

Definition of **PROJECT ENGINEERING**:

The art of doing for \$10 million what any poor sap can do for \$50 million

1. **Business Planning** ↔ **DO THE RIGHT THING.**
2. Facilities Planning.
3. **Project Planning** ↔ **DO THE THING RIGHT.**

Resolve the right issues at the right time to minimize change & rework.

BUSINESS PLANNING CONSISTS OF:

1. What is the **BEST** Opportunity? i.e. What is the RIGHT THING to Do?
2. How will success be measured?
3. What is **IMPORTANT** to the Business?
4. Boundary Conditions:
Affordability, Markets, Technology, Timing, Location, etc.

PROJECT PLANNING CONSISTS OF:

1. Process Flow Diagrams { **PFD's** }:
 - Simple Block Diagram { communicate fundamental process concept to management }
 - Flowsheet Diagram { unit operations - overall material & energy balances }
 - Detailed Piping and Instrument Diagrams { **P & ID's** }
 - Construction Drawings { very detailed CAD = Isometrics, 3-D dynamic models }
2. Materials of Construction?
3. Control Strategy?
4. Environmental Strategy? & Permits
5. Process Hazards Screening? & Safety Requirements?
6. Scope of Work?
7. Quality of Estimate?
 - ⇒ only enough to evaluate affordability & choose between options.
 - ⇒ A simulation model is only as good as the physical properties used.

Commercial Decisions are ultimately based on profitability improvement.

Corporate Economic Goal: **Maximization of Profits with Minimization of Risks**