



ТШО ЖАҢАЛЫҚТАРЫ

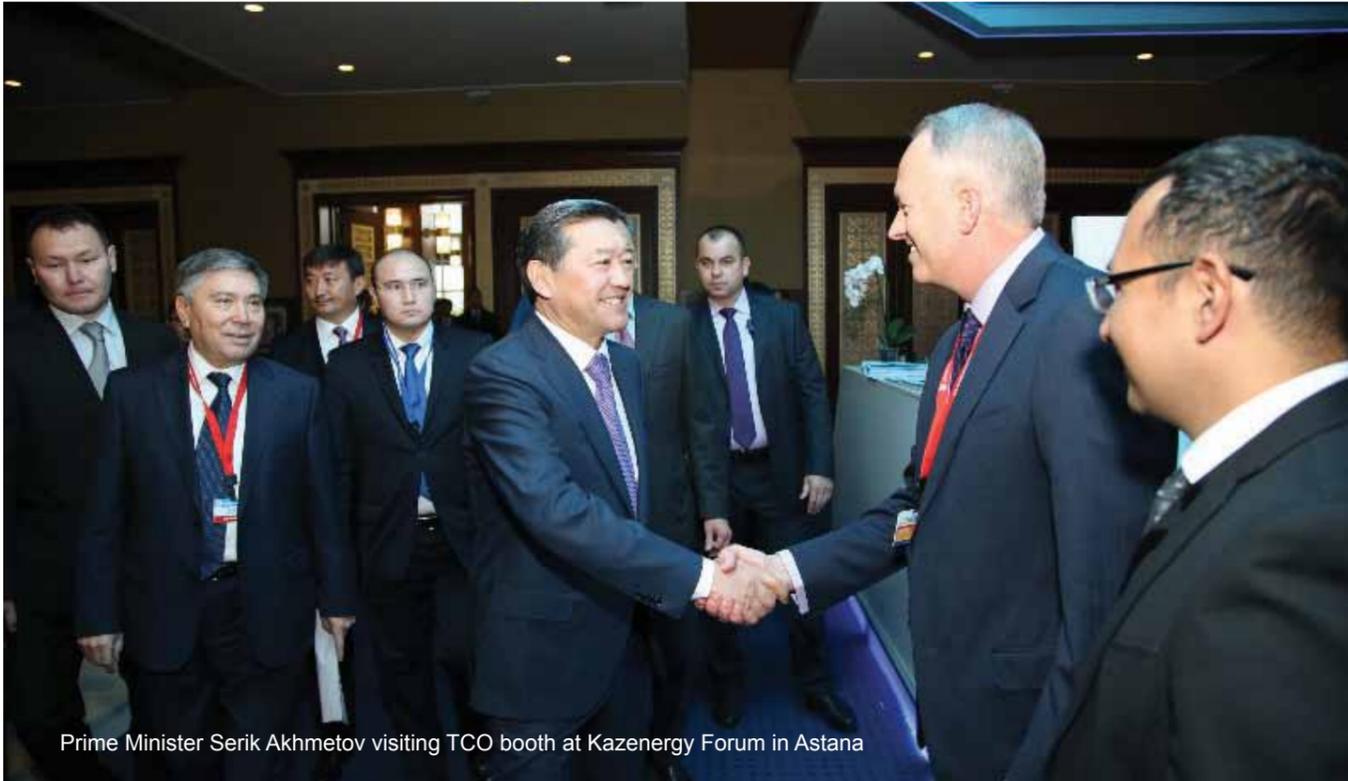
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Информационная газета ТОО «Тенгизшевройл»
Tengizchevroil Newsletter

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TCO NEWS

Leadership mission



Prime Minister Serik Akhmetov visiting TCO booth at Kazenergy Forum in Astana

At the recent major events in Astana and Almaty, the 8th Kazenergy Eurasian Forum and KIOGE '13 Oil & Gas Conference and Exhibition Tengizchevroil sustained its leadership in Kazakhstan's petroleum industry. The Company used these opportunities to introduce industry specialists and the general public to its outstanding achievements in base business and corporate social responsibility. As a result, TCO became the winner of most titles and was bestowed awards in various competitions, thus once again proving its leadership in Kazakhstan's petroleum sector.

For its two decades of exemplary performance in Kazakhstan as the largest company and in recognition of tremendous value to the community TCO was bestowed The Consortium of the Year Title.

Medals of Kazenergy Association of oil producers in Kazakhstan were given to Sholpan Altybayeva, general manager of TCO Human Resources and to Rzabek Artygaliev, general manager, TCO Policy, Government and Public Affairs in recognition of outstanding personal contribution. We take special pride in the fact that

the contest of corporate media TCO Newsletter was awarded the title of The Best Corporate Media in Kazakhstan.

The Best Corporate Social Responsibility award of Kazenergy Show Room was given to the joint project Upgrading the quality of hypertension treatment implemented by TCO in partnership with Kazakhstan Association of Family Physicians, presented by Gulnara Aitzhanova of TCO PGPA in charge of TCOs Community Investment Program.

Continued on Page 2.)



General Director Tim Miller holding up the Corporation of the Year Award



Gulnara Aitzhanova defending a CIP project at Kazenergy contest



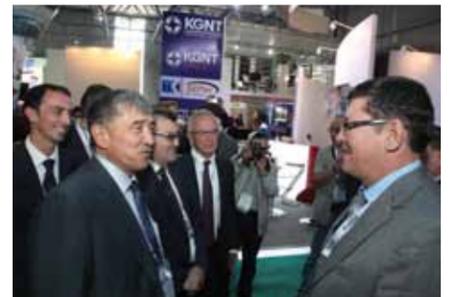
Sholpan Altybayeva



Rzabek Artygaliev bestowed a Kazenergy award



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Leadership mission

TCO arrived at KIOGE '13 and Kazenergy Eurasian Forum, the two major annual industry events, bringing along a new exhibit. Using the latest digital display technology, TCO's booth design emphasized TCO's strong commitment to innovation.



