Broadening Our Reach
Message from your CEO

“This constant emphasis on safety has resulted in a Total Recordable Incident Rate (TRIR) of 0.18 for the first six months of this year, meaning our overall incident rate is reducing, as the scale of our business continues to grow.”

We are making steady progress in the roll-out of our strategy, 2013 and Beyond. Three Regional Managing Directors (RMDs) have been appointed, in the Middle East, Africa, and Australasia as outlined in the Annual Safety conference back in May and I would like to thank our South African-based clients and partners who took the time to attend and contribute to this important event. The title of the conference was World Class in Africa: Evaluating Safety Standards and you can read more about it on pages 14 and 15.

As I turn my attention to recent project awards, I am happy to say we have had a busy first half. It was exciting to add Columbia to our list of operations, with the award of the electrical and instrumentation installation works by CB&I for the Reficar Refinery Expansion Project in Cartagena (page 8). Staying within the Americas, on page 12 you will see we have been awarded a commissioning contract on the Point Thomson Gas Cycling and Condensate Production Plant based in Alaska, which is another new and challenging geographic location for Kentz. The team in Canada has also been busy, with the award of a commissioning agreement with Imperial Oil Resources Ventures Limited for services in the Athabasca Oil Sands in Northern Alberta (page 9).

Moving to South Africa, we were delighted with the award of a project management consultancy services contract with Transnet, for work on elements of the New Multi-Product Pipeline (NMPP) Project there. This award brings the total value of work to Kentz with Transnet to over US$30 million (pages 4 and 5). Elsewhere, the Australia-based team saw the award of an AU$104m (approx. US$100m) contract for the underground electrical and instrumentation package on the Ichthys LNG Project in Darwin (pages 6 and 7). We remain confident of achieving our target of delivering double digit earnings growth in 2013 and wish you all a safe and successful remainder to the year.

Christian Brown
Chief Executive Officer

We are very pleased with our progress during the first half of 2013. I am delighted to see continued safety focus on all project sites across the Group – this constant emphasis on safety has resulted in a Total Recordable Incident Rate (TRIR) of 0.18 for the first six months of this year, meaning our overall incident rate is reducing, as the scale of our business continues to grow. While our ultimate goal continues to be an incident and injury free workplace, I find this progress very encouraging and you can read about a number of safety milestones achieved across our operations on pages 20 and 21. My colleagues in Johannesburg were the hosts of this year’s Annual Safety Conference back in May and I would like to thank our South African-based clients and partners who took the time to attend and contribute to this important event. The title of the conference was World Class in Africa: Evaluating Safety Standards and you can read more about it on pages 14 and 15.

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Transnet Selects Kentz for Consultancy

Kentz has won a major contract to provide project management consultancy services to Transnet for a broad range of work on its New Multi-Product Pipeline (NMPP) Project in South Africa. Kentz will provide integrated project management services and support to Transnet across a multi-disciplinary scope, including: engineering and design services, construction technical support, vendor project management, procurement technical and inspections support, cold/hot commissioning procedures and planning, and overall on-site execution of the completion and commissioning support.

The NMPP is Transnet SOC Ltd’s single biggest infrastructure development undertaken in recent years and is designed to replace the existing DJP (Durban to Johannesburg Pipeline), which has reached its transport capacity.

The NMPP will transport multiple petroleum products from its coastal terminal at Island View to the new inland terminal, situated in Heidelberg. Once the terminals are operational, the NMPP will have transport capacity of up to one million litres per hour. Kentz’s work on the NMPP Project will support South Africa’s infrastructure development and associated fuel demands up to 2030.

The project was awarded following a competitive tender process against international and regional engineering companies. Kentz was invited to provide a comprehensive Engineering, Procurement, and Construction (EPC) services solution for the Transnet TM1 coastal terminal at Durban. The initial scope included terminal TM1 only but was subsequently expanded to include the inland terminal TM2 at Heidelberg. To provide an agile and responsive solution for the client, Kentz assembled a multi-disciplinary, multi-office execution team that was able to provide a global solution to a local requirement in a fast reaction time.

Upon contract award, an initial front-office team was set up in a dedicated project office in Woodmead, Johannesburg. Kentz was quick to react and get resources in place to look after the client’s needs using its Vanderbijlpark and RINE Engineering Centre of Excellence (ECoE) in South Africa and the Middle East ECoE in Doha. This brought together skilled project management and technical staff with experience in executing EPC multi-disciplinary engineering projects. The initial leadership team comprised of Donal Dempsey, Project Director, and Sanjeev Dhiman, Engineering Manager. This new award demonstrates Kentz’s ability to bring its international capacity and hydrocarbon experience to support regional and local requirements in working for blue-chip clients such as Transnet.

Donal Dempsey, EPC Project Director

“This is very satisfying that we, as an integrated project team supported by our functional groups, can deliver a responsive and proactive solution to our client, based on trust, transparency and credibility.”

Brendan Toomey, Senior Project Manager, and Pauline Carroll, Project Administration Manager.

To ensure an integrated technical stream through the various project phases, Kentz will use its own project management, technical support, vendor management practices and the Kentz Document Management (CCMS). These will provide a seamless, systematic and orderly process to delivering operations. The pre-commissioning and commissioning to supporting operational start-up.

Brendan Toomey, Senior Project Manager, and Pauline Carroll, Project Administration Manager.

Kentz will use its own project management, technical support, vendor management, and regional engineering systems, which include the Document Management Systems (DMS) and Construction and Completions Management System (CCMS). These will provide a seamless, systematic and orderly process to delivering operations. The pre-commissioning and commissioning to supporting operational start-up.

