



Rice Global E&C Forum
**Engineering &
Construction**



2015 RICE GLOBAL E&C ANNUAL FORUM



CROSSFIRE: Winners & Losers in a Low-Price World

MODERATORS:

- **Jerry Kavalieratos: Alvarez & Marsal**
- **Dick Westney: Westney Consulting Group, Inc.**

www.forum.rice.edu

Our Panel



Michelle McNichol

Chief Executive Officer
Wood Group Mustang



Bob Tippee

Editor
Oil & Gas Journal



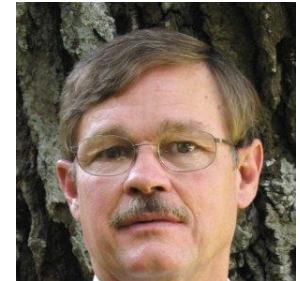
Luc Messier

Senior Vice President
Major Projects (ret.)
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Dean Ragsdale

Consultant
Ragsdale Group



Disclaimer

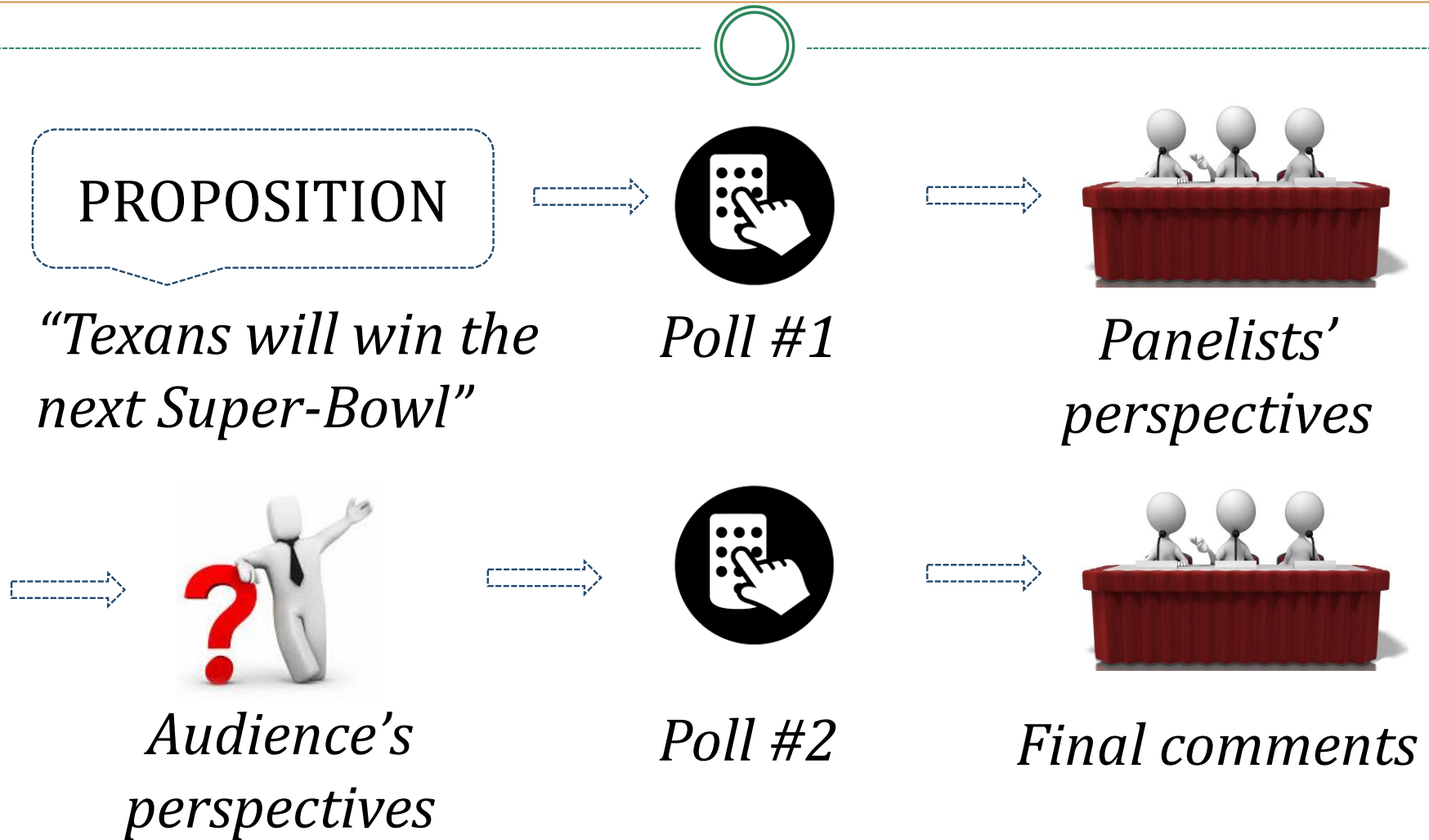


In some cases, the panelists may express views for the sake of the discussion that may not reflect their own view, or that of their organization.

