Case Study

The Cobeal Group Improves Productivity and Reduces Hours Spent on Estimating

The Cobeal Group has served the energy industry since 1963, providing quality project management, engineering and design, GIS, procurement, pipeline integrity, field inspection and construction management services to the worldwide Oil & Gas industry.

The Cobeal Group (COBEAL)'s worldwide experience has led its project teams to complete projects in some of nature's most extreme conditions, from the frozen tundra of Alaska to the searing deserts of the Middle East. Land or sea, mountainous terrain or pristine valleys, COBEAL has successfully executed oil and gas projects characterized by the most complex logistics.

Challenges

The Cobeal Group (COBEAL) specializes in the project management, engineering and construction management of transportation & midstream systems from the wellhead through, and including, the terminal. This includes onshore pipelines, gathering systems, gas plants, oil conditioning plants, production facilities, pump and compressor stations, storage terminals and loading facilities.

Their expertise in all aspects of Oil & Gas production make them a worldwide provider in the pipeline industry for project management, engineering and design, GIS [geospatial], procurement and construction management services. As all capital projects management firms do, COBEAL relies on capital cost estimates for its projects.

Cobeal Group at a Glance

The Cobeal Group reduced estimating man-hours, standardized setup and reporting, and increased productivity.

Industry: Oil & Gas

Location: United States

Results:

- 10% reduction in man-hours
- Standardization of setup and reporting issues much sooner
- Increased productivity on large projects with multiple facilities

"With Oracle and AI, we've reduced the effort to find and fix formula errors in our previous estimate worksheets saving us up to 10% of our estimating man-hours."

Felipe Gonzaga
Estimating Manager
COBEAL

These pipeline projects are often complex, requiring quality project management and consistent estimates. Previously, COBEAL utilized a wide variety of Microsoft Excel workbooks to manage project estimates.

While this practice allowed estimators to build flexible work products that met client requirements, Excel did not control, validate, or standardize any of the inputs or formula calculations within each estimate.

This resulted in many labor hours spent setting up Excel spreadsheets that would be used on an estimate.

"Each estimator started with an Excel template, then modified the template to fit specific requirements for the project or client," Mauricio Velasco, Manager of Estimating at COBEAL, said. "In many cases, if an error was found in the worksheet, the fix never made it back to the template, thus continuing the error to another estimate. Due to this, every estimate was unique and quality control was difficult to implement as a broken formula may not be easily noticed."

" After reviewing four other estimating applications, it became apparent that AI's estimating functionality was going to be the most robust and fastest to implement solution.

Bo Hollsten
President
COBEAL

Objectives

COBEAL was looking to implement estimating software to solve the following problems:

- Quality control
- Data management
- Standardized setup and reporting

The Solution

COBEAL evaluated several estimating solutions. The company decided to go with AI to prepare total installed cost estimates for oil and gas pipelines and facilities' capital projects.

"After reviewing four other estimating applications, it became apparent that AI's estimating functionality was going to be the most robust and fastest to implement solution," Sophy Laughing, CEO, said. "AI comes with many features out-of- the-box and allows us to expand our use of the application over time with additional features, such as assemblies."

With AI in place, COBEAL is able to forecast rates using trends and averages to evaluate the cost of line items used in previous projects across a user-defined timeline. COBEAL is also able to utilize its internal estimating tool for 2D takeoff, 3D models and BIM takeoff. The company can better track deliverables, milestones to deliverables and effort hours for deliverables.

The Results

COBEAL has witnessed several direct business results after implementing AI's estimating capabilities. Not only were they able to address their major business problems, which were quality control, data management and reporting, but they have seen a reduction in estimating man-hours, standardization and increased productivity. Results have included:

Reduced Estimating Man-hours by 10%. "With AI and Oracle together, we have been able to reduce the effort to track down and fix formula errors in our estimate worksheets. This, we believe, has saved us up to 10% of our estimating man-hours."

Standardization of Setup and Reporting. "By using AI and Oracle's suite of produts, including Primavera P6, and eliminating Excel workbooks, we have been able to standardize our setup and reporting. This eliminates many keystroke errors and ensures that we produce the highest quality product possible. Standardized reports provide for a consistent format across all projects and estimators."

COBEAL

- **Increased Productivity.**
  "AI with Oracle helps our productivity primarily on very large projects with multiple facilities, where we used to spend a lot of time checking and correcting formulas across multiple Excel worksheets."

Building on its 60-year history, COBEAL is the premier project management company that is faster to deliver across the entire project lifecycle for complex, mega-construction projects.

COBEAL

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COBEAL's Systems:

- Two or more estimators can work on the same estimate at the same time.

- Standardized reports provide for a consistent format across all projects and estimators.

- Utilization of Enterprise Project Structure allows grouping of capital cost estimates by type of project.

- Easy implementation through configuration and a low learning curve.