

Change in plan to

recoat pipelines

SAPREF recently announced a change in its plan to recoat the seven transfer pipelines between SAPREF and Island View. All seven lines will now be replaced.

Explained project manager Ebrahim Vawda, "An independent pipeline study into the condition of the seven transfer pipelines between SAPREF and Island View found that no pipelines needed to be replaced and recommended that two lines (marine fuel oil and petrol) be recoated. Initially, in the interests of long-term line integrity, SAPREF decided to recoat all seven lines. SAPREF invited tenders for this work and during this process, an alternative proposal was offered. A rigorous review process took place and was accepted; it was then decided to replace all the pipelines. The contract has been awarded to Shearwater-WBHO JV. The project will cost approximately R340 million."

Other factors that informed the decision to replace, were the significantly shorter duration of the project, very little interruption to production, lack



of necessity to gritblast, reduced number of detours and disruptions, the predictability of the disruptions, and smaller excavations at any one time.

Excavation is expected to start near the Umlaas canal in August and to proceed northward, with completion expected in 1Q 2008. A comprehensive communications plan is in place to keep residents informed; in addition, four public meetings were held in February in the areas concerned. SAPREF's toll-free number is 0800 33 00 90.

>>> Page 3

A multi-disciplinary team has been at work to develop the pipeline project. They are, standing from left, Mickey Maharaj – health, safety and environment advisor, Carmel Smith – community liaison officer, André Fourie – project planner, Eric Lortan – piping inspector, John Thomson – construction supervisor, Rodney Trew – security officer, Margaret Rowe – communications manager, Clive Bulley – contracts procurement administrator, Sandile Ngcobo – project commercial co-ordinator and Guy Wuytack – coating specialist; and sitting, from left, Sophia Khan – community liaison officer; Janos Piegł – resident civil engineer, Ebrahim Vawda – project manager, and Brenda Dunn – community liaison officer.



Achiever of the Year in profile

page 5



No oil spills for 400 days and more

page 6



Our own little piece of paradise

page 8

Busi's a bright spark

Busi Sibanda joined Team SAPREF on 1 December 2005 as electrical systems engineer, helping to move the electrical team forward in addressing integrity, contractual, masterplan and general project issues, among others.

She comes to us from ABB's motor design division in Johannesburg; prior to that, she worked for Eskom technical services and as a systems engineer at the Matla power station in Mpumalanga.

She grew up in Zimbabwe and achieved a B Sc (hons) in electrical engineering at the University of Zimbabwe. She is now studying part-time through the University of Pretoria for a masters degree in engineering management.

Says Busi, "At school, I excelled at maths; that's because my father was brilliant at maths and he used to help me with my homework, quiz me and so on. So for a time, I taught high-



school learners maths and science on weekends on a voluntary basis. I also think that training programmes and vocational guidance are the way to bring out the potential in people and to uplift living standards."

Busi loves reading, but is sociable and a motivator among her peers. She enjoys golf, hiking and running, and has an eight-year-old daughter.

Long servers

Congratulations to the following long-serving people whose anniversaries came up in January and February 2006.

5 years

Cuan Davis, technologist
 Craig Lowe, process technician
 Prega Nadasen, process technician
 Lynelle Pennington, process technician
 Sonja Wasserman, fire station administrator

10 years

Stanley Mnguni, process technician
 Sagren Moodley, process technician
 Bhungu Shabalala, process technician

15 years

Mervyn Carter, planner
 Franco Forno, engineering services manager
 Nathan Govender, systems administrator
 Ebrahim Vawda, manager transfer lines

20 years

Andrew McKay, remuneration & benefits manager
 Boy Mthethwa, semi-skilled electrician

25 years

Bugsy Khan, user services technician
 Jason Nair, safety advisor
 Terrance Pillay, shutdown manager

30 years

Annie Buis, process technician
 Angus Naidoo, process technician
 Kris Naidoo, production foreman
 Prem Partab, process support technician
 Sivan Naicker, process technician
 Anil Roy, process technician

Retirements



LEFT: John Mbambo, floor assistant, finance, right, retired on 31 January after 19 years with SAPREF. He is seen here with C&P manager Mike Anwana.

BELOW RIGHT: Jeff van Belkum, manager CP portfolio, circled, is seen with colleagues at his retirement party on 30 January. He was at SAPREF for 26 years.

BELOW LEFT: Mike Webbstock, core contracting manager, circled, and colleagues celebrate his retirement from SAPREF after 34 years, on 31 January.