ZOG MAKE
VERY PERSUASIVE
POWER POINT
PRESENTATION!



Our Format



Proposition #1 – Poll #1



Now that the industry is in an era of abundance, with the capability to add production quickly if a disruption occurs, winning strategies are based on the assumption of low oil price for next 3 – 5 years.

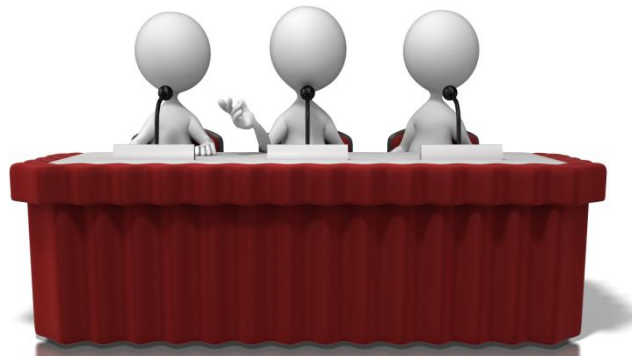
1. Strongly agree
2. Agree somewhat
3. Disagree somewhat
4. Strongly disagree



Proposition #1: *Panelists' Perspectives*



Now that the industry is in an era of abundance, with the capability to add production quickly if a disruption occurs, winning strategies are based on the assumption of low oil price for next 3 – 5 years.



Proposition #1: *Audience's Perspectives*



Now that the industry is in an era of abundance, with the capability to add production quickly if a disruption occurs, winning strategies are based on the assumption of low oil price for next 3 – 5 years.



Proposition #1 – Poll #2 & Final Comments



Now that the industry is in an era of abundance, with the capability to add production quickly if a disruption occurs, winning strategies are based on the assumption of low oil price for next 3 – 5 years.

1. Strongly agree
2. Agree somewhat
3. Disagree somewhat
4. Strongly disagree



Proposition #2 – Poll #1



The business model for the large, global E&C contractor is not sustainable; winning workforce strategies are based on a larger number of smaller projects.

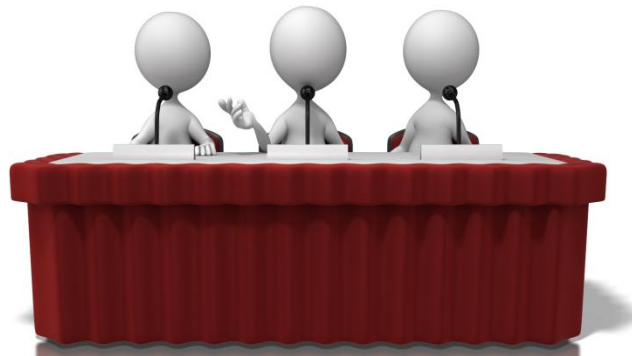
1. Strongly agree
2. Agree somewhat
3. Disagree somewhat
4. Strongly disagree



Proposition #2: *Panelists' Perspectives*



The business model for the large, global E&C contractor is not sustainable; winning workforce strategies are based on a larger number of smaller projects.



Proposition #2: *Audience's Perspectives*



The business model for the large, global E&C contractor is not sustainable; winning workforce strategies are based on a larger number of smaller projects.



Proposition #2 – Poll #2 & Final Comments



The business model for the large, global E&C contractor is not sustainable; winning workforce strategies are based on a larger number of smaller projects.

1. Strongly agree
2. Agree somewhat
3. Disagree somewhat
4. Strongly disagree



Proposition #3 – Poll #1



Owners, no longer regarding Engineering & Project Management as a competitive advantage, will move to an outsourcing strategy for projects.

