



# ТҚО ЖАҢАЛЫҚТАРЫ

«Тенгизшевройл» жауапкершілігі шектеулі серіктестігінің басылымы  
Информационная газета ТОО «Тенгизшевройл»  
Tengizchevroil Newsletter

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TCO NEWS

## Tengiz – now without yellow pyramids



On Friday, October 23, on a specially arranged site near the plant in Tengiz a ceremony to celebrate the elimination of the backlog in sulfur inventory was held. In late October of this year, Tengizchevroil formally reported to the government that the company offloaded the last shipment of bulk sulfur from the sulfur pads – two years ahead of schedule.

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## ROK Minister of Energy visited TCO's upstream facility

Minister of Energy of republic of Kazakhstan Vladimir Shkolnik on his business visit of Atyrau oblast paid a visit to Tengizchevroil on October 16, 2015 and later flew to Tengiz to see TCO's upstream facility. Minister Vladimir Shkolnik in company with vice-minister Magzum Mirzagaliyev met with acting general director of Tengizchevroil Ted Etchison, who, together with Murat Murbayev, general manager of Strategic Analysis and Planning gave a detailed overview of operations to update the Ministry top executives on the status of company business. In his questions and comments the Minister made particular accent on operational safety, financial performance, the outlook on future growth of production, license seeking procedure and observance of other rules. The VIP visitors were taken on a tour of the facility where Vladimir Shkolnik was shown the site allocated for the Third-Generation Plant known as part of Future Growth Project. The Minister also saw the existing plants and the area of former sulfur pads. The last batch of bulk sulfur was offloaded from the sulfur pad earlier in October of 2015. The Minis-



ter spoke of his appreciation of the quality performance the oilmen of Tengiz have been demonstrating and specifically highlighted the successful resolution of the sulfur pyramids issue.

Introducing the VIP visitors to TCO facilities and supplying the necessary comment and data was Production Operations manager Ryder Boot.

By Georgy Trukhin.

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# Tengiz – now without yellow pyramids

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TCO management made a decision to invite to the special event representatives of local community, environmentalists, media, government officials and deputies of the National Parliament, driven by the logic of the popular maxim saying it is better to watch with own eyes but once, than hear a hundred times. The invitees were given a chance to come and make sure the so-called yellow pyramids of Tengiz have become history. The delegation of VIP visitors arrived in Tengiz by a special flight and after the essential safety briefing got on the bus to go to the plant. Among those taking this bus ride were many familiar faces of people who had visited TCO before, some more than once, yet this time they seemed to not trust own eyes. The sulfur pyramids which used to clash with the harmony of the landscape of boundless steppe and the perfect line of horizon were... no more. They were gone. Over nine million metric tons of sulfur from the open storage area has been sold on the international market which is a truly outstanding success of TCO's strong team of employees by every estimate. Yet, if we add to the above amount the volumes recovered from the crude which have been never poured onto the sulfur pads in the recent years, but sold to the buyers simultaneously, this will give us total aggregate sales in excess of THIRTY MILLION metric tons which is not just world-class, but truly unprecedented record! Well, the oilmen of Tengiz are able to meet the most serious challenges, in deed. That is for sure! Attending the last offloading ceremony were deputy akim of the Atyrau oblast Gumar Dyusembayev, vice-minister of energy Uzakbai Karabalin, member of the National Parliament, representatives of JS NOC KazMunaiGas, our partner, local media and employees of Tengizchevroil along with contractors. Braving the gushes of the wind ventilating the steppe, the VIPs contributed personally to filling the loader's bucket, shoveling the last remaining pieces of crushed sulfur, as everybody said good-bye to the yellow pyramids of Tengiz. The ceremony later continued inside one of the housing blocks on the premises of Shanyral rotational village. Uzakbai Karabalin, first vice-minister of energy started his remarks, saying "this is common knowledge the crude oil produced from Tengiz reservoir contains around 13 percent of hydrogen-sulfide along with other sulfur compounds. In the course of processing, superior quality elemental sulfur is recovered from associated gas. We all witnessed those sulfur hills in Tengiz yet 9 years ago, and it seemed to us the mission to get rid of those yellow pyramids was impossible. However, through perfect marketing strategy and combined dedicated effort of all groups involved, including TCO contractors they made it! So today we are witnessing the last shipment of sulfur from the pads being offloaded." Deputy ROK minister continued, saying "nowadays, Kazakhstan stands proudly among the world largest suppliers of premium quality sulfur. Starting from 2006, ROK Ministry of Energy has been member of the Cross-sectoral Coordination Committee for sulfur in charge of