Positive impact from cleaner fuels

Part of the new LION plant, as photographed just before the flawless start up.

SAPREF started producing cleaner fuels on 1 December 2005, a month ahead of the 1 January 2006 government deadline for all refineries to phase out the use of lead in petrol and lower the sulphur content in diesel.

This is having a positive environmental impact. For SAPREF-produced fuels alone, this will result in a reduction of about 2000 tonnes annually of lead additive and 15 000 tonnes of sulphur dioxide per annum being emitted through vehicle exhausts.

In addition, SAPREF chose not to replace lead with other octane boosting additives, rather achieving the high octane requirements through further refining of petrol components.

On completion, the project's safety statistics were six times better than the average south African project in



the petrochemical industry, and met global performance benchmarks.

The project exceeded its target for Black Economic Empowerment (BEE) procurement, with R150 million of the South African-based capital expenditure going to BEE companies.

This equates to a BEE spend of total procurement and contracts of 31%, exceeding SAPREF's 25% target set for 2005. At the same time, SAPREF's focus on providing employment for local residents in the construction of LION resulted in 70 percent of the nearly 1445 people employed coming from neighbouring communities.

Replacing lines

>>> from Page 1

The pipeline study also recommended that the cathodic protection (CP) system on the lines needed to be redesigned and upgraded. A company with global experience in this type of work, British Pipeline Agency, was appointed to redesign the CP system, and during 2005 the hardware was installed. By mid-February, the surveying and balancing of the system was outstanding.

The visible part of the CP system consists of transformer rectifier units (TRUs) and test posts. The TRUs convert electricity supplied by eThekweni Electricity to a form that can be used to protect the pipelines from stray currents in the ground should the pipeline wrapping break down. The test posts measure the amount of electricity in the ground.

There are ten TRUs and 35 test posts along the 11,5 km pipeline route from the SAPREF refinery to Island View.

Cathodic protection is required to combat the corrosive effect of stray currents on pipelines where the wrapping may have become damaged. South Durban is one of the worst areas in the world for stray currents.

Spectacular seven achieved

The year started with a celebration. Yes, 3 January 2006 was the day we achieved seven million hours worked without a lost time injury. The last time we reached these heights was in 1997.

Said S'bu Zulu, "One of the factors applied to re-align employees to SAPREF requirements has been the visibility of the Leadership Team on HSE walks where permits were challenged constructively, and any identified learning shared on the scene. In addition, RAPs and permit receiver training are part of the SAPREF way, and these two items have boosted our safety consciousness."

To mark the occasion, staff and involved contractors were each presented with 20-piece white porcelain dinner sets. Additionally, they received a separate acknowledgement for achieving a combined total recordable case frequency rate of 1.5, and canvas camping tables were handed out to everyone involved.

LION furniture to worthy cause



Seen with some of the furniture in the Sunshine Trauma Unit office are, from left, caregivers Naomi Lucas and Barbara Ogle, with Leonard Mbokazi, and Yvonne Bassier, vice-chairman of the Merewent CPF, right.

(CPF). It is being used in the Caregivers Room of the Sunshine Trauma Unit and in the Merewent CPF office, both at the Wentworth police station.

The trauma unit provides support and advice for victims mainly of domestic violence, rape and hi-jacking, and as such provides a valuable service to people in need in a neighbouring community. If you should ever visit the unit, you will realise what angels the caregivers are, and how valuable their service is.

Following a request, the LION project recently donated enough nearly-

new furniture for two offices to the Merewent Community Police Forum

SAPREF sponsors schools project

SAPREF is to sponsor the Mercury Schools Entrepreneurs Competition in 2006.

The competition not only provides an opportunity for branding SAPREF which was one of the key reputation feedback elements discussed at Selborne, but also encourages young people to learn about business and entrepreneurship.

Over the coming months you will regularly see information about the competition in the High Road supplement of the Mercury newspaper.

The competition runs from February to September each year and invites primary and secondary school learners to enter their businesses and business ideas. Winners will receive their prizes at a special ceremony in September, where they will also exhibit their products or services.