This new award demonstrates Kentz’s ability to bring its international capacity and hydrocarbon experience to support regional and local requirements in working for blue-chip clients such as Transnet.

Transnet, Chief Operating Officer, EPC for Kentz commented: “We are delighted that our international EPC management profile has positioned Kentz to be selected to undertake significant consultancy scope on a project that is strategically important for both Transnet and South Africa. Winning a competitive tender against our global and regional peers is a great mark of success and we are seeing strong growth in interest for the provision of such services by Kentz.”

Donal Dempsey, EPC Project Director

About Transnet

Transnet SOC Ltd is a public company with the South African government serving as its sole shareholder. Both owning and operating South Africa’s major transport infrastructures, Transnet is also responsible for ensuring that the country’s transport industries operate according to world-class standards and that they form an integral part of the overall economy.

Recognised today as the major player in the Southern African transport and logistics arena, Transnet aims to be a cost-effective and efficient service provider. By working closely with their clients, Transnet is building on existing contracts and clusters and exploiting the synergy between port and rail to tailor solutions according to their customers’ needs.

The application of strong project management practices and the Kentz ‘can-do’ approach has culminated in Kentz winning this major EPC consultancy contract from Transnet.”

Brendan Toomey, NMPP Senior Project Manager
US$100m Contract Award on Ichthys LNG Project

Kentz is pleased to announce the award of an AU$104m (approx. US$100m) largely reimbursable contract for the underground electrical and instrumentation package for the Ichthys LNG Project in Darwin, Australia.

The Project is expected to be 17 months from mobilisation to final handover in the fourth quarter of 2014. The scope of Kentz’s contract includes the installation of an earthing system that will be integral to the plant and the installation and testing of all underground electrical, instrumentation and telecommunication cables.

The Ichthys LNG Project is a joint venture between INPEX group companies (the operator), major partner JGC Corporation, KBR and Chiyoda Corporation. JKC Australia LNG Pty Ltd (JKC), a joint venture between JGC Corporation, KBR and Chiyoda Corporation, was awarded to Leighton Contractors in December 2012 by JKC Australia LNG Pty Ltd (JKC), a joint venture between JGC Corporation, KBR and Chiyoda Corporation.

“Chris Warlow, Managing Director, Australasia region, commented: “It is pleasing to be announcing this major contract award on the Ichthys Project for work in the early phases of construction and adds to the temporary telecoms package that our EPC business unit is currently executing.”

“The Ichthys LNG Project will be one of the most important LNG developments to take place in Australia during the coming decade. The strength of our Construction business unit in winning and executing work on major LNG facilities in Australia continues to demonstrate our ability to capitalise on our global presence and grow LNG market share.”

The main civil works package was awarded to Leighton Contractors in December 2012 by JKC Australia LNG Pty Ltd (JKC), a joint venture between JGC Corporation, KBR and Chiyoda Corporation.

Team Excels In Accommodation Village Project
In addition to the contract for the underground electrical and instrumentation package, Kentz is also working on the Ichthys Accommodation Village Project, which is under construction to house 3,500 personnel who will work at Blaydin Point in Darwin, building the gas processing facilities.

This aspect of the project is also being managed by JKC Australia LNG (JKC). JKC engaged Kentz in early April to assist in completing phase one of the accommodation village on schedule and to provide skilled trades personnel, as well as quality supervision, health, safety and environment (HSE) and site administration. The accommodation village has a high-standard design and will be made up of temporary accommodation units and purpose-built central facilities such as a central kitchen diner, a security gatehouse, an administration building, a bar, a medical centre, and indoor and outdoor sports facilities including a swimming pool.

There are currently 50 Kentz employees on the accommodation village site, with works ranging across the electrical and mechanical construction, quality assurance, and commissioning.

Kentz’s scope of work covers the power and controls installation associated with the air conditioning systems across the ten central service buildings for the project. The project team has been tasked with some of the more complex work fronts both from a technical and time constraint aspect. The team has implemented its own safe and effective work methods, and over a three-month period completed 35,000 hours without incident or safety non-conformance.

“Chris Warlow, Managing Director, Australasia region

“The Ichthys LNG Project will be one of the most important LNG developments to take place in Australia during the coming decade. The strength of our Construction business unit in winning and executing work on major LNG facilities in Australia continues to demonstrate our ability to capitalise on our global presence and grow LNG market share.”
Kentz Moves into Colombia

Kentz is happy to announce it has won a US$58m contract from CB&I to carry out electrical and instrumentation installation works at the Reficar Refinery Expansion Project in Cartagena, Colombia.

Kentz Caribbean Sucursal Colombia, in consortium with local companies GMP and MASA, will execute the electrical and instrumentation installation works for the process units on the new 165,000 barrels per day refinery expansion project at the Reficar refinery in Cartagena, Colombia.

The duration of the contract is 15 months, with a value of approximately 107 billion Colombian Pesos (approx. US$58m) and estimated peak manpower levels of over 750. The contract will be executed through the Construction business unit.

Michael Costello, Regional Development Director for the Americas, commented: “This is an excellent example of how we can leverage our capabilities and relationships to expand our business further. This contract is our first in Colombia and it demonstrates our ability to expand into new countries and regions. It also highlights the strength of our relationships with key clients. We are delighted to continue our association with CB&I with whom we have successfully worked in other parts of the world.”

