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Upstream Cost Indices and Project Cost Benchmarking Training Course

27 September – 1 October 2027
London

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Ref: 2948_111834 **Date:** 27 September – 1 October 2027 **Location:** London **Fees:** 5900 GBP

Upstream Cost Indices and Project Cost Benchmarking is a 1-week training course for cost engineers, planners and asset finance staff who track cost movements and compare projects with peers, producing a cost benchmark dashboard for their asset or project. Rig rates and service tariffs swing with each market cycle, and investment committees ask how an estimate compares before approving it. Jupiter Prime Training delivers this Upstream Cost Indices and Project Cost Benchmarking course.

Why Upstream Cost Indices and Project Cost Benchmarking Matters Now

Three forces shape upstream cost work today. Service and equipment markets tighten and loosen quickly, so estimates built on last year's rates soon drift out of date. Partners and lenders expect each well, facility and field development to be tested against comparable projects before funds are released. And operators are pressed to lower unit costs per barrel while carbon and integrity spending rises. Teams that track cost indices and benchmark set realistic budgets and defend them; teams that do not either over-commit to optimistic numbers or lose projects to inflated contingencies.

Who Gains Most from Upstream Cost Indices and Project Cost Benchmarking

- Cost engineers responsible for estimates, escalation and cost reporting on wells and facilities
- Project planners responsible for linking schedule changes to cost forecasts
- Asset finance staff responsible for budgets, unit cost reporting and variance explanations
- Procurement analysts responsible for tracking rig, vessel and service rate movements
- Economists responsible for feeding cost assumptions into investment cases

A project services group that joins estimating, planning and finance gains most when several of its members attend together.

Upstream Cost Indices and Project Cost Benchmarking Capabilities

Participants learn to read cost signals from the market and present benchmark gaps that decision makers trust.

- Build cost indices for rigs, steel, labour and services — escalation assumptions in estimates
- Calculate unit cost metrics per well, per metre drilled and per barrel — asset performance reviews
- Normalise peer project data for scope, location and timing — fair benchmark comparisons
- Assess where a project sits against peer ranges — investment committee approvals

- Test cost forecasts against index movements — budget revisions and contingency setting
- Communicate benchmark gaps with clear visuals — asset leaders and partners

Key Upstream Cost Indices and Project Cost Benchmarking Terms

- Cost index — a series that tracks the price movement of a basket of inputs against a base period.
- Escalation — the expected rise in cost over time from market price changes.
- Unit cost metric — a cost divided by a physical output, such as cost per well, per metre drilled or per barrel.
- Normalisation — adjusting peer project data for differences in scope, size, location and timing.
- Peer group — a set of comparable projects or assets chosen to benchmark one project's costs.
- Benchmark gap — the difference between a project's cost metric and the peer median or best quartile.

Upstream Cost Indices and Project Cost Benchmarking Day by Day

Day 1: Market Cycles and Cost Drivers

- Upstream Cost Cycles and Market Tightness — Reading Where Rates Are Heading
- Capital and Operating Cost Breakdown Structures — Choosing What to Track
- Rig, Vessel and Oilfield Service Rate Movements — Timing Contract Awards
- Steel, Equipment and Labour Price Drivers — Spotting Facility Cost Pressure
- Carbon, Integrity and Decommissioning Cost Lines — Anticipating New Spending

Day 2: Cost Indices and Escalation

- Building a Composite Cost Index — Weighting Inputs for One Asset
- Published Price Series Selection — Matching Indices to Cost Categories
- Escalation Forecasts for Estimates — Setting Assumptions Across Project Phases
- Rebasing and Deflating Historical Costs — Comparing Projects From Different Years
- Index Movement Versus Actual Spend — Testing Forecast Reliability

Day 3: Unit Cost Metrics

- Drilling Cost per Metre and per Well — Comparing Campaign Performance
- Lifting Cost and Operating Cost per Barrel — Reporting Asset Efficiency
- Facility Cost per Unit of Capacity — Screening Development Concepts
- Finding and Development Cost Metrics — Judging Portfolio Choices
- Metric Definitions and Data Rules — Keeping Reports Consistent

Day 4: Peer Project Benchmarking

- Peer Group Selection Criteria — Choosing Comparable Projects
- Scope, Location and Complexity Normalisation — Making Comparisons Fair
- Quartile Ranges and Percentile Positions — Locating a Project Against Peers
- Benchmark Gap Root Causes — Separating Scope, Rates and Execution
- Benchmark Findings for Investment Reviews — Supporting Approval Decisions

Day 5: Practising the Cost Benchmark Dashboard

- Cost Index Panel for a Selected Asset — Applying Day 2 Indices
- Unit Cost Tiles and Trend Lines — Applying Day 3 Metrics
- Peer Position Charts and Gap Notes — Applying Day 4 Benchmarking
- Dashboard Refresh Cycle and Data Owners — Keeping Figures Current
- Cost Benchmark Dashboard — Completing the Dashboard for One Project

Applying Upstream Cost Indices and Project Cost Benchmarking After the Course

- Rebuild the escalation assumptions of one live estimate using a composite cost index.
- Benchmark the drilling cost per metre of the last campaign against a normalised peer group.

Upstream Cost Indices and Project Cost Benchmarking Questions FAQ

What is upstream cost indices and project cost benchmarking and why does it matter now?

It is the tracking of upstream cost movements through indices and the comparison of project costs with peers. It matters now because rates move quickly and approvers want proof that estimates are realistic.

Which roles gain most from upstream cost indices and project cost benchmarking training?

Cost engineers, planners and asset finance staff gain most. Procurement analysts and economists also benefit, because they supply rate data and cost assumptions to investment cases.

How does upstream cost indices and project cost benchmarking differ from a cost estimating course?

Upstream cost indices and project cost benchmarking tests estimates against markets and peers. An estimating course teaches how to build an estimate; this one shows how to escalate it and judge it against comparable projects.

What do you bring back from upstream cost indices and project cost benchmarking training?

You bring back a cost benchmark dashboard for one project, with an index panel, unit cost tiles and peer position charts.

Upstream Cost Indices and Project Cost Benchmarking: The Way Forward

The cost benchmark dashboard shows where a project's costs sit against peers and how its inputs are moving. Cost engineers and finance staff use it first to set escalation and contingency before an approval. After its first use, revisit the peer group, as new developments complete and older ones drop out.