Upstream, Midstream & Mining

Sector Committee Charter

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1. PURPOSE & SCOPE

The purpose of the Upstream/Midstream/Mining (UMM) Sector Committee is to facilitate collaboration between owners, service providers, and academia within the UMM sector through selective research designed to produce innovative solutions that tangibly improve safety and capital effectiveness.

The UMM is sponsored by CII's Sector Leadership Committee (SLC), from which it receives guidance and oversight on compliance with this charter.

The UMM shall:

- Include owners, service providers and researchers that develop, operate and sustain capital assets in the following industrial sectors:
  - **Upstream –**Exploration through Production
  - **Midstream-**Collection, Transportation, Pipeline Distribution and Storage from Production through Refinery
  - **Mining-**Extraction through Refinement

- Develop research and best practices that advance capital project governance, processes and technology adoption in ways that are valuable to the businesses represented in this sector.

- Determine how new and existing research can generate innovation and value for UMM businesses.

- Leverage the resources available in CII to develop deliverables that optimize use with business impact.

- Support the objectives of CII by staffing research teams with sector personnel.

- Promote the work of CII within the UMM by accomplishing the following objectives:
  - Increase and retain CII and UMM Sector membership.
  - Develop membership personnel through training and committee participation.
  - Promote innovative research and development.
  - Deliver value to UMM member organizations through the deployment of research and the best practices and associated deliverables that research generates.
  - Measure the business impact improvement created by such deployments.
  - Participate in CII Knowledge Base reviews and updates.

- Provide UMM sector team building and engagement activities to create additional UMM member benefits, including the following actions:
  - Inviting guest speakers to present on topics of interest to the members.
  - Facilitating engagement with peer companies to respond to industry conditions that present risks or opportunities to members of the UMM.
  - Promoting team building by hosting UMM events (clinics, workshops, F2F meetings).

2. CRITICAL SUCCESS FACTORS

- There are several key performance indicators that the UMM will develop using a balanced score card approach to assist it in meeting its stated purpose. Activities to be in alignment with the SLC and CII's Governance Plan.

Broadly, some of these indicators include:

- Active owner and service provider participation in forming, developing, deploying and sharing of research.
- UMM deliverables that members can regard as valuable contributions to their businesses and the construction industry.
  - Capital Effectiveness
  - Performance
  - Agility

3. ROLES & RESPONSIBILITIES

UMM will maintain the following leadership positions with specific responsibilities as follows:

3.1 **UMM Chair** – The UMM Chair shall develop agendas and preside over meetings and conference calls. The term of the Chair shall be a minimum of one year. During this term, the Chair also serves as a member of the SLC. The SLC will approve nominees and terms for the Chair position. Following this term, the Vice Chair will become Chair. The Chair and Vice Chair will report periodically to the Sector Leadership Committee on UMMC progress and activities.

The UMM Chair shall manage or assign:
- A balanced Scorecard to measure the level of strategy execution.
- Collaboration with CII's Deployment Committee to purpose fit CII performance management resources to UMM members' needs.
- The UMM annual budget to the committee membership, of funding provided by CII annually through the SLC. The UMM budget will reflect the approved and funded research commitments and other priorities set by the committee. The UMM Vice-Chair will collaborate with the Chair in this function.
- Working with CII designated staff to present the current year's performance against the budget, including variances and, to the greatest extent possible, value received against key budget line items.

3.2 **UMM Vice Chair** – The UMM Vice-Chair shall assist the Chair in the development of agendas for meetings and conference calls, assume leadership duties in the absence of the Chair, and become the next Chair. The Vice Chair is selected from the UMM

membership. If the Chair is an owner member representative, the Vice Chair shall be a service provider member representative, and vice versa.

When a serving Vice Chair resigns or becomes Chair, the committee membership will select the next Vice Chair from a nomination list provided in writing (each committee member may nominate one candidate for the list), and based on a confidential popular vote.