Media conference of Vice-minister of energy Uzakbai Karabalin and TCO general director Tim Miller



Holders of TCO Letter of Gratitude – A. Kaitukov, Kh. Karimov, Sh. Ispaev and T. Temekeshev

regularly reviewing sulfur-related issues, like sulfur utilization and handling. Five years ago TCO made a commitment to eliminate the sulfur pads. Demonstrating veritable world-class performance in what concerns environmental protection and safety, the great team of TCO and contractors has lived up to their commitment successfully, besides have completed two years ahead of time, " reported vice-minister with pleasure. Deputy akim of Atyrau oblast Gumar Dyusembayev took the floor to offer greetings to the attendees on behalf of governor Baktykozha Izmukhambetov. In his remarks he said "Tengizchevroil has been contributing strongly to the regional and national economy. The company accounts for approximately

30 percent of total crude produced in Kazakhstan. Meanwhile, open storage of sulfur has been the cause of a strong concern in the region for quite some time. After making comprehensive analysis of the environmental aspect of the issue and the demand for sulfur on the global market, the Atyrau akimate together with the company management worked out the ultimate strategy to eliminate the huge amount of the product kept in open storage. New sulfur granulation plants were built at TCO which along with other measures allowed to increase the sales and, eventually, resolve the issue." "Our head of state has set the task to improve the standard of wellbeing of the Kazakhstan citizens and promote the state to

the list of top 30 most competitive world economies, - continued G. Dyusembayev. – Today's special event is yet another effort contributing to the successful meeting of the above challenge. Please allow me to praise the strong commitment of the team of TCO's to contributing to the development of the national economy of Kazakhstan and to wish all employees and managers the best of health and success in their mission." Tim Miller, former General Director of Tengizchevroil, said in his remarks at the ceremony: "Dear friends and colleagues, as you most certainly remember, I promised to invite you all to the last shipment ceremony some time ago. Now you are attending this important event. As you see TCO lived

Production and primary treatment of crude oil at Tengiz oilfield goes on and gathers speed. From now on, the company will continue to produce sulfur proportionally to the output of oil which is only normal. However, there will be no yellow pyramids in Tengiz anymore. Presently, the total of five sulfur granulation plants operate at TCO, with total capacity over 6 thousand metric tonnes per day. They handle all the sulfur recovered from crude oil. The premium quality granulated sulfur, purity grade at 9.999 is a highly marketable product in strong demand at the world market, and it sells literally from the wheels... There is hardly a chance it will ever go to the storage at TCO prior to offloading.

By Georgy Trukhin.

up to its commitment two years ahead of schedule. We deem this is an outstanding success of our great team. I would like to specially mention TCO Marketing and Transportation as well as TCO Operations and also recognize the input made by our contractors – Ariadne LLLP and Denholm Zholdas LLP. Courtesy of their dedicated effort, this project appeared a success. Thanks to the combined effort of all involved, Kazakhstan has entered the list of top ten largest world suppliers of elemental sulfur. " Tim Miller awarded letters of appreciation to the groups and individual employees of TCO and contractors as recognition of special contribution to the resolving of the sulfur issue.