Michael Costello
Regional Development Director for the Americas

Continued Relationship with Imperial Oil

Imperial Oil Resources Ventures Limited has awarded Kentz a commissioning agreement for services in the Athabasca oil sands in northern Alberta, Canada. Signed in March 2013, the contract value is significant to Kentz and will run until 2016.

The scope comprises providing management and discipline specialists to support electrical, instrumentation, mechanical, systems completions, along with start-up assistance. The contracts will be executed through Kentz’s Technical Support Services (TSS) business unit.

Alan McFadden, Country Manager, Canada, commented: “Kentz is delighted to be awarded an additional and significant contract by Imperial Oil. This builds on the extensive work we have executed at the Athabasca oil sands in Canada in the past few years for them and further demonstrates the strength of our TSS business in the Americas. We look forward to continuing our working relationship with Imperial Oil.”

Alan McFadden, Country Manager, Canada

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Alongside its partners Ali Khudair Al-Harbi and Ahmed Omar Radi Engineering Consultancy (RGC), Kentz has secured a further technical services contract from the Royal Commission for Jubail and Yanbu in the Kingdom of Saudi Arabia. As with the related award in December 2012, Kentz will execute this contract through its Technical Support Services (TSS) business unit.

The latest contract is to provide energy and communications systems for Jubail-II, including its residential districts. This contract, which lasts five years, includes design and engineering works for electricity and communication facilities for King Fahd Industrial Port and Jubail Commercial Port.

Work on the first contract involved the planning, design, and complete engineering services for the preparation of primary and secondary infrastructure of residential community, industrial, park and shoreline developments. This included design and engineering services for major facilities and systems such as highways, roads, bridges and interchanges, seawater pipelines, potable and irrigation pump stations, telecoms, and underground electrical distribution systems.

The work also involved changes to and/or additions to existing facilities, as well as undertaking studies and reports on specific engineering problems and issues. In addition, it called for the preparation of complete construction bid packages, including engineering services in support of existing construction activities, as required by the Royal Commission.

The Royal Commission emphasised the role of the twin industrial cities of Jubail and Yanbu in boosting the Kingdom’s economy and improving the quality of life for Saudi people.

Seamus Malynn, Global Manager, TSS, Brown Field Engineering Services commented: “Kentz has been operating in Saudi Arabia now for over 35 years and is pleased to be involved in important projects such as these. The award of these contracts underpins our commitment to the growth of our business in the Middle East region, through supporting key clients, building on existing relationships and consistent delivery.”

Seamus Malynn, Global Manager, TSS, Brown Filed Engineering Services
USA Team Expands to Alaska

Kentz is delighted to have been awarded a contract in Alaska for the Point Thomson Project. The award, through Kentz USA, is the Group’s largest US contract to date; it will run for the next three years under the Technical Support Services (TSS) business unit.

Working with local partner, Jago Contracting Management, Kentz will undertake Alaska North Slope commissioning work. The project scope will include the mobilisation of engineering employees for fabrication in Korea and following the project to Alaska to participate in commissioning activities on-site.

While this is a comparatively small award for the Group, Kentz’s involvement in the early phases of the Point Thomson Project is extremely positive. Additionally, the award of this contract in Alaska forms a foundation for Kentz to expand into this geographic region and build on the Group’s arctic engineering and construction expertise. The Point Thomson Project is located on the North Slope of Alaska.

Michael Costello, Regional Development Director for the Americas, commented: “We are delighted to add to our global portfolio of work and our TSS business unit has a wealth of experience in executing engineering and construction projects in such harsh environments.

“The global opportunity for Kentz is evident and the award of a contract for highly specialised services in a new and challenging geographic region is an excellent example of how Kentz will continue to grow with its blue-chip client base.”

Michael Costello, Regional Development Director for the Americas

Aerial view of Point Thompson Project, Alaska

US$38m Contract Award

Kentz is pleased to be awarded a contract by Corredor Logistico Integrado de Nacala S.A., (CLIN – a joint venture company between Vale Moçambique Limitada 80% and CFM, the Mozambique Port and Railways Authority 20%) for the Nacala Corridor Project in northern Mozambique.

The Nacala Corridor Project is intended to provide a logistics solution for the transportation of coal mined at Moatize in Tete province to the maritime terminal located in Nacala on the Indian Ocean, via a new 912km-long railway corridor.

Kentz has been contracted to undertake the structural, mechanical, electrical, and instrumentation erection and to provide commissioning assistance required to construct the main stock yard equipment. The Company will erect 13km of interconnecting belt conveyors as well as assemble and install circa 14,000 tonnes of equipment including tipplers, stackers, reclaimers and shiploaders. The contract is scheduled for completion in November 2014.

The Construction business unit will carry out the US$38m contract, which will mobilise a peak project workforce of 700 staff and field personnel. This workforce will be primarily made up of workers local to Mozambique.

Carl Dyer, Kentz Regional Managing Director for Africa, commented: “With the award of this important project, Kentz is delighted to continue the relationship with Vale in Mozambique. Following the successful completion of Moatize Phase 1, the award of this critical component of the Nacala Corridor Project demonstrates the confidence this key client has in our ability to deliver complex, fast-track projects in geographically challenging areas.”

Carl Dyer, Kentz Regional Managing Director for Africa

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Kentz Group News

Moçambique

Aerial view of Point Thompson Project, Alaska

Aerial view of Nacala Corridor Project, Mozambique
Kenz hosted its fifth Annual Safety Conference in Johannesburg, South Africa in May 2013. With foreign direct investment expected to increase significantly throughout Africa over the next few years, Kentz is well positioned to capitalise on this growth, with expansion plans into East and West Africa progressing in line with Kentz’s 2013 and Beyond strategy.