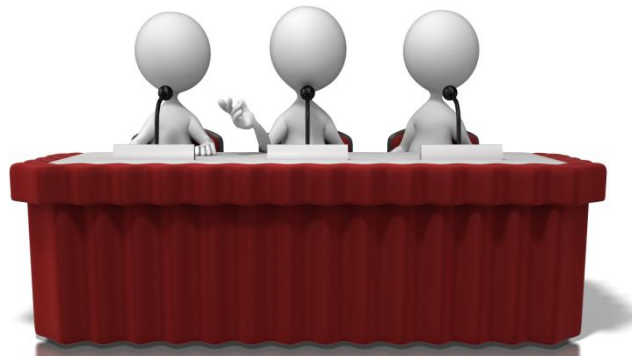
1. Strongly agree
2. Agree somewhat
3. Disagree somewhat
4. Strongly disagree



Proposition #3: *Panelists' Perspectives*



Owners, no longer regarding Engineering & Project Management as a competitive advantage, will move to an outsourcing strategy for projects.



Proposition #3: *Audience's Perspectives*



Owners, no longer regarding Engineering & Project Management as a competitive advantage, will move to an outsourcing strategy for projects.



Proposition #3 – Poll #2 & Final Comments



Owners, no longer regarding Engineering & Project Management as a competitive advantage, will move to an outsourcing strategy for projects.

1. Strongly agree
2. Agree somewhat
3. Disagree somewhat
4. Strongly disagree



Proposition #4 – Poll #1



Winning contractors will see the current business climate as an opportunity, and end up better than they were when oil prices were high.

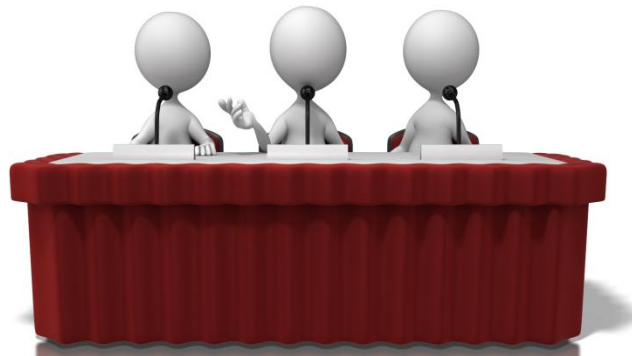
1. Strongly agree
2. Agree somewhat
3. Disagree somewhat
4. Strongly disagree



Proposition #4: *Panelists' Perspectives*



Winning contractors will see the current business climate as an opportunity, and end up better than they were when oil prices were high.



Proposition #4: *Audience's Perspectives*



Winning contractors will see the current business climate as an opportunity, and end up better than they were when oil prices were high.



Proposition #4 – Poll #2 & Final Comments



Winning contractors will see the current business climate as an opportunity, and end up better than they were when oil prices were high.

1. Strongly agree
2. Agree somewhat
3. Disagree somewhat
4. Strongly disagree

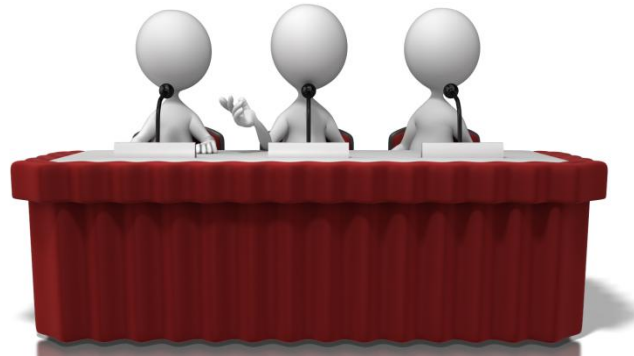


Discussion - Panel



One thing is certain: things will not work out the way we expect them to. Disruptive factors are likely. These include:

1. Innovation
2. Economic
3. Political
4. Environmental



Discussion - Audience



One thing is certain: things will not work out the way we expect them to. Disruptive factors are likely. These include:

1. Innovation
2. Economic
3. Political
4. Environmental



Final Questions/Comments



1. Now that the industry is in an era of abundance, with the capability to add production quickly if a disruption occurs, winning strategies are based on the assumption of low oil price for next 3 – 5 years.
2. The business model for the large, global E&C contractor is not sustainable; winning workforce strategies are based on a larger number of smaller projects.
3. Owners, no longer regarding Engineering & Project Management as a competitive advantage, will move to an outsourcing strategy for projects.
4. Winning contractors will see the current business climate as an opportunity, and end up better than they were when oil prices were high.
5. One thing is certain: things will not work out the way we expect them to. Disruptive factors are likely.

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