# Tim Miller turns over the baton

Results and targets were discussed and the new General Manager, Operations was introduced at TCO Town Hall meetings

During the two days starting from Monday, October 26, traditional Town Hall meetings hosted by the general director were held in Atyrau to discuss 1st half-year results and active 2015 Business Plan targets.

Tim Miller gave a comprehensive overview of Tengizchevroil's performance in the first six months of 2015, stressing that, just like the entire global economy, TCO has encountered newer challenges in connection with low oil market and continuing volatility of this critical macro-economic index.

Still more issues have arisen as a result of Kazakh tenge devaluation. The General Director thanked the employees for understanding the situation and their strong commitment to the cause and chief values of the company observed through

the stably high performance record. TCO has exceeded the target values practically in every Business Plan item.

As was earlier reported, after completing his 5 year plus tenure as general director of Tengizchevroil, starting from November 1, 2015

Tim Miller has accepted a new assignment as Managing Director of Chevron Eurasia Business Unit (BU) and is moving to Almaty-based office. Therefore, taking over from him and receiving a promotion from position of general manager of TCO Operations Ted Etchison took the floor to conduct the second part of the meeting. For TCO employees reference, please find the text of his report on the business plan targets available from the Company Intranet webpage.

Tim Miller wished his successor



excellent achievements in his new job, noting that with support of a team known for unmatched world-class potential which TCO certainly is Ted will be able to work in his new capacity not just well, but with

maximum enthusiasm and inspiration. Given a hearty applause, Tim Miller turned in the key to his office to Ted Etchison.

Tim Miller and Ted Etchison both took the questions asked by the

audience. At the Town Hall meeting Eimear Bonner, the newly appointed general manager of Operations has been introduced to the employees. By G. Trukhin.

## I was honored to be part of this great team!

Tim Miller gave an interview to TCO Newsletter

Having served as General Director of TCO for over five years is a record for a leader of our company. Let us recall the beginning of your work at TCO, when did you realize you discovered something new and exciting?

– Tengizchevroil is indeed a special and unique company and I began to realize that immediately in 2010 when I arrived. It all starts with special unique world-class reservoirs at Tengiz and Korolev. The

special trust that started in 1993 between Chevron and the Republic of Kazakhstan set TCO up with a winning formula and the people of Kazakhstan and more specifically the people of TCO ultimately make it a very special and unique place to work and to live.

– What factors you believe are crucial for TCO winning the leading position in the industry and maintaining leadership for the past several years? What allows the



company to set bold, often unprecedented targets and meet them in the right way?

– I believe that The TCO Way forms the foundation for what

differentiates TCO from other companies. Ultimately, we are all dedicated to do what we say we will do. In good times and in tough times, TCO sticks to their commitments and delivers consistent superior performance in the right way. – When you were asked about your company (team) during official and personal meetings, what was the key message in your answer?

– I always talk about the TCO people that ultimately make TCO what it is. I've never been more proud to work with such a talented and dedicated group of professionals.

The awe-inspiring work that I have seen happen in Tengiz in some of the harshest conditions imaginable continues to amaze me.

– You have discovered a new country – Kazakhstan, and a new people. How valuable is this discovery to you as a person and to your heart?

– This has been my longest assignment in a country outside of my home that I have had and I am so very lucky to be able to continue to work and live in Kazakhstan. The people of Kazakhstan and the land of the Kazakhs have a permanent place reserved in my heart.

– Your wishes to our readers and the whole team.

– As I said in my last town hall meetings, I am not far away. I am your biggest fan as individuals and as a collective TCO team. Please always know that I am ready to help and will put my full energy into making sure that Tengizchevroil continues to be the safest and most profitable enterprise in the world.... and a great company to work for. Until we meet again....very soon.