The theme of this year’s Safety Conference was World Class in Africa – Evaluating Safety Standards. With over 120 delegates in attendance, there was strong representation from all major energy and resource companies operating in the region, along with senior management from Kentz.

Conference delegates examined the safety culture in Africa and other parts of the world, and evaluated the leading principles that could be developed and honed to achieve worldclass safety standards in the region.

Kenz is constantly striving to improve its safety standards by investing in the welfare and training of its workforce and will use the conference outputs to improve safety initiatives across the Group.

The two-day event in the Monte Casino Hotel kicked off with a cocktail reception the evening before. Martin Walsh, Regional Development Director, Africa, welcomed the delegates, after which international South African cricketer Fanie de Villiers took to the stage. Fanie set the tone for the following day as he spoke about the importance of team work, camaraderie and the necessity of never selling oneself short or settling for an average performance if you want to achieve your goals and be the best.

The following morning began with presentations from Martin Peet, Senior Management Service Provider, Sasol; Tjailing Tempestra, CLeanfaire Project Director, Shell; and Basile Bonyongo, Chief Operations Officer, Debswana. They shared industry experiences in safety leadership, management systems, target setting, and reporting. They also shared successful case studies and initiatives. Later that morning, Kentz’s own James Cassin, Group Safety, Security, Health and Environment (SSH&E) Manager, presented on the topic of World Class Safety and Rory O’Donnell, Group Development Officer, spoke to the crowd about Understanding Risk Tolerance. Between the presentations, James polled the audience on key industry safety issues, which were examined and debated during two round-table discussions later in the day.

Topics discussed included leadership, recognition and reward, sustainability, reporting and feedback, breaking down system barriers, project safety alliances, and teaching.

Jeremy Maggs, Senior News Correspondent at eNews Channel Africa (eNCA), facilitated a panel discussion in the afternoon. He was joined by Mark Flower, Managing Director, Fluor; Marius Van Aswegen, Managing Director, Xpatweb (Pty) Limited; Koos Oosthuizen, Risk Executive, Murray and Roberts Cementation; and Ernst Von Biljon, Managing Director, Legal Compliance Services. Jeremy was an engaging and forthright host, generating dynamic and animated discussion between the panel and audience, covering a wide range of safety issues. The panel discussion and each round table generated useful feedback, which was presented to the whole group later that day and will be published in the coming weeks.

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“‘We were delighted to host such a high calibre of delegates at our recent Safety Conference in Johannesburg. Many of our valued partners and clients in the region were in attendance and openly and honestly shared their knowledge and experiences on safety practices within our industry. We look forward to putting what we have learnt into practice as we work together with our clients and partners on our journey towards zero incidents.’”

Martin Walsh, Regional Development Director, Africa

If you would like to receive a copy of the outcomes of the conference, please contact Lauren Thiede-Palmer at laurenthiedepalmer@kentz.com.

“This safety conference was an extremely useful forum for bringing people together to discuss and evaluate safety practices; what doesn’t work, what works well, but most important of all, what is best practice in industry today.”

Mark Flower, Managing Director, Fluor
Kentz and CB&I have set up an innovative facility for recruiting, training and mobilising personnel to ensure continued excellent work as ‘one team’ on all aspects of the Gorgon LNG Project in Western Australia. The new Development and Employment Centre (DEC) – also known as the ‘Kaatanginy–dookoorniny Centre’ (which is from the traditional Aboriginal people of the region meaning place of ‘knowledge working together’) – is a collaboration between all parties in one location as the Project ramps up to full construction phase.

“The scope of work includes MEIC support for the construction of three LNG trains (with a combined capacity of 15.6 million tonnes per annum), including associated utilities, along with a domestic gas processing and compression plant.”

This July marked the two-year anniversary of Kentz being awarded a major contract by Chevron Australia, in joint venture with CB&I, for the mechanical, electrical, instrumentation and commissioning (MEIC) support work on the Gorgon Project. The scope of work includes MEIC support for the construction of three LNG trains (with a combined capacity of 15.6 million tonnes per annum), including associated utilities, along with a domestic gas processing and compression plant.

The CB&I Kentz Joint Venture (CKJV) involves people working from various locations across Western Australia including Henderson, Perth, Barrow Island, as well as the module yards located in China, Korea, Indonesia, and Italy. As employee numbers on the project continue to rise, it became clear that expanded facilities were needed to complete challenging tasks ahead. The DEC or ‘Kaatanginy–dookoorniny Centre’ meets these needs.

Located in Henderson, the Centre’s official opening took place on 18th June with special guests from Chevron and the Kellogg Joint Venture Gorgon (KJVG) in attendance, as well as representatives from both CB&I and Kentz.

The purpose of the centre is for CKJV employees to work together to recruit, train and mobilise new personnel, to ensure this project is completed as one team with excellence, enthusiasm and accountability. A major advantage of the DEC is that it allows new and existing employees, training providers and candidates to work together in one place.

CKJV recruiters use the facility to pre-screen and interview candidates for craft positions. Ten training rooms provide learning and development opportunities to all employees, including online training programmes, high risk and safety training, frontline management and supervisor incident prevention. Continuous training is provided, from the time of induction for new recruits, right through to frontline management courses available to members of project management.