The use of innovative technologies in its marketing program has proven beneficial to TCO, but the innovation demonstrated in its production operations has been beneficial to Kazakhstan as well. Since 1993, total payments to the Republic of Kazakhstan have exceeded USD \$86.9 billion. The production increase and efficiency improvements that have enabled these payments have come about due to the use of leading-edge technology and innovative processes. For example, TCO's Gas Utilization Project has enabled TCO to deliver on its commitment to end routine gas flaring. The company has reduced its flaring emissions by more than 94 percent since 2000; while increasing crude oil production 147 percent in the same timeframe.

The construction of the Second Generation Plant (SGP) is yet another example of innovation at TCO. Compared to the existing facilities, SGP uses half the energy of the previous technology to process a unit of oil; cutting emissions in half and freeing up fuel gas for export and domestic use. TCO is using low emissions and high energy efficiency technology and some of the largest steam generators in the world to provide enough power for the huge facility. SGP was built as part of the previous Tengiz expansion. A key driver in the environmental design of that expansion project was the desire to conserve, recycle and reduce water usage. Tengizchevroil has reduced consumption of water per tonne of oil produced from 1.3 cubic meters in 1994 to 0.2 cubic meters today. With state-of-the-art technology



our operations produce our own technical water for processing, steam generation, utility water and fire fighting. At each event, TCO was also busy answering questions about its Kazakh Content commitments. Since 1993, TCO has spent a cumulative total of almost USD \$15 billion dollars on the purchase of Kazakhstani goods and services. TCO recently signed the Memorandum of Understanding with the Government of Kazakhstan to proceed with the Future Growth Project (FGP). Assuming the Partners approve the Final Investment Decision, FGP represents a significant opportunity to generate even greater Kazakhstani Content expenditures. Of course, many trade show attendees wanted to know how many jobs would be



created by FGP. When told that, at the peak of construction FGP will create 20,000 jobs and, once operational, there will be approximately 600 permanent jobs, many people were comment-

ing that they would be sending resumes shortly! TCO continues to pursue its leadership mission in Kazakhstan's petroleum industry. During the four days of the KIOGE

exhibition and conference in Almaty the team of TCO representatives at the booth held dozens of meetings with companies, both Kazakhstani and foreign, that were interested in working with us. Potential areas of cooperation were discussed with large, medium and small companies seeking to supply TCO with goods and services.

Kubentai Suesinov is a pioneer who stood at the cradle of the field development project in Tengiz. After a meeting with one particular delegation he made a comment, saying "we were treated as a true leader, with a strong respect. People are both eager to cooperate and seek an opportunity to ask for our expert advice"

After celebrating its 20th anniversary in 2013, Tengizchevroil is confident it can further strengthen its leadership in Kazakhstan's petroleum industry.

By Georgy Trukhin

Happy birthday, dear city of Kulsary!

On the 21st of September Kulsary celebrated the 12th anniversary of its administrative status as a city granted in 2001.

Earlier this year a restoration project started for the holy shrine of Kulsary Ata, the renowned warrior and descendant of the Khans of the Golden Horde after whom the place was named. Another important event was the dedication of a new alley in downtown Kulsary featuring the symbols of state. This project was sponsored by Tengizchevroil. At the ribbon-cutting ceremony Maxim Izbassov, Akim of the Zhyllyoi Region thanked general director of Tengizchevroil Tim Miller for the Company's great contribution in the development of local infrastructure and support of regional economy. After the ceremony the local residents and VIP visitors enjoyed a festivity organized at large, including horse races, sports events and competition of folk singers – aitys. The closing part of anniversary festivities was a gala concert given by local musicians and folk dancers.

By Galiya Essenova
Photo supplied by the author.



VIII Eurasian Forum KAZENERGY



Energy of the future – the outlook for Eurasia



The week of 8th October 2013 saw another annual milestone for Kazakhstan's petroleum sector – the KAZENERGY Eurasian Forum, now held for the eighth time.

Speaking on behalf of TCO was general director Tim Miller with a report on Success through partnership and innovation, a comprehensive analysis and convincing success story of the two decades of the Company's dedicated effort and outstanding innovations implemented in Tengiz. It is a service record admired strongly by the upstream industry world-wide.

The booth of Tengizchevroil was extremely popular among the participants and visitors, introducing the audience to the achievements TCO made in all areas, including production, marketing and corporate social responsibility. TCO's team, staffed by representatives of lead departments, hosted a number of productive meetings with Kazakhstan and foreign companies interested in cooperation with the strongest player of the Kazakhstan petroleum industry.

The forum's new format which incorporated more events this time was strongly appreciated by most participants.

The event's agenda included both panel discussions and award ceremonies to recognize the best performance of production companies in Kazakhstan. As always, Tengizchevroil appeared among the leaders and provided an example of expertise and excellence to follow.

The Kazenergy International Youth Forum organized under the auspices of the regular major event and sponsored by Kazenergy Educational Program and Youth Committee was attended by 200 plus young leaders from all across Kazakhstan. Among the VIP visitors were renowned leaders of Kazakhstan oil sector, CEOs of large companies and prominent government officials. The audience particularly appreciated the report made by TCO HR general manager Sholpan Altybayeva, who gave some valuable practical recommendations to the students and graduates of universities. She also shared on the traditional Job Fair the Company offers to the graduates of Bolashak Program and national universities.

Another hit of the day was the master class hosted by minister of oil and gas Uzakbai Karabalin, who held his Dialogues with the Young on aspects of professionalism to unveil the secret about the particular skills and knowledge a university graduate must have to become a minister.

"In order to reach the peak of career, you need to work really hard, unless you prefer to watch somebody else succeed through dedicated life-long effort, while you enjoy your cigarette over a glass of beer. What you need to do is to work hard and first of all do your best in training. I believe strongly each of you has enough time and opportunity to make the maximum of every critical period of self-development, said Minister Karabalin.

The panel discussions focused a few subjects of interest to the sector specialists. Speaking about high priority legal issues at one of such roundtable was Bakhytzhan Khusainov, senior lawyer with TCO Negotiations & Legal. His specific subject dealt with greenhouse gases and re-



lated legal problems encountered by production companies.