## Appointments at TCO and Chevron Eurasia Business Unit

After serving more than five years as General Director of Tengizchevroil (TCO), Tim Miller has been appointed to the position of Managing Director of Chevron's Eurasia Business Unit based in Almaty, Kazakhstan. Tim replaces Scott Davis who has elected to retire from Chevron after 38 years of service.

Ted Etchison has been appointed to replace Tim as General Director of TCO. Ted's wealth of experience and his deep knowledge of TCO will provide a seamless transition of leadership.

Ted has over 34 years of experience in management, operations, strategic planning, HES, engineering supervision and engineering with Chevron. He has held positions of increasing responsibility in the United States, Nigeria, Australia, Indonesia and



Tim Miller

two assignments in Kazakhstan. In his current role as General Manager, Operations at TCO since January 2014, Ted has been responsible for all aspects of TCO Operations functions (Production Operations, Drilling, Reservoir Management, Facilities Engineering, Security, Information Technology, Regulatory Compliance and Supply Chain Management). Ted's leadership as GM Operations



Ted Etchison

has seen a continued emphasis on safe and reliable operations, the successful completion of the most complex turnaround in TCO history, an increase in TCO's drilling program, and a focus on a "One TCO" approach. Ted is married to Susan, and they have two grown daughters living in the U.S. Eimear Bonner, currently Project Alpha Leader, is appointed to the position of General Manager, Op-



Eimear Bonner

erations at TCO to replace Ted. Eimear joined Chevron in 1998 as an offshore petroleum engineer and has progressed through technical and leadership roles of increasing responsibility in petroleum engineering, production operations, reservoir management, project management, strategy and planning and operational excellence in the United Kingdom, United States, Thailand and Kazakhstan.

Her first assignment to Kazakhstan was 2012-2013 when she was Deputy Managing Director, Eurasia Business Unit. In that role she was responsible for NOJV Operations in Azerbaijan and Kazakhstan, Kazakhstan's Manufacturing Operations and Reinvestment Portfolio, and functional groups including Operational Excellence, Marketing and Trading and Exploration.

She received her Bachelor's degree in Chemical Engineering from Queen's University Belfast in 1996, and her Master's degrees in Advanced Chemical Engineering and Petroleum Engineering from Imperial College, London in 1997 and 1998 respectively. Eimear is married to Mike and they have two daughters.

All three appointments will be effective 1 November 2015.

# Festivities in Taraz

Zhambyl oblast hosted special events in honor of 550th anniversary of Kazakh Khanate



Standing high among important strategic objectives listed in TCO Way is to be respected in the Kazakhstan community. Among the most recent examples of the strong commitment to pursuing the above strategic objective was TCO's sponsorship in the project of Taraz Tunes sculptures, a monumental composition installed in the Domra Square of Atyrau, also complemented by beautification of the public garden next to this area. Such was our company's present to the residents of Taraz in honor of the important occasion – the 550th anniversary of the Kazakh Khanate. This event refers to the significant chapter in the history of a sovereign Kazakhstan. Fifty five decades ago, courtesy of dedicated unifying effort of Zhanibek and Kerei, the two wise Kazakh Khans who stood at the cradle of Kazakh statehood, their people united to form one nation, thus establishing the first state on the banks of Tchu and Talas rivers. According to the quote by President Nursultan Nazarbayev, "those were the times when the foundation of the Kazakhs' state was first built."



On the 8th of October, 2015, on invitation by the government of Zhambyl Oblast, TCO representatives were visiting Taraz to take part in the festivities held in honor of the 550th anniversary of Kazakh Khanate. The initial item on our delegation's itinerary was attendance of the ribbon-cutting ceremony for the new memorial built in honor of

the glorious anniversary of the Kazakhs' ancient state. The ceremony was hosted by President of the Republic of Kazakhstan Nursultan Nazarbayev. Later in the day, general director of Tengizchevroil Tim miller and deputy Akim of Zhambyl oblast Timur Zhanke attended the dedication ceremony for the Taraz Tunes