Voting will be held during a UMM meeting prior to CII's annual Fall Board of Advisor (BOA) meeting or, failing that, at a meeting determined by the UMM Chair with the approval of the SLC. Votes will be collected only from UMM members in attendance, and endorsement of the new Vice Chair is required by the SLC.

The UMM Vice Chair shall manage or assign:
- The UMM Charter's annual review for updates based on input from the UMM Project Manager (for Sector Alignment) and submit it to the UMM membership for final comments at a general meeting.
- Sector Subcommittee coordination and oversight of the work.
- In collaborate with the UMM Chair, the preparation and management of the annual UMM budget.

3.3 **UMM Academic Advisor** – The UMM Academic Advisor shall be appointed by CII and will complete the following tasks:
- Advise and facilitate the committee on developing research topics and conducting the research process.
- Act as a liaison between the UMM and the Funded Studies Committee (FSC).

3.4 **CII UMM Project Manager** – The UMM Project Manager is assigned by CII and will complete the following tasks:
- Develop and post UMMC meeting notes.
- Welcome new UMM members and provides an introduction at the next meeting.
- Act as CII Sector liaison between the UMM sector and other areas of CII (research, finance, other) to support progress and scheduling needs.
- Maintain the UMM committee and sub-committee rosters.
- Annually review the UMM Charter with the UMM Vice-Chair to provide for continued alignment with CII needs.
- Maintains the UMM *WORKSPACE* site to allow ease of access to collected documents, including the following specific tasks:
  o Determine the quality and appropriateness of documents to be posted on the site.

      o   Obtain permission from authors whose copyrighted documents or other intellectual property are posted on the site.

4. SUBCOMMITTEES

UMM members are required to serve on a subcommittee(s) to support the UMM Critical Success factors. Each subcommittee will choose a **Lead** representative to act as the coordinating individual to help ensure that the subcommittee meets its mandate(s) and interacts with CII Standing committees as required. Leads will provide update reports to the UMM Vice-Chair.

UMM Sector subcommittees and their responsibilities:

4.1 Deployment Subcommittee

- Process: Collaborates with other sector committees and CII Registered Providers, to share innovative ideas for improving implementation within UMM member organizations.

- Tools: Develops deployment resources specifically tailored to serve the UMM Sector by modifying existing CII materials as required. (Note: these modifications can be delivered through funding from the UMM as specialized research or proposed as minor research topics.)

- Professional Development: Organizes and develops clinics and/or workshops to promote awareness and use of CII research and to promote member outreach. Develops deployment strategies for UMM and CII research findings and identifies any resulting best practices that suit the needs of UMM members.

4.2 Knowledge Base Subcommittee

Performs a quarterly review of CII's Knowledge Base to determine its relevance and value to the UMM sector, and share their findings and make recommendations to the sector to modify or adapt CII Knowledge, practices, and/or tools, to better suit the sector and promote implementation.

4.3 Membership Subcommittee

- Ensures the growth and long-term viability of CII and the UMM through the retention of existing members and attraction of new members from UMM industry sectors.

- Develops strategies and coordinates events that may include seminars, meetings, introductions, and social media campaigns for the benefit of UMM members and to attract new UMM members.

- Collaborate with CII's Associate Director of Membership and Communications and other sector committees to share innovative ideas and contribute to CII member participation.

- Buddy System (watching for members who are not showing up, calling to remind their buddy about upcoming meetings, etc.)

- Welcome new members and provide On-boarding call and tool kit to quickly get up to speed

- Ensures that new members comply with the following responsibilities:
  - Obtain a CII logon.
  - Share reports by posting them to UMM *Workspace.*
  - Actively participate on a regular basis in conference calls and at F2F meetings.
  - Participate on at least one UMMC subcommittee or UMM research team. [Any UMM Member not electing to participate on a committee of their choice shall be encouraged to participate in the KB Subcommittee.]
  - Comply with CII Meeting Guidelines.