A particularly exciting part of the forum was the KAZENERGY Show Room now held for the second time in the history of Kazenergy Forum. Members of Kazenergy Association of producers were offered a unique opportunity to present their social projects to the respected audience. This year the

contest focused on the important issue of promoting the positive image of oil producing companies in the community. The three awards included

1. Social Responsibility Prize
2. Future Energy Prize – to recognize pioneering technologies, innovations and methods of upgrading energy efficiency, in-

cluding renewable sources, best practices and innovations in power generation and best methods of energy conservation.

3. Environmental Safety Prize to recognize the best in safety, including occupational and environmental.

All in all 16 projects were presented in the above three categories, and the competent jury staffed by best specialists delegated by lead production companies did the evaluation.

The winner in the Social Responsibility contest was the project Upgrading the quality of medical care for the patients with hypertension, implemented by TCO in partnership with Kazakhstan Family Physicians Association. Acting as the project presenter was TCO CIP Coordinator Gulnara Aitzhanova.

The winner of the Best Safety and Environmental Practices award was TCO's Project of Gas Utilization, presented by OE/HES specialist Gulmira Tulegenova.

Now, finally, the Best printed Corporate Media Award was given to TCO Newsletter, the publication that recently celebrated its 11th anniversary. TCO Newsletter was recognized the best corporate media in Kazakhstan.

In the final part of the forum, the KAZENERGY Association accepted new members on its board and recognized a group of prominent oilmen for outstanding personal contribution by giving them special awards.

We are happy to report to our readers among the proud laureates of Kazenergy awards were Sholpan Altybayeva, general manager of TCO Human Resources and Rzabek Artygaliev, general manager of TCO Policy, Government and Public Affairs. Also, a letter of appreciation was given to Svetlana Ibraeva, advisor to TCO general director.

Please join our warmest congratulations to the laureates.

By Meruert Sukhankulova,
consultant for TCO
Policy, Government
and Public Affairs



Workshop with Union of Service Companies of Kazakhstan

Kazakhstani companies have continuously expressed their strong wish to work on the next expansion of the Tengiz field – the Future Growth Project. FGP leadership has held several meetings with RoK Government officials on this matter and conducted educational meetings with local companies including visiting their sites to discuss and identify opportunities. Kazakhstan Content (KC) team members regularly attend various exhibitions, forums and other business events looking for Kazakhstani Content opportunities suitable for project needs. Recently, the FGP Kazakhstan Content Team, together with the Union of Service Companies Kazakhstan, arranged a workshop for local service providers in Atyrau. The main objective of the workshop was to introduce the potential suppliers with the project scope and to receive information on suppliers' operation. Almas Kudaibergen, KazService Chairman welcomed participants at the workshop and thanked TCO and KPJV for giving an opportunity to local suppliers. In his speech Nurlan Kaliev, TCO FGP-WPMP Deputy Project Director assured local suppliers that TCO highly supports Kazakhstani Content efforts. TCO and KPJV representatives from KC teams gave information on project overview, general scope description. Suppliers were informed on Kazakhstani Content expectations and FGP Supplier Qualification Process. Companies such as BSD LLP, Kaefer LLP,



Almas Kudaibergen



Nurlan Kaliev

Kazturboremont, Logic Services Centrasia LLP, Sitek Caspian LLP, APMG LLP, MechstroyService JSC, Akpan LLP also had an opportunity to share information on their companies' activities, personnel, previous experience, equipment capabilities, certificates, etc. Suppliers demonstrated the utmost interest in working for TCO on FGP. The questions and answers session demonstrated mutual interests from the project representatives and suppliers. In their closing speeches, Almas Kudaibergen and Nurlan Kaliev thanked everyone



for effective co-operation and expressed their hope for continuation of the collaboration that will bring the mega project to the successful execution.

Effective Management Reporting, Timely Payment and Compliance

Meet our colleagues from FGP-WPMP's Finance Department. The project has two Finance groups working in Atyrau and Farnborough. Lincoln Read, who recently joined FGP-WPMP as Finance Department Manager, kindly agreed to answer our questions.

– **Lincoln, can you tell us about your background?**

– I joined FGP-WPMP in April 2013. I have been with Chevron for 9 years all of which was on the Gorgon Project and I was originally hired as a Project Accountant in Phase 2 back in 2004. Prior to joining FGP, I was the Finance Coordinator responsible for the delivery of the Gorgon LNG plant on Barrow Island. It was a similar model to FGP as we had an EPCm contractor and were embedded in their offices as we are in FGP-WPMP. The Gorgon finance team was about 80 people (split across three core areas) of which 40 or so were part of my team. The Australian Business Unit finance team was 200 plus people, so it was a pretty large BU. Prior to joining Chevron, I spent 8 years in the oil and gas industry in various accounting roles after completion of my degree and post graduate studies in Perth, Australia.

– **What are your department's objectives?**

– At this moment, the most important target is Phase 4 readiness. Overall, the objective of the Finance Team is to enable effective management reporting, timely payments and compliance. We are currently focused on our key Project Execution plans including the Procure to Pay model that defines how we are going to

make payment and manage our systems whilst utilising the EPCm and existing base business procedures.

Whit Parker, who recently joined the team as the Business Systems integration Manager, is developing the Project Accounting plan for Phase 4. This includes our overarching finance plan, and requires regular interface with project controls and SCM on the development of the project cost breakdown structures and accounting setup within our ERP systems. Our Audit team, led by Nurzhan Tortayev has kicked off an EPCm billings audit in September, and has developed a plan for our 3rd party contractor audits over the next 12 months. Our Compliance Manager Dan Barker is developing the Compliance plan and training model for execution with the EPCm compliance team.

– **What teams form the Finance department?**

– The Finance team is broken into three work streams: Project Accounting, Audit/ Compliance and Taxation. We currently have four people in Atyrau and twelve people here in Farnborough. The finance team will grow in Phase 4. We plan to have team members in Atyrau, Farnborough, Tengiz and at the fabrication yard.

– **What are the most challenging mo-**

ments in your work?