monument in the Dombra Square. In his remarks at the special event Tim Miller noted the contribution TCO has been making in the development of the national economy of Kazakhstan and offered greetings to the residents of Taraz, a remarkable place with centuries-long history. Timur Zhanke, deputy Akim took the floor to return courtesy and thank the team of TCO for their strong support and community involvement. He wished further significant achievements to TCO and

also handed in a letter of appreciation on behalf of the Oblast Akim. In the finale of the meeting, Tim Miller and Timur Zhanke attended the ribbon-cutting ceremony at the newly built memorial. The monumental composition made of granite stands at the main gate to the area known as site of ancient town Taraz and serves the gem of the entire large ethnographic and historical complex. We, the team of TCO newsletter, are happy to offer our greetings to all TCO employees and contractors for the important milestone event of 550th anniversary of Kazakh Khanate.

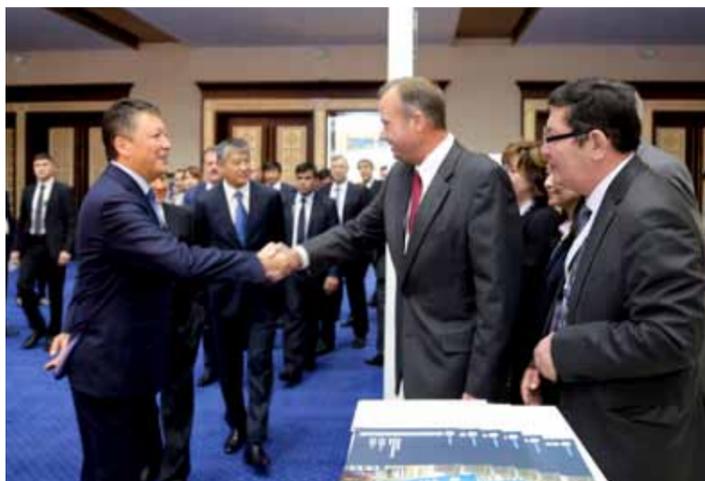
**By Yerlan Yeshmukhanbetov, advisor for TCO Policy, Government and Public Affairs.**



## Eurasia Forum KAZENERGY 2015

During the four days starting from September 29, Astana acted as host-city for the Kazenergy 2015 Eurasia Forum, now celebrating its anniversary

The forum's agenda reflected the key transformations taking place in the petroleum and energy markets. In the earlier years, the forum's tribune was used to highlight and discuss outstanding questions related to oil & gas, electric power generation and nuclear power industries as well as to outline global challenges faced by the market players and suggest the ways to best meet those, the world recession notwithstanding. The forum has proven an effective platform for building strategic alliances in view of important geo-political changes. This year, TCO once again continued its tradition acting as sponsor of Kazenergy forum dedicated to the subject New horizons: prospects of cooperation and investment. One remarkable fact about this forum is acting as its VIP guest and speaker was Daniel Yergin, a respected authority in global energy,



international politics and economy. Dr. Yergin is Vice Chairman of IHS and Founder of Cambridge Energy Research Associates (IHS CERA), one of the lead consulting and research companies in the sector.

The Epic Quest for Oil, Money & Power by Daniel Yergin is Pulitzer Prize winner. The book was translated and printed in 18 languages, including in Kazakh. Representatives of TCO manage-

ment team and departments took active part in the plenary session, panel discussions and roundtables. Ted Etchison, acting general director of Tengizchevroil made remarks during the panel discussion on Resolution of Investment Disputes. What made TCO's appearance at Kazenergy 2015 different from earlier events was, besides regular reports at panel sessions, the company also organized presentations of its innovative projects as part of the exhibition agenda. In particular, company specialists shared on effective methods used in the oilfield development to meet the challenges arising from extremely high content of hydrogen-sulfide in oil. Zhanibek Katrenov, geophysicist for RMG made two reports on Working out Fracturing Computer Models for Tengiz Oilfield and Using megamplitude in seismic survey for well mapping. Another presentation on Re-use of Recycled Wastewater was made by Muratgali Karymsakov, lead engineer for the project of Wastewater Recycling Facility. The above reports aroused a strong interest of the Kazenergy