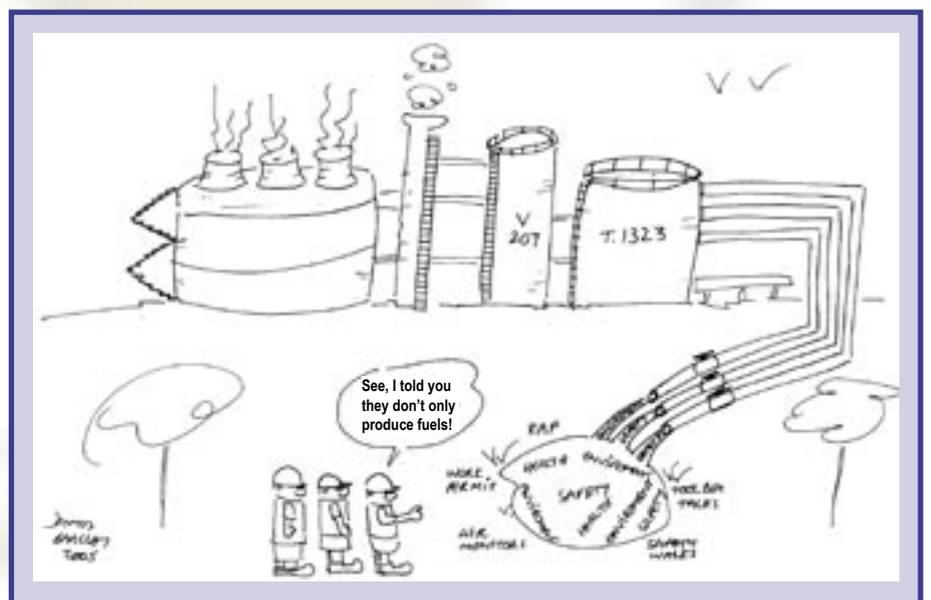
Said Lora Rossler, sustainable development manager, "The project aims to convert hundreds of potential job

takers into job makers, and relieve the high unemployment levels which are the root of so many of South Africa's challenges: poverty, overburdened social welfare structures and crime."



Competition convenor Felicity Howden, left, and the editor of the Mercury, David Canning, with some of last year's winners and a representative of last year's sponsor.

Producing lots else besides ...



So, what makes this Achiever tick?

The LION project flawless start-up manager Mbulelo Yokwe was Achiever of the Year in the Star Scheme for 2005; he is now moving on to become operations manager separation processes. He joined SAPREF in 1992 as a young utilities technologist, fresh from obtaining a B Sc Eng (chemical) degree at UND. We delved below that professional exterior

What is the key to success for you?

I tell my children that it's education and that nobody can take it away. I have always taken my education very seriously as this was the only weapon that I had to a better life.

Tell us something most people don't know about you.

I was a very good boxer and came very close to turning professional. I really get inspired when listening to reggae music. I guess these are the signs of a Xhosa boy from Mdantsane township.

Where did you grow up?

Initially at Emachibini near Queenstown in the Eastern Cape. I learnt how to milk cows and sheep (more difficult) and gained valuable experience as a junior shepherd. I did all my schooling at Mdantsane near East London, living with my aunt and uncle.

If you were president of SA, how would you address poverty?

Free education up to grade 12 for poor communities, and heavily subsidised tertiary education.

If you won millions on the Lotto, what would you do ?

Invest in property, go for a trip around the world and spend some time in South America learning Spanish.

Complete the sentence: I am very good at

... convincing people to accept my point of view, sometimes for the wrong reasons.

What attitude do you bring to work with you?

Always willing to do my best and take every setback as temporary. Always encourage my colleagues when things do not work out according to plan, and always willing to assist when problems arise.

What do you do for fun?

Listen to reggae music and Afro-jazz/fusion. Shopping with my wife (very challenging), playing with the kids (including swimming), visit friends and watch sport on TV or go to the stadium with the family.



Do you play a musical instrument?

I have a wish to learn the guitar. When it comes to blowing the vuvuzela, you can count on me, though.

Santa thanks Christmas workers

On 15 December, a fire occurred on the Cat Cracker due to a problem on the body of the R&R lift pot. After examining the equipment failure and challenging the best way of repairing the damaged lift pot and riser pipe, it was decided to remove the lift pot and carry out a good repair rather than install a patch plate.

Team SAPREF sprang into gear to remove the lift pot; this allowed full access to the lower portion of the riser pipe and the repairs identified. At the same time repairs to F 6052 were also identified and the teams for that repair were mobilised.

Materials and resources for both jobs were expedited and the lift pot transported to Elgin Engineering for repair; simultaneously, work started on removing the damaged refractory from the riser pipe, not an easy task working inside a pipe with an internal diameter of 96 cm.