– The ever changing nature of delivering a massive project such as FGP, as well as supporting the project's schedule and budget targets. The Finance Department must ensure the Project remains compliant with process, regulations and tax requirements, without slowing critical path deliverables. Efficiency and teamwork are key to success.

– **You mentioned engagement with EPCm contractor. What kind of work is carried out with the contractor?**

– Using an EPCm has its benefits for large projects like FGP-WPMP, however we need to ensure that TCO's expectations are met. We outsource a lot of the work to our EPCm and processes that normally TCO Base Business would conduct, are performed by the contractor – it requires quite a shift in thinking. As owner, we need to have strong assurance and oversight over what the EPCm is engaged to deliver to ensure they are meeting or exceeding our expectations across the project. Areas such as Invoice Verification, Cash Forecasting and the Pre-Qualification processes require structured oversight from the Finance team to ensure the EPCm and sub-contractors are performing at the required level.

Our Audit team will conduct process and billings audits, however we will not be solely using the audit team to guarantee that the EPCm or other contractors are performing, the Finance team will conduct assurance reviews. We will be collaborating with the EPCm month in month out as this is imperative to ensure delivery of our expectations.

– **What is the major role of teams in different locations?**

– The Atyrau team supports Early Works and Phase 3 type activities. At the moment they are conducting prime contract and agency contract validation, to make sure that anything billed by KPJV complies with the contract. They look after validation of all EPCm contracts and payment of invoices.

They also ensure proper DOA followed and work with Base Business who re-

From Tengiz to News from Future



Farnborough

The Growth Project

leases payment. In Farnborough we have a nearly identical project accounting function, but we also have Taxation, Audit and Compliance and most recently the Business Systems integration function all roles key to delivering Phase 4 readiness.

– What is the most exciting moment in your work?

– A difficult question for an accountant! Things we get excited about may seem quite mundane to other functional areas! Seriously however, working in a project's finance department is quite dynamic. It's a changing environment and quite different to a more traditional finance function. In a project environment, you interact with other disciplines, so you get understanding of how oil and gas industry works. The most exciting thing about working for Chevron and TCO projects is that you meet a great bunch of intelligent people. Every day you learn new things, new ways to be effective for you and the company.

– One thing you want people on the project team to remember about Finance?

– Remember to engage early with your Finance team members in your areas of work. We are here to support you; hence early engagement with finance will enable quicker and more effective decisions to be made for the project.

Recent Project Workshop and Reviews

Project Execution Plan (PEP) Cold Eyes Review (also known now as PEP Subject Matter Expert Review) happens when a Chevron Major Capital Project is approaching a Phase Gate & Peer Review. PRC facilitators and Chevron subject matter experts from outside the FGP-WPMP Project came to look at our Phase 4 Project Execution Plan to see that it is ready for Phase 3 Peer Review, but more importantly, to make sure the plan is of sufficient quality to efficiently guide our execution of the Phase 4 Scope of Work. Outcome of the review in general was very good. It gave us a plan forward to strengthen our objectives and strategies for our PEP focus areas, making sure they were solid and made sense, and that the detailed plans that implement those objectives and strategies are sufficiently developed. Holding it several months ahead of Peer Review means that they understood that the detailed plans were still being worked on as the Project progresses towards Final Investment Decision (FID). The unique thing about the way FGP is



Wayne Tsuji

constructing the PEP for Phase 4 is by aligning it with KPJV's PEP, which has never been done before at any Chevron's or TCO's major capital projects. The EPCm Contractor would usually have their own separate detailed plan.

The FGP Project Team communicated to PEP Review Team how we involve our EPCM contractor (KPJV) in PEP development process. For example, both TCO and KPJV have a Contracting Section in their PEP. The Contracting Section owners from TCO and KPJV held a working session and shared their Project Execution plans to understand what each of them has planned for contracting in Phase 4, thus creating an aligned team to execute Phase 4 portion of the project. We also share the same Risk tool and we capture high level risks from both parties, as well as mitigations and actions.

The final step we will take in the PEP development and implementation will be tracking key strategies in the focus areas in our PEP as we move through Phase 4 to ensure that they are carried out as planned, which also has never been done on a Chevron MCP.



ESAR – Estimate and Schedule Assurance Review is when we assure our cost estimate and schedule through subject matter experts external to the project and see if it is of the sufficient quality and expected maturity to enable FID. The expectation was that Project delivered a class 3 cost estimate and level 3 schedule in July, but the ESAR showed that we are not at the level yet, and that additional work needs to be done.

OVR- Operations Verification Review is done to make sure that Operations planning for Phase 4 and Phase 5 is in our PEP and detailed plans. As the project moves to Phase 4, Operations is aware of the project's scope and impact on Base Business. The other element of OVR is to ensure that we have plans to be ready smoothly transition project to Base Business, provide necessary training to the workforce, and identify and secure necessary resources to engage with Contractors



and Base Business.

The OVR team, comprised of Peers from PRC and other projects such as Gorgon, provided good feedback and recognized the strong project. Operations team led by Wayne Tsuji and their activities.

Subject Matter Expert (SME) Review for IOCC- Integrated Operations Control Center, part of FGP scope, is a central control center located in the new Camp designed to integrate control centers for all of the major plants in Tengiz (KTLs, SGI-SGP and FGP-FGSI) SMEs from PRC and other Chevron BUs were invited to review the proposed FGP IOCC design and plans. The focus of the review was on adequacy of IOCC plans reviewing if all safety aspects are covered, reviewing all operability and reliability aspects and ensuring close interactions with Base Business in the design and construction of the IOCC. The review was very valuable to the team working on IOCC.

Construction Readiness Review (CRR) is conducted to assess and evaluate whether the project team has made all the necessary arrangements to ensure safe, predictable and sustainable mobilization and execution of project construction scope.

As project Early Works (EW) scope progresses towards execution, an EW CRR was conducted in Atyrau by a Peer team comprised of Chevron Project Resources Company (PRC) and TCO subject matter experts. Peers have identified several strengths in our execution readiness and provided some valuable suggestions for further improvement. The overall assessment of the review was 'The project team has demonstrated sufficient planning, OC, Contracting, HES and QA to successfully mobilize and sustain their plan'.