2015 Exhibition participants. This was good to see TCO has brought a young team of specialists to the event, who took the lead both in sharing new ideas and innovations through their presentations, also in panel discussions and during the activities at the exhibition. The young engineers succeeded in demonstrating their strong professionalism and competence, thus supporting the high profile of our company known as proud employer of the workforce of the strongest potential in industry. The productive discussion at the Kazenergy Forum serves sort of a challenge to the problems currently faced by petroleum industry, such as, for example, the volatile oil prices. However, the global oil industry shows no sign of pessimism, therefore, only naturally, the general spirit of the forum was constructive and optimistic. The Kazenergy 2015 Eurasia Forum has passed the baton to yet another major event – the KIOGE conference and exhibition hosted by Almaty.

**By Meruert Sukhankulova.**



# KIOGE 2015 – BEST PRACTICES AND PIONEERING TECHNOLOGIES



By Bakhytgul Khalel,  
TCO Policy, Government  
and Public Affairs

The Kazakhstan International Oil & Gas Exhibition designed to promote best practices and joint effort in effectively resolving issues faced by petroleum industry was once again held on the premises of Atakent Expo hall in Almaty in its traditional time-frame from October 6 through October 9. Taking part in the industry special event, now held for the 23d time, were more than 35 companies representing 25 countries. They shared experiences in multiple areas, from exploration and production to processing and business consulting. This year, among the participants were many businesses from far abroad, including, for example, 26 companies from Germany and 11 firms from Austria. The profile of Chinese oil & gas sector was broadly represented by a number of booths designed in national style which definitely caught the eye of the public. Each booth at the exhibit impressed the visitors as unique piece of creative art of its own design. The booth of JSC NOC KazMunaiGas, for one, was made to introduce simultaneously five of the company's affiliates and partners, including KazTransGas, KMG Processing and Marketing, KazMorGeophysica and the Kazakh-British University – all in one. More than 4,000 industry specialists took part in the exhibition which was open for four days. All attendees succeeded in learning some innovative ideas they can apply effectively in implementing newer projects.

In his welcome remarks vice-minister of energy M. Mirzagaliyev said, "KIOGE ultimately serves a unique springboard which helps achieve a concerted effort in building mutual agreement and implementing valuable and promising projects. Today we observe with pleasure the event is attended by both recognized world industry leaders and less prominent Kazakhstani and foreign companies, and we are impressed by their strong desire to cooperate based on mutual pursuance of a noble strategic target which is only achievable through long-term commitment. Our state not only encourages, but also praises highly mutual cooperation and open dialogue."

After the opening ceremony, the invited guests were introduced to the booths of participants. Welcoming the visitors at the booth of Tengizchevroil demonstrating strategic intents and achievements was a team of specialists led by



general manager of TCO policy, government and public affairs Rzabek Artygaliyev. The gem of our booth was a large photo offering a panoramic view of TCO Plant, an item that caught the eye of visitors at a distance. Our guests paid attention to multiple brochures, videos and handouts, including TCO Newsletter, telling about Corporate Social responsibility, Kazakhstan content, environmental protection and personnel advance training. The company representatives took the questions to provide comprehensive information and offered handouts containing information about the products and base business. Simultaneously, those visitors who suggested a new vision and shared ideas about the Future Growth Project were introduced to and talked with expert specialists of TCO.

