Relocate EA Asset Warehouse from Onne to IA Ogunu by Mar 2020

Background/Business Case

All EA Asset spares, stock items and routine operational materials are currently warehoused in Onne warehouse. Onne also serves the offshore logistics supply base, delivery point for procurement items and offshore equipment mobilisation point as well as offshore despatch base for provisions and routine supplies to the Sea Eagle FPSO. With the recent merger with the Swamp West Hub, there exist an opportunity to optimise the current EA warehouse practice by relocation of these items and service points to Shell IA Ogunu warehouse and the use of IA Ogunu as the offshore logistics base for the Sea Eagle FPSO.

Project Plan

Milestones Timeline Action Party

- Data gathering.
 1 -15 Oct, 2019 Chris Ugochukwu
- Assess available warehouse space in Shell IA Ogunu against the EA requirements.
 15 -30 Oct, 2019 Mike Amaku
- Assess availability of required FFP infrastructure, warehouse equipment & personnel in IA Ogunu.
 15 -30 Oct, 2019 Mike Amaku
- Develop execution strategy and identify critical services & Resource requirements for a successful move.
 1-30 Nov, 2019 Chris Ugochukwu
- Engage required stakeholders & Secure appropriate approvals for execution strategy.
 1-15 Dec, 2019 Nwachi Ogbonna
- Secure required warehouse space and resources & Prepare warehouse mapping
 1-30 Jan, 2020 Peter O.
- Implementation of Service agreement for relocation 1–30 Jan, 2020 Debo /Nwachi
- Hold final stakeholders' engagement
 1st Feb, 2020
 Nwachi/Chris
- Relocate Materials & issue close out
 1st Mar -30 Mar, 2020 Francis Alegbe

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		High Level Tin	neline	
П	L0/L1	·	-	1st Oct, 2019
	L2		-	1st Nov, 2019
	L3		-	30 th Dec, 2019
-	L4		-	30 th Jan, 2020
_	L5			30 th Feb, 2020

Potential Benefits & Measurement

- Potential savings of circa USD 1.5M annually from rental space & warehousing services.
- Significant reduction in logistics/ Supply vessel costs (Contingent upon successful implementation of the Marine support improvement initiative).
- Significant reduction in foot print with an opportunity to write-off unwanted/abandoned spares. Estimated cost recovery is 2.1mln USD
- Opportunity to implement a more efficient & effective material handling process exist.
- Opportunity to conduct a stock audit in parallel to move exist.

Critical Success Factors

- Availability of adequate storage space at IA Ogunu Warehouse.
- Availability of adequate infrastructure & logistics equipment.
- Successful implementation of the Marine support improvement initiative.
- Successful stakeholder/Vendor/ NAPIMS engagements.

Team Members

- Project Sponsor: Meshach Maichibi
- Project Lead: Chris Ugochukwu
- BI Rep: Akaka Alphonsus

Project Members:

- Nwachi Ogbonna
- Adebambo, Olusola
- Ahaneku Dennis
- Mike Amaku
- Stewart Dunbar
- Avinbuomwan Osahon
- Francis Alegbe

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