Shakhter – Manchester United

An interesting football match Shakhter - Manchester United took place on October 2, 2013 as a part of the Champions League 2013 - 2014 in London.

Both teams are top candidates to leave their group. The first half began with an equal struggle: both Shakhter and MU tried to seize the initiative, meanwhile attempting to create scoring chances. In this case, the guest team managed to score quite quickly – on the 18th minute of the match. Manchester United opened the scoring after a mistake made by Rakitsky. Fellaini made his way on the flank and made a low cross into the penalty area, but the back instead of clearing the ball out of the area stopped it right for Welbeck, who shot it at goalkeeper Pyatov. After a conceded goal "Shakhter" built up pressure. Many attacks of the hosts were organized through the right flank where Dario Sma played. The first half of the match Shakhter

- Manchester United ended with the score 0-1 in favor of the British team.

Shakhter started the second half more actively attempting in the beginning to level the score, but all their attacks were controlled by the Manchester United defense. It should be noted that the guest team today played better in defense than in attack, as David Moyes's mentees almost did not create scoring chances. However, the all-out efforts undertaken by the "Shakhter" players fructified almost at the end of the match. Rakitsky made a low cross into the penalty area, where Vidic badly rolled the ball towards the oncoming Tyson. The Brazilian's powerful strike under the crossbar equalized the score. The Ukrainian club then began to attack with even greater force. A few minutes later "Shakhter" might have brought the score up by another goal, but De Gea after Tyson's strike sent the ball to the corner.

As a result, the match Shakhter - Manchester United ended in a draw 1-1

Source: http://www.novostimira.com.ua/news_71275.html

Browsing grateful memory for old familiar places – Lurgi, Tengiz

South of the Plant and close to the industrial area perimeter is a small, non-conspicuous Lurgi building, the name making little sense to most local folks. Those that have lived a long time in Tengiz remember this was once the name of an Engineering Firm. In the 80s, the building accommodated the archives where all the technical documentation for the future KTL-2 facility was kept. In the center of the building there was a conference room, while the area next to the main entrance was the office of KTL-2 supervisor. In the early 90s of the 20th Century the office was the place where interviews were held for new hires – the future staff of Tengiz Gas-Processing Plant, including engineers, technicians, operators, mechanics and electricians. For some reason, the majority of new hires arriving in Tengiz rarely chose Lurgi office as their final destination and rather sought jobs at the Off-Plot Facilities, at the time managed by Anatoliy Yevlakhov, an intelligent person also credited for his good humor and winning smile.

Some 35 feet east of Lurgi Building you can find one more old building with an exotic name – Pelican which was the name of a Hungarian company. Inside was a Hungarian Canteen. Later on, starting from 1993 the place became also a preferred outlet popular among the personnel of KTL-2. Next to the emergency exit of Lurgi Office was a small cafeteria offering meals of German and French cuisine. Its visitors leaving the facility through the southern exit could enjoy the wonderful view of the boundless Kazakh Steppe which looked as fancy and unique carpet woven of feather grass, bay willow, saxaul shrub and rich pallet of local herbs suggesting no immediate associations in English. Such was the image of the Lurgi Building which imprinted on my memory since late 80-s and early 90s of the past Century.

In 1993, after Chevron came in Tengiz, the Lurgi building housed the office of KTL-2 which was a wise move from the standpoint of operational safety, because this way the visitors and managers of Contractors did not need to cross the plant area to attend meetings and seek work permits. However, Lurgi was short of office area, thus accommodated the KTL-2 managers only,

so to provide more office space for supervisors, a few ATCO buildings were installed on the perimeter of the plant area. One of those two-storied buildings next to the Plant Archives was the office of KTL-2 Safety Group, while the other was given to General Maintenance staff. Later two more ATCO buildings were added, one - to accommodate

KTL Safety & Development Training and the other, next to Lurgi, for Work Permit Group and site meetings.

After both KTLs were brought on-stream, almost all ATCO buildings were dismantled and related services moved to TCO Village. The management of Plant Ops. Did a great job providing excellent working conditions to KTL-2 staff during



adjustment and startup operations. Thus, the Lurgi office remained the only building left. The Pelican Canteen was remodeled to accommodate showers for plant operators. Finally, Lurgi was rebuilt to make more room available for plant supervisors and operators, now all in one place for their convenience and more effective management. The reconstruction was the responsibility of Arman Kalamov and Colin Gibson, KTL superintendants at the time, also assisted on this particular mission by Garry Lidner. Sergei Klunov and Alexei Sokolov, Linguists for Operations Mgmt. Group took care of the new office equipment, ordering the most up-to-date models of fax machines, PCs, software, copy machines, overhead projectors, phones with conference call feature and air-conditioning systems – all essential for productive and comfortable office work. They used the catalogues, filled out the orders and submitted to the plant supervisors.

Thus, starting from 2012, KTL Prod. Ops. Headquarters based in the Lurgi Building became the heart of the Plant where you can feel the

pulse of the production operations in Tengiz. Perhaps, another match command center in Tengiz, with a similar degree of activity and responsibility, and matching high level of equipment is the office of Field Ops.

We are entering the Lurgi office and immediately see the office with the name plate reading Sarsen Kuandykov, deputy superintendent, KTL Ops. Both Sarsen and his back-to-back Maulen Kereyev are true owners of this office and entire building. They have organized the entire sophisticated and painstaking duties of section and unit supervisors based in this building. They also dedicate plenty of time working with regulatory acts and spend hours holding meetings with process groups. The size of the office exactly corresponds to its function. People come in and leave constantly, so some smart counter could register at least a couple hundred door openings per day. Inside the office the comfortable cool is partly produced by the shade of the vine growing outside. Courtesy of Shingis Ispaev, the façade of the building looks neat and perfectly organized,



of regular taxi service dispatcher's office. Here the radio stations are constantly on, producing clicks and intense intercom traffic.