Said Nurlybek Kurakov, supervisor of supplier potential development group, "during the four days of the exhibition we received many foreign and domestic companies who are willing to cooperate with TCO. They offered their services and goods, and also introduced us to some of their projects. We will thoroughly analyze all offers and projects and look into their potential value, provided the offers and ideas appear effective and workable." "This is the first time I represent TCO at KIOGE", shared Ainur Mukhitanova, lead specialist with TCO Purchasing. – In the course of the event, I met with various



visitors, from students and to representatives of businesses. Each one had his/her specific questions. The students were curious to know more about employment opportunities, while suppliers of goods and services were interested in cooperation. I was impressed by the tremendous scope of the exhibition. Our booth was visited by specialists from countries all over the globe – India, Germany, China, France and neighboring Russia who wanted to know more about Tengizchevroil. Some vendors appeared well prepared for the visit, so they brought presentations to introduce their specific products and services. Thus, the exhibition serves a valuable source of information, helps us better un-

derstand the trends of the market and provides priceless orientation. I just loved the event. I am wishing prosperity to our company, success and impressive achievements in all areas of activity, in spite of the current complex situation in our economy." Sirazh Zhanyl of Future Growth Project dept. briefed the visitors on the specifics of FGP and, in particular, explained its value to the economy of Kazakhstan. As usual, students received answers related to the procedure of employment and internship at TCO. Only naturally, the secret of success of the thriving business of TCO's in the upstream sector appeared of interest to many. Each member of TCO's team of

booth attendants worked hard to explain this secret, referring to stringent observance of safety rules, long-term effective strategy of assets management, bringing on innovative technologies and strong competence of our specialists. This is noteworthy that our booth provided comfortable environment for discussion. A cozy sofa and good furniture appear instrumental in building mutual trust and understanding. The cup of team along with souvenirs and valuable handouts is a great help also. In other words, all visitors were treated with utmost hospitality, as only appropriate...

The ultimate purpose of our participation in the exhibition is to evaluate our performance through testing the feedback against expectations and our vision. We need to know what people, the public, the specialists and the suppliers think of the achievements we report. To sum it up, we were proud to know TCO was duly recognized and respected for what we do. Over the four days of the event, the total of 1000 people visited TCO's booth. We provided answers to their questions, and mutual desire to establish business relations was articulated. We shared our positive experience. TCO team not only admired the success of industry players, but also committed itself

to thoroughly analyzing the offers and ideas we received from visitors to see how TCO can benefit from those. The exhibition which became the center of brilliant ideas and ideal place to establish business contacts in the end invited all participants to a gala concert. The organizer, ITECA Co. thanked TCO for the support the company has been giving over many years and recognized TCO's contribution and strong commitment by awarding a letter of appreciation.

KIOGE is held on a yearly basis with sponsorship from ROK Ministry of Energy, KazMunaiGas, akimate of Almaty, KazService and embassies of participant states. Acting as partners of KIOGE in 2015 were BashNefteGeophysica, Welltec, Velan, GMS group, Ozna, Lloyd's Register Energy, Aum's Drives, Tengizchevroil, TMF Group, Fluor and Honeywell.

"I am attending KIOGE every year. I can see with own eyes the latest news and innovations in the world of oil & gas, the sector working the primary drive of our national economy. So I am eager to share these news with our readers," – said Nickolai Zhorov, editor-in-chief, Argumenty & Facti Kazakhstan. There were also quite some representatives of groups seeking information to plan the future subjects of their thesis accordingly or use this info for own business. To cut it short, the exhibition proved useful to all involved, from large businesses to students.

# Synergy and Localization

## Aktau Declaration Initiative Supplier Forum

The RoK leading oil and gas industry operators, including NC KazMunaiGas JSC, Tengizchevroil LLP, Karachaganak Petroleum Operating B.V. and North Caspian Operating Company B.V. (hereinafter referred to as KMG, TCO, KPO and NCOC), in conjunction with KazEnergy Association of Oil and Gas Sector Players made arrangements for the Joint Supplier Forum that was later held in Almaty on 6 October 2015 in keeping with the 2012 Aktau Declaration Joint Action initiative.