4.4 Research and Development Subcommittee

- Manages active research and development (R&D) teams that are funded by the UMM in accordance with guidelines set by CII and the Funded Studies Committee (FSC), including the following tasks:

  - Form UMM research teams from committee member nominations
  - Select academics for each research team, using the resources of the FSC as required
  - Support R&D Team Kickoff Meetings
  - Provide R&D Team sponsorship
  - Review UMM research as each R&D Team moves through its life cycle, from team formation to publications. Review draft research deliverables and provide feedback to the R&D Team

- Manages the development and maintenance of a prioritized list of research proposals of interest to UMM, drawing upon talent from the UMM, CII, and external sources. The topics list will also include proposals to modify existing CII Knowledge Base resources to improve their alignment with UMM members' requirements.

- Collaborates with the FSC and other sector committees and Committees for Business Advancement (CBAs) in sharing innovative research ideas and pursuing

them as research projects funded and conducted by CII as a whole, or in conjunction with one or more other sector committees.

5. KEY INTERFACES

Listed below are the key interfaces that the UMMC, its subcommittees and members will work with as it delivers its mandate.

- CII Sector Leadership Committee
- CII Standing Committees
- CII Communities for Business Advancement
- CII Research teams from other sectors and overarching research
- CII Staff
- Other associations as needed and approved by CII.

6. COMMUNICATIONS

- The UMM's periodic face-to-face meetings may be held alongside other CII events or be member hosted.

- Conference calls and web meetings will be sponsored by a UMM member or by CII, and held between face-to-face meetings as needed to conduct UMM business.

- Email and *Workspace* shall facilitate ongoing communication within the UMM between scheduled meetings.

- Meeting notes, presentations, and any other UMM deliverables will be summarized and posted on the *Workspace* site by CII UMM PM and other UMM members as needed.

7. DEFINITIONS

7.1 **Business Impact** – Quantifiable improvement to capital project processes in one or more of the following areas: financial, legal/contractual, regulatory, reliability, reputation, and safety.

7.2 **Construction Industry Institute** (CII) - A consortium of leading owners, engineering and construction contractors, and suppliers collaborating on important industry issues by providing guidance on practices discovered through research and offering deployment, education, and other programs. CII is based at the Cockrell School of Engineering at The University of Texas at Austin.

7.3 **Communities for Business Advancement** (CBA) - CBAs are online groups that bring together CII members to share knowledge and learn from one another on a specific topic. Each community is led by experts whose in-depth knowledge ensures that the content and resources will meet member needs.

7.4   Membership - UMM Sector Committee participation is comprised of CII member employees and academics with research interests in the sector.

7.5   Registered Provider Program – A RAP (Registered Advisor Provider) or REP (Registered Education Provider) who is a member of CII and is qualified and approved by CII to provide deployment assistance of CII Best Practices.

7.6   Sector Leadership Committee – The CII body that provides oversight, support, and coordination across the sector committees to ensure that their activities—particularly research selection and use—are rationalized, prioritized, and resourced appropriately for fully developed and finished deliverables.

7.7   Service Providers – Firms and organizations that provide project services. Service Providers include but are not limited to engineers, constructors, equipment, software and material suppliers, consultants, attorneys, policy makers and other governmental organizations providing services or regulatory oversight and input.

8. CII MEETING GUIDELINES

The following statement regarding business development activities has been adopted by the CII Executive Committee and is provided for your information.

The following guidelines shall be followed in the conduct of formal and informal meetings and conferences of the CII. CII, its committees, teams, sections, and activities shall:

- not discuss prices of good or services of any particular company or companies.
- not disparage the goods or services of any particular company or companies.
- not recommend the selection of specific companies as suppliers.
- not urge any participating company to engage in a concerted activity to accomplish any unlawful purpose.
- not discuss matters that may be trade secrets to any company.
- not propose secret sessions after official meetings to discuss matters that cannot lawfully be discussed at official meetings.
- not engage in any lobbying activities.
- inform guests of these guidelines and the need to comply fully with them.
- keep accurate records of all meetings and conferences.
- understand that the adoption and deployment of research and related materials is voluntary and no agreement to adhere to developed materials shall be solicited.