The exterior of the centre features a scaffolding structure and containers for training purposes, including working at heights and working in a confined space. In addition, welding bays are in place to enable CKJV to not only weld test to the project’s stringent quality standards, but also to give future capability to local candidates seeking employment on the project. New recruits will benefit greatly from the training opportunities, not only for roles on the Gorgon project, but for gaining access to much sought after skills required to work in the oil and gas industry in general.

The Gorgon Project is operated by an Australian subsidiary of Chevron and is a joint venture of the Australian subsidiaries of Chevron (47.3 percent), ExxonMobil (25 percent), Shell (25 percent), Osaka Gas (1.25 percent), Tokyo Gas (1 percent), and Chubu Electric Power (0.417 percent).
Krupp Canada Selects Kentz

Kentz has consolidated its well-established position in Canada, with a recent award on the Mildred Lake Mine Replacement Project from Krupp Canada. This follows the recently completed, highly successful Kearl Oil Sands Project, with Alberta's oil sands being the centre of all current projects in Canada. The scope of work includes grounding; tray work; power, control and instrument cabling; lighting; and instrumentation. Stephen O’Callaghan is Project Manager. The Construction business unit will deliver the project, which has an expected duration of nine months.

Alan McFadden, Country Manager for Canada, commented: “Canada is an exciting market to be operating in, with the continued high level of activity in the oil sands market and new emerging opportunities in LNG. We are delighted to be working with Krupp Canada and hope to bid on other projects for Krupp in the near future, to further develop a long term relationship with them.”

Alan McFadden, Country Manager for Canada

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Alan McFadden, Country Manager for Canada

BEE PARTNERSHIP PROMOTES SUSTAINABLE DEVELOPMENT

Kentz in South Africa has joined forces with Medu Holdings (Pty) Ltd as its new Black Economic Empowerment (BEE) partner. A professional investment management company based in Sandton, Johannesburg, Medu Holdings is a specialised private equity company with a sound and disciplined investment philosophy in various commercial and technical sectors within Southern Africa. The BEE initiative relates to the sustainable development of the Republic of South Africa as a nation.

Martin Walsh, Regional Development Director, Africa, and Ernest January, Director, Medu Holdings, concluded the signing agreement at the Kentz Midrand Office earlier this year, paving the way for a new partnership.

The BEE initiative involves local and international industries that operate within South Africa engaging with previously disadvantaged communities in a range of opportunities including equity participation in companies, focused procurement for goods and services, and the establishment of a training regime for employees and local communities.

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“The BEE initiative involves local and international industries that operate within South Africa engaging with previously disadvantaged communities in a range of opportunities.”
Kent’s team in Canada was delighted to win the best video award from Imperial Oil Limited (IOL) at the recent Western Canada Projects 2013 Safety Forum. In January 2013, IOL invited all its contractors to develop a short video to communicate an effective safety message to all levels of employees. Kentz teamed up with another three contractors to produce a video with the topic ‘Mixed Messages’. The company’s number one objective of no harm to its workforce, the community or the environment was conveyed throughout the short film.

On 8th May 2013, the Safety Forum was held at Fort McMurray. Over 200 people attended, including senior level personnel from Imperial Oil and ExxonMobil, along with representation from 45 different companies. Attendees voted on the videos after viewing and discussing them at the forum and selected the one presented by the Kentz team as the most impactful and stimulating.

Alan McFadden, Country Manager for Canada, commented: ‘We were delighted to receive this award at such a prestigious safety event hosted by our valued client. Safety is engrained in everything we do at Kentz and it was great to see how well this was portrayed in our video. The award has inspired us to continue our efforts to achieve excellence in all our activities, as we strive to achieve our ultimate goal of zero incidents across all our projects.’

The award has inspired us to continue our efforts to achieve excellence in all our activities, as we strive to achieve our ultimate goal of zero incidents across all our projects.

Kentz Drilling Support Base (DSB) team achieved a fantastic milestone of 500,000 man-hours injury free in June 2013. The Kentz team includes a high percentage of Papua New Guineans, many of whom have limited experience of working in a high pressure environment with strict safety policies, so it was fantastic to see the commitment and effort has paid off.

Like any drilling site, there is a lot of activity happening. The site includes a 300-man camp, numerous contractors involved in day-to-day operations servicing the drill rig equipment, along with an enormous amount of traffic coming in and out of the site. With an average of 115 workers on site, these 500,000 man-hours were accumulated over a period of 465 days, which is a remarkable achievement and one to be proud of.

Kentz Project Management in PNG would like to thank everyone for their participation, commitment, and positive attitude towards safety, which has been a driving factor in ensuring we all go home safe each and every night.

Working in the rainforests of the Highlands of Papua New Guinea (PNG) at an elevation of approximately 2,100 metres poses many challenges.

However, through a strong safety culture and intensive safety training programmes, the Kentz Drilling Support Base (DSB) team achieved a fantastic milestone of 500,000 man-hours injury free in June 2013. The Kentz team includes a high percentage of Papua New Guineans, many of whom have limited experience of working in a high pressure environment with strict safety policies, so it was fantastic to see the commitment and effort has paid off.

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Kentz Project Management in PNG would like to thank everyone for their participation, commitment, and positive attitude towards safety, which has been a driving factor in ensuring we all go home safe each and every night.
Barzan Project Update

Led by Commissioning Manager, Russell Stephenson, Kentz’s Technical Support Services team is currently supporting the construction of the RasGas Barzan Wellhead Platforms at the Hyundai Heavy Industries (HHI) Yard in Ulsan, South Korea.

