAS 55:2008 for Asset Management as guide for terotechnology implementation.

### ISO 55000 series comprise of ISO 55000, ISO 55001 and ISO 55002,



The difference between the two standards, BSI PAS 55:2008 focus on the physical assets whereas ISO55000 is a standard for any asset type.



Public-Private-Partnership Stakeholders Relationship & Contractual Agreements

## Results

### Qualitative

- The study and application of terotechnology is not an exact science, as there are many different variables that need to be estimated and approximated.
- However, a company that does not use this kind of study may be worse off than one that approaches an asset's life cycle in a more ad hoc manner.

#### Quantitate

- Terotechnology uses such financial analysis tools such as net present value (NPV), internal rate of return (IRR), and discounted cash flow (DCF) in an attempt to minimize the costs associated with the asset in the future.
- These costs can include engineering, maintenance, and wages payable to operate the equipment, operating costs, and even disposal costs.

## Discussion

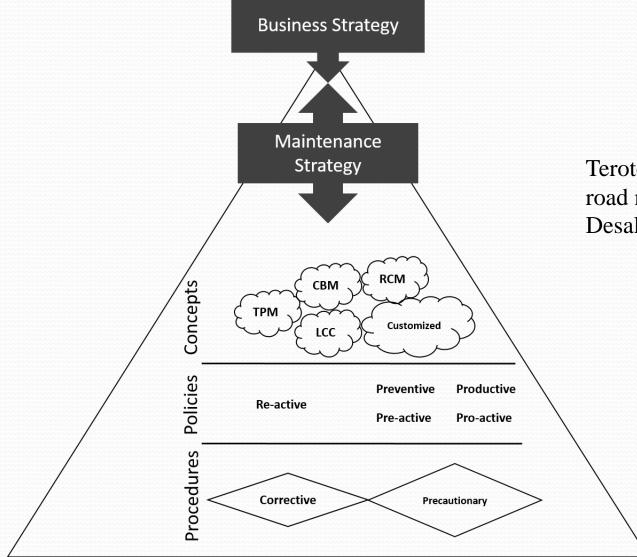
## The Need of Terotechnology Guide in the Desalination Sector

- In order to implement Terotechnology in the desalination sector, we need to create a guide; "Terotechnology guide for implantation". It is defined as framework and standard for measuring quality in the area of asset management.
- Fortunately, there are two international standards available to refer to:
- BSI PAS 55:2008 the international benchmark for optimal management of assets
- ISO 55000 series comprise of ISO 55000, ISO 55001 and ISO 55002

#### The Need of Terotechnology Hub

- The Institute of Assets Management, UK
- The International Standard Organisation, ISO55000, USA
- Centre for Cost-effective Industrial Asset Management, Sweden
- Centre of Excellence in Maintenance (CEIM), Kingdom of Saudi Arabia
- Water Science and Technology Association (WSTA), Kingdom of Bahrain





Terotechnology implantation road map and plan in the Desalination Sector

## Participants



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