The office of Anatoliy Zryachkin, senior operator for DMC 200 Plant, proud of his 17-year long record of service in Tengiz, also acting as mentor for many young KTL operators is, perhaps, less noisy area. The peak of noise we found inside the office of Marat Kyzyllov, the person in charge of chemicals storage. This fact, however, has nothing to do with the man's specific job, but rather the result of his temper. Marat is known for his strong sense of humor and habit of joking, thus often wanted as a stress therapist. These offices' primary function is issuance of work permits for maintenance and repair jobs.

The better part of the building is the area occupied by KTL Turnaround Group. By the way this is a territory of calm and silence similar to the environment of a museum. This is where all the data on the equipment needed arrives and serves the base for estimation of turnaround costs. Also the ultimate dates of crew-change are determined here. Over the past few years many young operators finished the school of turnaround planning run by Gibatullah Ergaziyev and were promoted to supervisory positions.

Finally, we once again drop by Sarsen Kuandykov's office. Deputy Plant Ops Superintendent was receiving a delegation of process engineers proposing an experiment: they suggest to raise the temperature inside the pressure vessel by half degree to increase productivity. We thought better to avoid any interference with the research and discussion and preferred to leave, yet promised we will be back once again to gather more information for a story about the people who ensure maximum effectiveness and safety of the operation.

By Rasymkhan Matenov,
unit 300/800 operator

Meeting at Kulsary Vocational School

This is now for quite some time close relations have established between Kulsary Vocational School and TCO, specifically with TCO Competence Development Group. Instructors enjoy master-classes in Tengiz; students are invited to internship courses on a regular basis, while CDG specialists are eager to share their knowledge and practical skills in equipment maintenance. The students have shown great progress in mastering their profession after they completed their internship at TCO production facilities, watched safety and instructive videos and did their lab works under

supervision of expert professionals. Whereas their initial qualification tests were 20 to 30 percent successful, after the training they upgraded to 70-90 percent. Recently, three specialists of TCO Competence Development Group were invited to the Vocational School to attend the presentation of up-to-date training modules for electricians and automation technicians the certified to the contemporary ROK Ministry of Education standard. The new training methods have been developed at the School and appraised highly by Ministry of Education methodology analysts. Instructors and Baktyly Atchibaye-

va, deputy director of Kulsary Vocational School in charge of training reassured the guests the training process organized in the new modules will be much more effective and easy to absorb, than the curriculum they used before. They also thanked the visitors for the effort TCO contributes to upgrade the training process and enhance the students' motivation. Amanzhol Alabaev, TCO General Maintenance supervisor returned the courtesy, saying he and his colleagues appreciated the invitation and expressed confidence the updated training process will help the students master professional skills and knowledge better which



will add to their competitiveness on the labor market. The VIP visitors wished a continued success to the instructors and the students and

hoped they will demonstrate a strong dedication in mastering the new training methods.

By Galiya Essenova

The culture of Safety and responsibility in decision-making

Nowadays, industrial development is one of the high priority goals for our country. But this will not happen without a well established production and highly skilled professionals available to most sectors. Tengizchevroil in this respect is a leader in developing ideas and opportunities. Everyone knows that our company is operating one of the supergiant and unique oilfields with large reserves of hydrocarbons. The use of pioneering technologies along with the development of workforce through international development assignments and world-class training programs are the key factors which help the company achieve its desired goals. Our main asset is our team, therefore, the main objective of the company is to comply with all rules and safety requirements for workers to make sure everyone feels secure both working at the Plant and in the office. In view of the above, Behavior Based Safety program (BBS) serves an essential tool in improving the human behavior at every workplace, no matter what type of work. Also, this program helps to avoid potential hazards that could cause harm to employee's health and impact the environment. Production operations is an area where BBS can create superior value. Throughout the years of operation, TCO facilities have always been the place that requires special attention and stringent rules of behavior. For this reason, Production Operations BBS Steering Committee always tries to maintain the production



process safety at the nominal level. The leaders of the committee are very active in generating newer initiatives and demonstrate strong commitment implementing plans to promote BBS ideas and improve the safety culture. Other employees give us active support in ensuring safety and implementing all activities of the steering committee. BBS observations not only help us and our colleagues to do our job safely, but also improve the ability of workers to focus on risks at workplace and correct employee's behavior. The current year also proved successful for Production Operations Steering Committee. From January and through September 2013, the employees of the Production Operations Department completed the total of 16,500 observations, and in 2567 cases they used their Stop Work Authority. The numbers look even more impressive, if you compare the use of SWA in the current year with the previous year

record (2536 observations with the use of SWA over the 12 months of 2012). From the very outset, the committee members have been actively involved in various activities, shared their ideas, made observations and provided mentorship to their colleagues to improve the quality of BBS observations. For the purpose of improving the coaching skills, this year the TCO BBS group decided to conduct special training sessions where coaches can share their experiences and learn from their peers and BBS group members to provide coaching to the observers more effectively. The Steering Committee leaders, supervisors and coaches that come from the best observers could participate in such events. The moment of truth for our committee came this summer with the commencement of KTL and SGP/SGI turnarounds. The increase of the number of people involved in the production

facilities, a large scope of work and a lot of equipment used - all of these factors required that we pay more attention to safety and safe behaviors. And the BBS team did not let us down in this situation. In these critical moments the rate of participation in BBS observations was kept steadily around 90 per cent, and more than 5,000 observations were conducted. Staff awareness of hazards and risks is essential for ensuring incident and injury free operation. In this regard, members of the steering committee always try to timely supply their reminders, explanations and information concerning unsafe conditions, which prove critical to maintaining alertness at work sites.

