

Articles from our bimonthly newsletter

CosTrackConnection

A publication of CosTrack Project Controls



The shifting market and our ready presence

As we see a slight shift in the refining industry away from large, single-source controls organizations, our bread-and-butter staple for the past 16 years, we are finding that the multi-industry need for project and cost control is becoming increasingly specific. It has become about the services our clients expect and the results they are looking for.

Though this points to the potential for change in our business practice, this trend is a direction that is proving successful and potentially lucrative for us.

Here are a few examples of the changes we are seeing in the refining and manufacturing industries:

- In 2013, Citgo made the decision to move from Costracker to Track and reduce the numbers of embedded, long-term contractors on site;
- Sinclair has hired half of our staff onto their own payroll doing essentially the same job they performed before;
- Total hired us to track their Fall TAR, but requested half the staff we normally provide for this size of a job; and
- Valero continues to utilize CosTrack associates as adjunct contractors within their own controls organizations.

Though unnerving, none of these reductions or changes is the result of poor performance or a local desire to change.

In the case of Citgo, they have indicated the need to keep a large portion of our staff in place to administer Track, plus plan to continue utilizing Costracker and our controls and planning personnel for future turnarounds.

At Sinclair, they have confirmed we are the controls organization they want in place and continue to tailor the controls process to a leaner, more efficient organization with an *enduring presence*.

At Valero, they are requesting more trained and ambitious CosTrack associates and better tools to work in support of their emerging standardized controls organization.

Many potential clients are looking for a long-term, consistent and enduring presence that we are precisely situated to provide.

We are not staffing as many of the big-block, full-controls-team turnarounds as we did a few years ago. But we have an increasing presence at multiple refineries who are using our software in conjunction with the in-house refinery systems.

Recently, we installed our Costracker software at Valero in Pembroke, England, and with minimal training, they have been utilizing the tools to provide their own project controls, reporting and forecasting needs.

We are on the cusp of a new and developing business endeavor with the BASF refinery organization, which operates two refineries in the Houston area and another near Baton Rouge. We have mobilized a key associate to Freeport, Texas, to work in conjunction with their Turnaround Manager and Controls Manager utilizing their planning and tracking tools previously developed in SAP and Excel. This has provided opportunities within their organization for more project control leads, who will be positioned at each of the three refineries, reporting to the Controls Manager.

With the placing of our CosTrack associates in responsible, long-term positions, we are also introducing better tools for clients to perform their budgets, definitive estimates, reporting and forecasting in the form of our Costracker software.

The exposure we are getting within the industry is enormous. Opportunities are emerging for us with the needs for more personnel, greater use of our software and the further exposure of our tried-and-proven controls processes.

This is further positioning us as a company that can fill wide-ranging client needs in the flexible, focused and timely manner clients expect. That further solidifies our reputation as the go-to source for process controls and first-rate client service.

Microseconds turn into minutes that matter in our industry

We all know how long a minute can seem when waiting for a spreadsheet to calculate or to preview a report. Our minds are always working faster than the machine in front of us.

Any time we find an opportunity to gain a few moments of time in our day by increasing the efficiency of our process or equipment, it helps with the flow of information into and out of the system and smoothes the pace of our daily work routine.

An incremental improvement to Costracker has been made that will save microseconds per use, and will gain us many valuable moments once we have set the preferences and we start utilizing the functions.

When you select Detail Cost, Accounting Summary, PO vs. Budget and Punch Reports within Costracker, the top report is always the default.

For example, at Citgo when you pull up an Accounting Summary Report by Date, the Summary Report by Date (Organized by Type) with Shift Breakdown currently is always selected. Likewise, when you choose the Detail Cost Reports from the report cluster icon, it always defaults to the Detailed Labor Report – by Employee.

There is a reason these reports are the defaults at Citgo. They have been programmed into the system by virtue of their frequency. That was true eight years ago, but things have changed and these are not always the reports we most frequently use. That is not true for all job sites and every user.

For this reason, starting with SVN revision 3945 (Upper left-hand corner of CT2 to the right of the logo and title), when you pull one of the four reports listed above, if you choose, you can click the

right mouse button on the report of your choice and the system will ask you if you want to make this your default report.

In the Accounting Summary Reports, click Reports, Accounting Summary Reports and then you have choices of Summary Report by Date, or Purchase Order, Work Order, etc.