Plans and methods of doing the repairs were scrutinised to ensure that the best results could be achieved in repairing the Raiser Pipe, Lift Pot and Boiler. Some innovative thought went into protecting the safety of the workers and expediting the repair process; these brain-storming sessions also looked at start-up procedures.

It was now just before Christmas and there were reports of fuel shortages as new clean-fuels plants around the country were coming on stream. It was thus a pleasure to see the team spirit and camaraderie displayed by all SAPREF and contractor staff involved in the repairs.

On Christmas Day, Santa arrived and added his special brand of thanks along with that of SAPREF to those who had committed to the Cat Cracker repairs with such gusto.

Article by Mike Webbstock, core contracting manager; he also filled the role of Santa, something he did many times and superbly, while at SAPREF.

No oil spills for 400 days plus



Five hundred days, they are saying, without an oil spill: that's the target. From left, Daven Reddy, shift 2 team leader; Bas Kikkert, IV manager; Andrew Murugan, senior process technician; Yogan Pillay, area training co-ordinator; Veenal Prammraj, trainee technician; Kumeran Pillay, mechanical scooper; and Chris Barkhuizen, IV day assistant.

Area training co-ordinator IV Yogan Pillay listed a number of factors contributing to this remarkable turnaround, including:

- the work of the Spills Prevention Team
- increased focus on spills and awareness building
- reporting of faulty equipment and increased condition monitoring, and
- increased preventative maintenance.

He said, "Essentially, there has been a shift in mindset. Now, the spillage of even one drop is a big no-no."

Bas Kikkert, manager IV, said, "We used to have four or five incidents a year. Now we have gone more than 400 days without one, so this is a step change. Congratulations to all, and keep on communicating the 'no spills' message."

At the time of going to press, there had been no operational oil spills at Island View for an amazing 402 days; that goes back to early January 2005.

All SAPREF people at Island View were awarded a specially inscribed mug as a token of the achievement.

SAPREF recognises TMS-Shezi

Contractor TMS-Shezi has received recognition from SAPREF for their safety performance.

Production unit manager OMUTDE John van Belkum says, "Since they started working at SAPREF around 2004, TMS have made a number of safety improvements, upped their safety standards and alertness tremendously, and also anticipated events in the changing world around us."

During a site visit by MD Wayne Pearce it was noticed that the crew doing de-sludging at tank T-1111 were fully aware of all the risks on the jobs they had to do. They had a clear understanding of each other's responsibilities, preventative actions, the reason for the preventative actions, and the emergency and rescue operation that would be required in the case of incident.



TMS's OMUTDE desludging team.

Area engineer Olaf Koot said, "TMS has fitted well into Team SAPREF and was guided by the good work of the tank maintenance crew, who took care of the communication between TMS, the maintenance supervisor, production HSSE department, emergency services and management. All of this, combined with their continuous effort to further improve, deserves recognition; they have thus been awarded a plaque for 'The Best Improved Safety Performance for 2005'. Well done by the team."



John van Belkum - production manager OMUTDE, left, presents a safety plaque to Brian de Goede - contract manager TMS, witnessed by Tim Munnik, regional manager TMS.

Managing director Wayne Pearce said, "I was very pleased to see the dramatic improvement in the effectiveness of TMS's safety in the field; it shows what a dedicated team can do when they set their minds to it. Well done."

Greening project

rolling out

Born out of the SAPREF Community Liaison Forum, a large-scale 'greening' project is on the drawing boards; the plan is to green the area from the checkpoint to main-gate and further, starting at the checkpoint.

Says Catherine Maloa, environmental manager, "The bank to the right of the checkpoint as you enter, and the checkpoint itself are going to get a softening treatment, using indigenous trees and plants as well as rocks from nearby. The contractor, Richard Winn, will be using labour from the local community, and he will recycle plants from the on-site nursery."

So, stand by folks. In early March you should start to see alien plants being replaced with indigenous, and the arrival of pots, pebbles, groundcovers, shrubs and trees.

In addition, a competition is soon to be launched for the design of a 'Welcome to SAPREF' façade, using waste materials, plants and water. Watch this space.



Carissa macrocarpa, also known as Amatungulu, is a typical indigenous plant that thrives in the SAPREF area.