Among the most effective ways to improve employee behavior are producing and demonstrating safety videos on BBS, making safety posters and bulletins which appear an effective reminder of the potential hazards and prompt the methods of eliminating risks. At the same time it should be noted that the support and leadership provided by the management is critical to success, besides also provides additional motivation to the employees. This helps us to actively interact with the contractors, who are also trying to support the program. This year, the SGI subcommittee organized special activities that were aimed at improving understanding and coordination with the contractors staff in the area of safe work performance and the observance of all PPE, safety rules

and regulations. The leaders of the SGI BBS Committee supported by management went to the facilities to practically demonstrate the proper use of PPE, also explained the importance of using personal protective equipment at work sites. During the cross-functional joint site observations at sites, the contractors put their questions to the members of the steering committee and shared their ideas and recommendations. Good feedback was maintained. In addition, pictures were taken from the place of work and special posters prepared for promoting safe work practices. Such events, which make a huge contribution to the development of safe culture, were carried out by all sub-committees. Later on, at the meetings, we exchange experiences which proves instrumental for promoting BBS culture. In addition, all those involved in the activities of BBS committees are recognized by awarding special prizes and gifts. It is worth noting that over the years, we have managed to create a strong BBS team capable to effectively meet all challenges. Our company votes for the safe work practices, even though at times they are deemed uneasy to absorb. Over the years of work in Tengiz we have learned to be unscared by challenges, generating new and ambitious ideas for the development and progress of our company. The success of the company is directly related to the success of our country. And every success we achieve is primarily due to the great teamwork at TCO. After all, the most important and valuable asset of our company is our employees. Through working safely and caring of colleagues we are moving on with confidence and excellence, heading for new targets.

**By Askar Yessengeldin,
leader of TCO Production
Operations BBS
Steering Committee**

East – West: sharing best practices

During the week of October 7, 2013 a delegation of local NGOs and community leaders from Atyrau and Kulsary visited the city of Ust-Kamenogorsk in the Eastern-Kazakhstan Oblast with the purpose of exchanging ideas and best practices in working out effective solutions and recommendations for local administration used as means of active involvement of communities in decision-making. Such effective sharing process became part of the Town Common Places Leisure and Recreational Facilities Program initiated by Eurasia Foundation for Central Asia (EFCA) and implemented in partnership with Tengizchevroil.

In his Kazakhstan 2030: Prosperity, security and wellbeing message to the nation president Nursultan Nazarbayev highlighted among the chief principles underlying the state management framework essential de-centralization (delegation) of government functions and stressed the importance of active involvement of communities in administration and decision-making for future prosperity of the nation and to maximize citizens' personal contribution for the benefit of the civic society.

This is an open secret one of the serious problems faced by 87 large apartment houses in the city of Kulsary is the fact none of them has a Cooperative of Apartment Own-



ers (CAO) established to effectively deal with multiple issues. This was the chief reason all members of the delegation had strong expectations from this visit. The total number of visitors was 6, including two representatives of regional parliaments, two leaders spearheading initiatives related with community involvement projects, one representative of NGO and one representative of EFCA.

The city of Ust-Kamenogorsk in Kazakhstan is known for positive, profound and unique experience in the area of community involvement in administration and decision-making. The region has its own local Public Opinion Polling & Research Center, Self-Administration Committees established to assist local Akimates, plus Regional

Public Councils functioning as local mini-parliaments. This constitutes a whole mechanism providing polling of citizens and analysis of the priority needs of local communities, so the administration is further able to use their data to address the problems promptly and effectively. What happens is the city territory is responsibility of 8 Self-Administration Committees (SAC) which work to effectively resolve all outstanding issues through involving support of communities.

Said chairman of SAC #5, "we prefer to delegate to the oblast and municipal governments to address strategic development issues, while the minor problems, like tree pruning, security in the streets, municipal services and internal manage-

ment we are capable of effectively resolving using own resources. All our staff consists of people who do care. We try to use all available human resources, like students, retirees and the unemployed. As far as students and young specialists, this is a good opportunity for mastering a profession and crafts which gives them a better chance with future employers and increase competitiveness on the labor market. For the pensioners and adults temporarily unemployed this is an opportunity to get a job and create value for the community."

The visitors attended a 3-day workshop and met with key decision-makers in Ust-Kamenogorsk as well as with the original owners of the self-administration project, and stakeholders. Among such were deputies of local maslikhat (parliament), CAO and SAC presidents, faculty of Eastern-Kazakhstan University and local residents. The logistics were provided by local partner of EFCA – Center of Regional Self-Administration Development for the Eastern-Kazakhstan Oblast.

"As a deputy of maslikhat and director of Zhylyoi Tazalyk Company I can say the visit was extremely useful, particularly because the establishment of a Cooperative of Apartment Owners (CAO) is a topical issue for us today. We were strongly impressed by the results and enthusiasm of local folks. They do great things, indeed. Now I have

a strong intention to pilot a CAO in our neighborhood, so our people can visualize they can do a lot of things all by themselves and have a stronger say in what concerns the city management strategy. A CAO essentially acts as mini-akimate, thus can receive requests and complaints immediately from the residents and address them promptly," said Baurzhan Abdrakhimov.

EFCA has been implementing social projects now for four years in partnership with Tengizchevroil, so consistency and continuity are critical criteria to us. The initial three years were dedicated to establishing and starting up NGOs undertaking social projects of high value to local communities. Today we are duly proud of our leaders of NGOs, who achieved sustainable development of projects dealing with aid to the disabled, working with teenagers, youth and teachers. NGOs mean clear objectives of strong benefit and outreach, target audiences, however, to effectively address such issues as road safety, beautification of common places in town, etc., they primarily must be able to involve the community. We had a clear vision of our strategy for 2013 and we are hoping we are well on target. We received a strong support from both the decision-makers, the administration and the community, thus we are ready to continue with enthusiasm. The visit proved extremely useful to us and our partners and prompted some new ideas for the future.

**By Azhar Iskakova,
assistant manager,
EFCA Projects**



Valuable donation to regional healthcare

The car pool of Zhylyoi Regional Hospital reinforced by state-of-the-art IC Ambulance

The Friday of November 8 saw an extraordinary happening at the Zhylyoi Regional Hospital in Kulsary, also strongly appreciated by local staff. On behalf of Tengizchevroil TCO general director Tim Miller presented a brand new IC ambulance to the clinic as a sign of recognition of the difference the health professionals make in caring of local oilmen and their families.

Starting these days, Kulsary ambulance service will have a new Mercedes-Benz Sprinter-mounted ambulance unit of German make with state-of-the-art intensive care equipment.