Qatar Petroleum and ExxonMobil are the shareholders in the Barzan Gas Project with RasGas managing the current construction and future operations. The project consists of two gas processing trains, with the first planned to come on stream in 2014.

Ulsan is considered the industrial powerhouse of South Korea. The team recently completed a temporary electrical power station for commissioning activities and further scope includes brownfield tie-in work to the existing infrastructure located offshore in Qatar.

The team based in Ulsan consists of over 90 technicians, including a combination of native Koreans and Filipinos, and it continues to grow. Russell has the assistance of another seven supervisors on-site and they have implemented a small but robust ‘Permit to Work’ system that has helped to strengthen the safety culture of HHI by leading the team to plan safely and thereby ensuring the well-being of those who work in the commissioning controlled areas. Beyond the traditional commissioning activities, the team is also supporting the close-out of construction punch lists.

When Barzan Gas Trains 1 and 2 are in operation, the total offshore production from all RasGas-operated facilities will reach around 11 billion standard cubic feet per day making RasGas the largest gas producer in Qatar. Barzan will produce 1.4 billion cubic feet of sales gas per day with much of the Barzan production being directed to the power and water sector.

“The team based in Ulsan consists of over 90 technicians, including a combination of native Koreans and Filipinos, and it continues to grow.”

Practical Assistance Promotes Education

The Kentz FT WAX Expansion Project in Sasolburg, South Africa recently offered support to Grade 12 learners at the Nkgopoleng High in Zamdela Township, Sasolburg, by donating mathematical instrument sets, mathematics and science text books. This donation is part of a broader initiative to assist in improving the school’s overall competency within the mathematics and science disciplines.

Wonder Tshwane, FT WAX Electrical and Instrumentation (E&I) Project Manager, and Daniel Mphanya, Senior Safety Officer, visited Nkgopoleng High School earlier in the year and noticed that the mathematics and natural sciences study materials were in short supply and many children had resorted to sharing text books and very basic study packs.

“As the pool of learners who qualify for engineering and science-based academic qualifications continues to decrease in poorer communities of South Africa, Kentz has taken the proactive step of supporting this school, to ensure that the necessary encouragement for these children is there,” commented Hayley Barker, Regional HR Manager, Africa.

Two all-inclusive academic bursaries will also be made available to the two best performing mathematics and science Grade 12 students at the Nkgopoleng High School. Hayley concluded: “The ability to dream big is something we want these children to do; if there is an avenue for them to reach their full potential, we cannot ignore that; we feel proud to assist where we can. Our communities are effectively our people and we have to support them, as much as they support us.”

Above: Kentz staff present the students with new books
Below: Wonder Tshwane presenting text books to the teachers of Nkgopoleng High School
The implementation of our 2013 and Beyond strategy has steadily gained momentum over the first six months of the year.

Three Regional Managing Directors (RMDs) have been appointed to the Middle East, Africa, and Australasia respectively. Chris Warlow in Australasia, Shane Dooley-Cullinane for the Middle East, and Carl Dyer in Africa will report directly to Chris Brown, Chief Executive, and sit on the Management Executive Committee (MEC). The new RMD roles will promote and progress the ‘One Kentz’ team approach across our regions, by enhancing the cohesion of our strategy implementation, business development, project delivery and functional support. They will provide regional points of co-ordination, collaboration and integration for all three business units and functional support.

Over the first half of the year we have announced some key awards across our operations in the Middle East region and our business development teams have an active pipeline of work being bid at present. The appointment of an RMD for the Middle East has provided the region with improved focus and is an essential component for the strengthening of the region.

Our business units and functions in the African region have been busy delivering a strong order book in our existing locations, but also advancing our expansion goals into West Africa. Senior members of the business development team have visited various locations in the West of Africa and have made solid progress towards establishing a new office in the region.

Australasia has continued to be an area of growth for Kentz, with the Construction business unit adding the US$100m electrical and instrumentation package for the Ichthys LNG Project in Darwin to our already strong backlog in the region.

Continued investment in our local staffing resources and broadening operational capabilities will ensure Kentz is well equipped to deliver its services on any projects in its pipeline.

The process of identifying additional capabilities and opportunities to acquire or develop as appropriate, remains fast paced. While specific details are commercially sensitive, much progress has been made; Kentz has gained valuable insights and grown its industry intelligence.

Barbadian Team To Upgrade BNTCL Systems

“We are delighted to continue our successful working relationship with BNTCL on this project in Barbados and look forward to delivering a safe and successful result.”

Michael Kenneally, General Manager for the Caribbean

The Barbados National Terminal Company, Limited (BNTCL) recently awarded Kentz a control and instrumentation upgrade project. BNTCL imports, exports and distributes petroleum products on the island of Barbados including gasoline, diesel, and aviation fuels.

The duration of the project is six months and it will be executed in two phases by local team, Kentz-OUs JV (Barbados). Phase 1 includes the upgrade and replacement of seven Programmable Logic Controller (PLC) platforms including software conversion and validation, equipment supply, installation, and recommissioning. In Phase 2, the main pump station for fuel imports and exports will be upgraded from manual to automated operation to enable remote monitoring and control via the client’s existing Supervisory Control and Data Acquisition (SCADA) system. The pump station automation scope includes the development of a new control philosophy for the pump station, PLC logic and control implementation, and the upgrade of associated valves and instruments. Kentz will engineer, design, construct, and commission both phases of the project.

Michael Kenneally, General Manager for the Caribbean, commented: “We are delighted to continue our successful working relationship with BNTCL on this project in Barbados and look forward to delivering a safe and successful result.”