You may set a default for each of those reports under the selection. You can define which specific Work Order Report you would like to have open each time you select Summary Report by Order. This works the same for each of your Accounting Report, PO vs. Budget Report, Punch Report and Detail Cost Report choices.

In addition, we have programmed a few shortcut keys to help us save microseconds when we pull out Detail Cost Reports. On SVN revision 3945 and forward, you can hit control B and your Detail Cost Report will open. Control Q will pull up a Detail Equipment Report, Control M will pull up a Detail Material Report and Control T will open an Other Report. In addition, the Detail Reports will open to the report that you have set as a default.

These shortcut keys are designed to save time on reports you run multiple times per day, increasing efficiency and easing your work process.

Microseconds turn into seconds, which turn into minutes, which turn into hours of time saved over the course of several months.

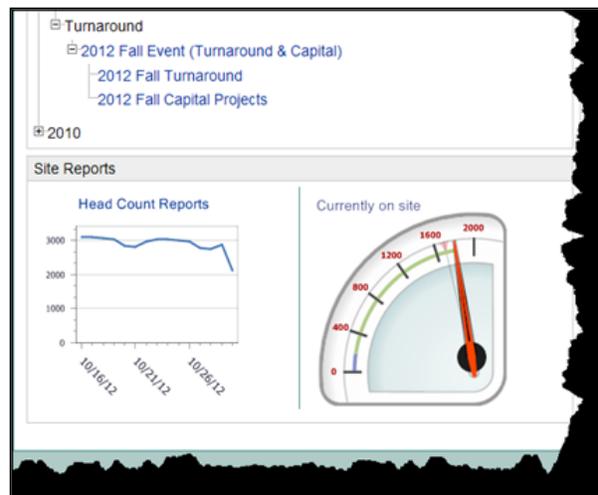
This is another example of how CostTrack constantly strives to provide the best tools, best service and most accurate and timely reporting in the business.

CosTracker showing its usefulness

We have added new functionality to the synchronization between Costracker 2 and Costracker 3, importing employees and gate punches from the client's software and adding new tools to the Web reports. As shown in the illustration, "near real-time" on-site reports are now available.

We have implemented full synchronization between Costracker 2 and Costracker 3 so we have begun using functionality in CT3 that we do not have in CT2.

The ability to merge employees is a great tool. The client adds people into their access system every time they issue a new badge to a person, so anytime a worker forgets his badge, he goes to the badging office and gets a new one. That's tough to keep up with, but having CT3 helps a lot.



What happens to a refinery's spent catalyst?

Spent catalyst is generated at almost every process unit in a refinery. While some units can generate spent catalyst and continue running, most units require a shutdown to dump the catalyst.

After a catalyst change, what happens to all of this spent catalyst? There are four options for getting rid of the material.

Disposal

For non-hazardous catalyst, disposal means a landfill. For hazardous catalyst, disposal means it can go to an incinerator or a thermal desorption unit. Disposal of hazardous catalyst is normally 10 times the cost of disposing of non-

hazardous. Whether hazardous or not, disposal is the least desirable option.

Recycling

Recycling means the catalyst can be used as an effective substitute for a commercial chemical product that a facility would otherwise have to purchase. The only catalyst that some refiners recycle comes from the Alky Defluorinators.

Fluorides that are adsorbed in the activated alumina catalyst make this an ideal ingredient for an aluminum smelting process. By recycling the defluorinator catalyst, a refinery can break even after paying container rental and transportation. In the past, this catalyst was normally disposed of in an industrial non-hazardous landfill.

Reclamation

Reclamation means recovering any of the base metals or

precious metals from the catalyst. If the metals market is up and the catalyst has greater than 8 percent molybdenum, the return for this catalyst is usually favorable. Additional metals (cobalt, nickel, tungsten) that the catalyst may contain also bring a return.

The EPA lists spent hydrotreating catalyst as a hazardous waste, so all RCRA rules for labeling, storage and transportation apply. Reclamation is typically used on all hydrotreating catalyst unless the catalyst can be regenerated.

Regeneration

This sophisticated process screens out support media, length and density grades, and burns the carbon and sulfur contaminants from the catalyst to improve catalyst activity.

Arsenic and silica are poisons to the catalyst that prohibit it from being a candidate for regeneration.