This type ambulance vehicle was badly needed for the regional hospital which was emphasized at one of the meetings of Zhylyoi administration with TCO management. Now general director Tim Miller in person arrived in Kulsary to present the car keys to a new IC ambulance to Kuanysh Utegenov, chief physician of the regional hospital.



"TCO has been committed to supporting local community from day one of its operations, because Tengiz is part of this land, and TCO acts as a good corporate citizen," – said Tim Miller in his message to the hospital staff. – We are proud to know our support has helped to significantly develop the resources of healthcare facilities in the Zhylyoi Region through building new clinics and supplying up-to-date medical equipment. We are hoping this donation will serve to increase your opportunity to respond faster to the people in need of help."



"No doubt this IC ambulance will enhance our capabilities and create a tremendous benefit to the community," said chief physician Kuanysh Utegenov. Often we need to transfer patients with severe health disorder to Atyrau Hospital which is a long way from Kulsary, so the patient's condition may deteriorate. Before this was a problem, and now that our expert IC crew has this wonderful equipment they will be able to take a proper care of the patient."

According to the chief physician, the IC ambulance will be also used in response to traffic accidents and other emergencies. The contemporary "smart" equipment of the ambulance will help maintain the physical condition of the injured to the maximum.

In his remarks at the ceremony Maxim Izbassov, Akim of the Zhylyoi Region spoke of a strong appreciation of TCO's true awareness and care on behalf of entire local community.

By Erian Isliamov

Please listen to your heart

The 29th of September was World Heart Day. As part of our effort to support the initiative of World Heart Federation, this year we highlight a life-course approach to the prevention and control of cardiovascular disease (CVD). We are happy to report earlier this year two more expert doctors specializing in treatment and prevention of CVD joined our clinic, so we strongly appreciated this valuable reinforcement. Among specific actions we took to support the campaign this year were the following. A representative of TCO Clinic made a report at the management meeting, focusing reduction of the risk of cardiovascular disease. Our staff members published three presentations on the Company web-site. We held two workshops involving a large number of specialists and medical attendants, made three on-site presentations for TCO employees, plus visited Second-Generation Plant to evaluate the working conditions, which has become a normal procedure done on a regular basis. As part of activities aimed at increasing the awareness of CVD risk and advertising the healthy way of life TCO Clinic staff has placed posters at all TCO canteens and facilities, and produced seven leaflets on the subject. Also, to increase awareness of the risk of CVD and heart stroke and promote the idea of heart-healthy living we prepared handouts our doctors distribute to patients visiting the clinic. This year, our safety moments at daily meetings are dedicated to this subject, deemed by us of high importance.

I need to note, prevention of CVD and related problems has been given high priority at TCO Clinic, and the current campaign essentially demonstrates our long-term commitment to this cause. TCO Medical Department acts as co-sponsor for the special Kemel



program promoting the healthy way of living.

Among further achievements and acts we are proud to report I would like to mention TCO healthcare professionals took part in the Safety Forum of TCO Contractors, actively joined the No Smoking Day initiative of the World Health Organization, made 15 presentations at TCO facilities, posted 18 presentations on TCO web-site and produced newsletters to highlight 19 important issues. This we did on top of our regular duties at the Clinic, i.e. in addition to attending to daily sick calls and annual medical.

We need to admit the contemporary rhythm of life, including daily routine, preferences and stress factors contribute to the higher record of heart diseases, problems of blood vessels and disturbed metabolic activity, which have a strong impact on the people world-wide.

We are pleased to know TCO has been widely recognized for its strong commitment to protecting people at each workplace and generally caring of employees' wellbeing and healthy living. Through actively preventing the core causes of heart disease we can effectively eliminate this risk.

This fall Chevron Corp. Health and Welfare supports the World Heart Day campaign making a par-

ticular accent on increasing general physical activity as effective prevention and control of CVD. The department came up with a proposal to organize a 10 minute break at each workplace across the organization to give the employees an opportunity to exercise, move and have fun in order to upgrade general physical tone and share your charge of vivacity with colleagues. The exercise is no heavy workout, neither does it require special aerobic wear or equipment.

We will commit ourselves to give you an example of simple exercise on a daily basis, thus encouraging everyone to join the valuable and effective initiative.

Being healthcare professionals, we need to be honest with you and explain that no one-time campaign can help you maintain physical fitness. The idea of such initiatives is to focus us on the problem, raise awareness and educate in simple methods, but first of all – to remind us once again it is better to prevent the problem than try to remedy it. After all this is an earnest effort helping to prolong our effective term of service and contributing to the success of the Company.

Now, how about taking a break for a brief tune-up?

Gulnar Sarniyazova,
TCO Clinic

Hello, young friends!

Starting together with the new academic year at local schools, Tengizchevroil Policy, Government and Public Affairs Dept. continued its volunteer program of English language for Zhylyoi school students. The first TCO volunteer visiting schools after the summer vacations was Sharon Molnar, supervisor of Project Development Group whose

initial destination was School #4 in the town of Turgyzba. Local student were very excited because this was the first time they met with TCO expatriate. However, both the children and the volunteer instructor soon felt perfectly at home, and Sharon managed to prepossess the young audience. The children told her about their home land, the vast Kazakh steppe and shared about hob-



bies. In return Sharon spoke about Canada where she came from, about Angola and Nigeria where she had her earlier assignments, and about Brazil which is her most preferred tourist destination during R&R. Every fact and place she mentioned appeared interesting to the children, so Sharon was inundated with questions on various topics. Yet the most important question to all was about the most effective way to learn the English language. Sharon advised to the young audience to read more books in English and shared own experience in learning Russian at TCO and over the Internet.

On our way home to Tengiz we discussed Sharon's first experience with schoolchildren as volunteer instructor, and she shared her ideas as to how she can make the best of these lessons. Sharon decided she would print out her presentations, so every student could absorb the stuff better and get back to it again and again at home. In other words, she liked her first trip immensely and has already subscribed for more visits of local schools.

By Galiya Essenova