See more Kentz news on the Kentz Group News page.
Agreement Empowers Zamdela Township

In an initiative that gives both Kentz and its valued client Sasol the opportunity to play active roles in addressing the skills shortage within Zamdela Township, as well as to contribute to the local economy, Kentz, Sasol, the Aveng Group, and the South African Department of Labour together signed a Memorandum of Agreement Industry Alliance. This agreement adds operational capacity to the oil and gas sector by training and certifying welders, boiler makers and various other trades.

Sasol will provide funding to both Kentz Training Solutions (KTS) and the Aveng Group to deliver training and education to persons sourced by the Department of Labour from the Zamdela Township. When training has been completed, Kentz and Aveng Group will offer employment to the trainees, where possible. If suitable positions are unavailable, Sasol will also try to place the individuals in employment.

Lourens Coetzee, Kentz Regional Training Manager, Africa, commented: “After much discussion and negotiation, we have reached a point where we can get actively involved in creating opportunities for our local community. This will be a pilot project for Kentz in this community and we look forward to the development of the individuals who will be the recipients of the various training and educational programmes.”

KTS has in recent years, pioneered many skills, retention and development schemes in Africa, with notable programmes successfully launched at the Medupi Power Station Project in Limpopo, South Africa, as well as on the Ambatovy Minerals Project in Madagascar, and several projects in Mozambique.

Hayley Barker, Regional HR Manager, Africa, added: “By supporting our clients’ robust approach to skills development and on-the-job training, we are effectively contributing to the skills pool within a sector that is heavily reliant on continuous progression and skills development. With advances in technology and a safety conscious perspective, there is always a need to train people. This philosophy has additional advantages in the form of reducing the risk of safety incidents and increasing the quality of work overall.”

The KTS programme will continue to go from strength to strength and will play a pivotal role in delivery requirements not only in South Africa, but the greater African region in the immediate and near future. This model has the potential to be launched on a global scale and we look forward to building on the Kentz philosophy of empowering our people.

“By supporting our clients’ robust approach to skills development and on-the-job training, we are effectively contributing to the skills pool within a sector that is heavily reliant on continuous progression and skills development.”

Hayley Barker, Regional HR Manager, Africa

Kentz Appoints McLaren for New DMS

Every day, across Kentz sites and offices, employees are engaged in the essential task of document creation, distribution and control. These documents are used to convey new ideas, provide direction, give instructions, describe processes, and define specifications. Individually, such documents are pieces of the company’s intellectual capital. Combined, they represent substantial parts of its knowledge. Consequently, it is of vital importance that these documents are scrupulously controlled and managed.

Effective document control requires a strategy to govern the development, issue, change, maintenance, use, storage and security of documents. Document control ensures that current documents are approved by relevant management, distributed to the places where they are required, and that old and obsolete versions are removed.

Kentz recently engaged McLaren (an Idox company) to enhance its document management system (DMS), with a product known as McLaren FusionLive. This will replace Kentz’s existing DMS, however some of the functionality of the old DMS will be maintained in order to continue the tracking of engineering man-hours.

Ken Cleverenger, who recently joined Kentz as the Group Document Controls Manager, will manage the implementation of McLaren FusionLive. Kentz’s experience and knowledge of operating and delivering DMSs globally across multiple business units, coupled with his prior experience of implementing and working with McLaren, will be very beneficial to the business. His focus will be the implementation of McLaren FusionLive on both projects and as the Company’s corporate repository.

Highly scalable and user configurable, McLaren FusionLive helps ensure consistent document management processes throughout the asset lifecycle and will play a vital role throughout Kentz. It will be a place to protect the content value of documents and to improve the effectiveness of that content for in-house personnel, vendors and most importantly the Company’s valued clients. It will provide a framework for deciding how information is created and how it is managed once created. It will also provide consistency, accuracy and visibility of all project information by standardising processes across all projects. In turn, this will allow rapid communication between internal and external project teams and provide customisable business processes, to meet Kentz’s clients’ requirements.

“I am delighted to welcome Ken to the Controls team. We are looking forward to introducing this new and improved DMS product by McLaren to Kentz, which will no doubt provide many benefits, not only to Kentz, but all our valued clients around the globe.”

Peter Tignini, Group Director of Project Controls
Kentz Revamps Boikanyo Shelter

The children of Boikanyo Shelter

As the home receives very little support from the government, the children are cared for on a shoestring budget. Thus, they often go hungry, suffer impeded development, and could remain institutionalised for their entire lives.

Colin Crowley, Regional Development Manager, Mining and Metals, recently completed the Cape Epic Cycle and, with support from Kentz, raised much needed funds for the home. These funds will go towards the refurbishment of the entire facility to drastically improve the lives of the children and their caregivers. Most recently, an electric fence was erected around the entire premises to safeguard it from thieves who have ransacked the home on a number of occasions.

Massive improvements to the physical structure of the entire complex will take place in the coming months in the form of revamped bathrooms and toilet facilities, new ceilings, and further improved security measures. The funds raised have also allowed the centre to employ an on-site occupational and physical therapist who will work with the children on essential personal development skills.

In line with the ‘Mandela Day’ festivities, Kentz Midrand employees made personal donations to the home in the form of clothes, food, toys and educational games. Randall September, Marketing Executive, who visited the centre commented: “The Midrand Office gave a truckload of goods to the children to mark ‘Mandela Day’. The generosity shown and the human response to the plight of these children is what it is all about. I look forward to relaying the developments and progress of each one of these amazing kids as we get more and more involved in their personal development.”