The Star Scheme winners for 2005 were:

- 1. BEST TEAM PLAYER:**
Sagren Arumoogum
 - 2. INNOVATION:**
Jitesh Jairam
 - 3. CUSTOMER SERVICE :**
Shoba Chetty
 - 4. HSE :**
Eddie Chettiar
 - 5. GOOD FELLOWSHIP:**
David Bird
 - 6. ACHIEVER:**
Mbulelo Yokwe
- TEAM:**
The LION Project Team

Contractor wins top international award



The award-winning vessel and crew.

Smit Internationale N.V., the parent company of Smit Amandla Marine, recently initiated an external audit survey of 140 of their vessels worldwide and issued an annual "Corporate Survey Award" to the vessel with the best overall performance in operating, maintaining and improving the vessel condition and appearance. That award, for 2005, went to the "Pentow Service", the vessel that services the SAPREF-managed single buoy mooring off Isipingo.

Said marine manager George Franklin, "We congratulate Smit Amandla Marine on winning this international award. We are proud to be associated with them, and to know that the 'Pentow Service', her master and crew have been benchmarked against international standards and come out tops. This award speaks volumes about the safety and quality of their operation."

In addition to a generous cash award and unique token of appreciation for the crew and management, the vessel will receive a special pennant (flag) to fly for one year.

F&C Siyakha shine

Fraser and Chalmers Siyakha, a contractor at SAPREF, achieved three million safe hours on 15 October 2005. At a celebratory function in December 2005, Nils Bosma, production manager, left, presented Llewellyn Hartze, F&C Siyakha's safety officer, with an award in recognition of the contractor's outstanding safety achievement.



Our own little piece of paradise

Mike Webbstock, core contracting manager, and Roy Huggins of Edwards Shopfitters watch the antics of the tropical fish in the new pond.

Have you ever found your mind filled with work problems, and you need five minutes to recover your composure and re-focus on the situation at hand? Then you



know the best place is in the garden behind the office block

This garden has the ability to ease tension, with its abundance of flora and fauna. From the shade of the trees, one can see the new fish pond stocked with tropical fish such as koi, commets and mollies sword tails. The nesting hamerkops regularly come down to feed on the small frogs, and of course the games of the vervet monkeys are most entertaining to watch; the monkeys have even been seen to have a swim and relieve spectators of fruit. Kingfishers and starlings are also regular visitors.

Sound like paradise? It is, if we only realised.

Said Mike Webbstock, "Thanks must go to management for upgrading the pool, and to all those who helped including Weldon Abrahams, Reimar Fitschen and Faisal Mansur."

Wanna be an honorary ranger?

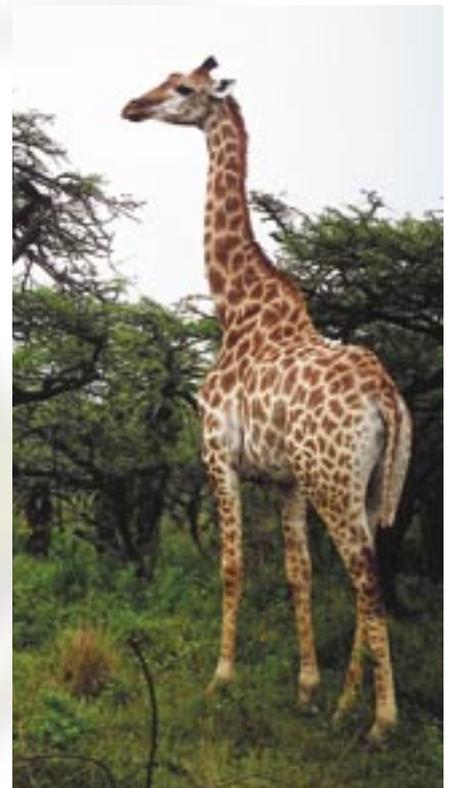
Do you love nature and travelling to our country's national parks? Do you love working with people to promote conservation and protect our natural heritage?

Why not get involved and become an honorary ranger for South African National Parks (SANParks). You would join a group of volunteers to provide a dynamic and practical support structure to SANParks.

Explained Bob Abel, a retired SAPREF man who has recently been appointed as co-ordinator for junior honorary ranger training and development in

KZN, "We are recruiting honorary rangers who are influential in their communities and in business, especially those from previously disadvantaged communities. Helping conserve our national heritage certainly brings many rewards and challenges – I recommend it."

For more information, contact Bob on 082 742 3511, or see www.sanparks.org



For more information on SAPREF, visit www.sapref.com



Proud to have achieved ISO 14001 and ISO 9001 certification