Kentz management in South Africa look forward to providing continued assistance to Colin, Randall and the team in their efforts to support the children of the Boikanyo Shelter.

“"The generosity shown and the human response to the plight of these children is what it is all about.”

Randall September, Marketing Executive

If you are involved in or witness any activity that causes you to seriously question its integrity or benefit to the business, then you are obligated to report it.

If you have a genuine concern about malpractice in Kentz, please first raise your concerns with your Line Supervisor or tell an appropriate Safety Officer or Manager. If for any reason this is difficult, you should report the matter to the Chief Financial Officer or the Group Compliance Officer, who are the designated executives with responsibility for dealing with concerns raised by employees speaking up, and are responsible for ensuring that an appropriate investigation is conducted.

For more information on speaking up please see Kentz’s Code of Business Conduct, available at www.kentz.com, or contact your HR officer.
Ernie Jacob

My name is Ernie Jacob, I am married with two children aged 19 and 23. Originally from the UK, I am currently working as Project Manager and spend a lot of time in Basra. As Project Manager, I am responsible for the overall leadership of our multi-disciplinary design team in Dubai and our engineering and construction management support teams in Basra. This requires me to interface between our teams and the client teams in Dubai and Basra, as well as to support the construction management of South Oil Company (SOC) and sub-contractor labour. I have worked with most of our local Iraqi team before and am pleased that they have all joined us on Kentz’s first project for ExxonMobil in Iraq. Their impact has been extremely positive and they have established an excellent relationship with the SOC team in Burjesia. Working in Iraq is very enjoyable. The locals are intelligent, proud, prepared to work and learn new skills. Their enthusiasm is contagious and even inspired me to undertake a postgraduate degree – I received my MSc in May this year!

Ali Mohammed

My name is Ali and I am the Deputy Project Manager for Kentz in Basra. I am a native Iraqi. I am married and lucky enough to have five children: three boys and two girls. In my spare time I love to read; I am an absolute bookworm! The security situation in Iraq makes working there difficult at times; however with companies like Kentz thankfully providing many job opportunities for locals the financial situation in the country is improving. I love my job and take pride in my work, which is recognised and admired by clients whom, on several occasions, have written letters and messages of thanks to the Kentz team in Basra for our consistent hard work and success.

John Synnott

My name is John and I am married to Trish, with whom I have three children: Abbie, Darragh and Darcy. I am a Project Engineer, based in Basra. Originally from Ireland, I have worked in other parts of the Middle East, most notably Saudi Arabia. There are many similarities between working in Iraq and Saudi Arabia; however the most striking difference is the security situation here. As a result my movements are restricted to certain areas and I always have to travel accompanied by my personal security team. As with everything, you get used to the strict security measures and it becomes a normal part of each day. The best thing I find about working here is the vast experience I have gained from working on different types of projects in varied locations. Unfortunately, I don’t have much spare time but I do try to run in the gym a few times a week.

Amjad Kaittan

Farhood

I am Amjad from Iraq and I joined Kentz a short while ago as a Health, Safety and Environment (HSE) Engineer. I am married and have two daughters. Strangely enough, I didn’t start out my academic studies with a strong interest in engineering; in fact, my dream had always been to work in the medical profession as I am passionate about helping people. Unfortunately, due to personal circumstances I was unable to complete my medical studies and thanks to the support of my family and friends I found my way into engineering and graduated from Baghdad. I thoroughly enjoy my work as a HSE Engineer, as it enables me to help people and make sure they conduct their work (and lives) in a safe manner. In Iraq, we have a saying, which has always stayed with me, ‘Help the people and God will help you.’ I am striving for continuous HSE improvements in Kentz and Iraq to ensure nobody gets hurt.

Hayder Mohammed Saleh

My name is Hayder and I work as Project Co-ordinator in the Kentz Basra office. I am a proud Iraqi and it is really interesting to live and work here. It is a magnificently beautiful country in parts, and everybody is co-operative, helpful and sociable. I am enjoying working on this project, and feel a sense of achievement that we are positively contributing to the country’s economy. I love sports, especially swimming, and after a hard day in the office I enjoy winding down by watching television.

Osama Deya’a Jafer

My name is Osama and I recently joined Kentz in Basra as a Document Controller. Even though I am Iraq, I still find the working life in Iraq tough because of the high level of security throughout all the regions. After I graduated from the University of Basra, I got married and now have two children, Hussain and Zena. My family means the world to me and I always strive to keep them happy. When I am not at work, I love to relax by watching television or going shopping.

Musaab Abdul Razaq

My name is Musaab and I have a Senior Civil Engineer with Kentz since November last year. I am married and have one son called Ahmed. I enjoy my work and find that I am progressing every day on this project. Life in Iraq is much better than it used to be, although it is definitely not as developed as some of the other states in the Arab Gulf. Unfortunately, our country still has a long way to go in this regard, but things are slowly changing. My favourite thing to do in my spare time is play games with my son Ahmed. I also like to go shopping.

Saeed Al Wazzan

My name is Saeed and I work in the Quality Assurance/Quality Control field. I am enjoying working for Kentz in Basra, and find the company as a whole great to work for. My colleagues are always supportive and professional. Even though many people see Iraq as a country full of suffering, this is my home and I believe it still has many graces, especially its people and historic civilization.
SEND IN YOUR NEWS...
Please send in your reports to appear in Kentz Group News

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to ensure your items are included