The operators have repeatedly leveraged their joint forum efforts and provide their significant input to the production operations industry development in Kazakhstan. The plenary section of the Forum highlighted the overview of the Kazakhstani Content Development, reports by companies in charge of the North Caspian, Tengiz and Karachaganak oilfields on results of local business development, achievements in stimulating partnerships between Kazakhstani and international companies, attraction of foreign investments and state-of-the-art technology transfer.

The plenary session of the Forum culminated in signing business partnership memoranda between the following participants:

- TCO and European Bank for Reconstruction and Development (EBRD) Partnership to work together so that to support the Small & Medium Business Development Program;
- Partnership between KazTurboRemont and Magnatech Partnership to work together so that to create the Welding Service Center. TCO has allocated around \$

515,000 for the MSB Development Program to be implemented by the European Bank for Reconstruction and Development (EBRD). The first two-year program implementation phase (2015-2017) is designed to boost the economic growth through enhancing productivity and effectiveness of small and medium businesses across Kazakhstan. The Program is focused on promotion of partnership to enable the best performing companies gain access to innovation and improve their competitive edge. The Program objective is to ensure gaining access to know-how and funding while strengthening business relationships, providing recommendations, sharing best practices and the body of knowledge to that effect.

"With TCO coming forward to support this Program we shall demonstrate our standing commitment in rendering assistance to Kazakhstani companies so they can improve their product quality and services performance and also gain access to the new markets both at home and abroad," TCO's general director Tim Miller said in his comment to the above Agreement. It is heartening to note TCO General Director Tim Miller's personal contribution to the Kazakhstani content development and his input into the Kazakhstani services sector development was recognized by Energy Vice-Minister Mirzagaliyev in his speech emphasizing this praiseworthy dedication and example to follow.

The Synergy and Localization was the motto of the Supplier Forum held to bring into limelight the drive for the development of local market of goods and services and promote

localization of production of priority goods needed by the industry. The companies have joined their efforts to evaluate the oil and gas market environment and identify the seven priority categories of goods and services in the context of the short-term and long-term development.

The forum attendees split into two business-interest sections for panel discussions. The goods section was represented through such groups as pipe products, fittings and valves, and electrical equipment. The services chapter was represented by suppliers of maintenance services, well support & auxiliary services, and waste management services.

The participants got familiarized with the operators' specifications and requirements applicable to all categories of goods and services, HES issues, bid process issues, including supplier data base registration procedure and prequalification. All attendees were highly interested in business success stories presented by the companies successfully delivering on their production operations renovation to meet the operators' requirements and standards. These companies included:

- AtyrauNefteMash LLP from Atyrau; specialist in fabrication of flanges, fittings and galvanization line;
- Alageum Electric LLP and "Shymkentkii Zavod Electromontazhnykh izdelii" plant are specializing in fabrication of cable trays;
- Tinaris LLP from Aktau is producer of pipe threaded connections for drilling pipes;
- Cameron LLP from Atyrau is producer of valves; partnered with



ZhigerMunaiService Company to establish a joint venture to service the valves and subsequently started own assembly line and component elements fabrication factory.

The interactive sessions involving Forum attendees and SMEs from three lead companies proved most successful in terms of meeting the Forum expectations. This platform proved extremely effective in enabling service companies to meet with potential customers so that they could share opinions and generate recommendations for future business cooperation and improve

ment and best meet the needs of oil and gas industry.

Finally, I would like to share a piece of good news with all Forum organizers: we have received a positive feedback from the representatives of Ministry of Energy, Contracting Agency, NC KMG JSC, PSA LLP, KazService Association, the RoK Union of Machine Builders and from the business community members who are very happy with the program contents, interesting topics and, in particular, with an opportunity of direct dialogue with SMEs representing major upstream companies, such as TCO, KPO and NCOC.

## RV's second youth

Tengiz Rotational Village, the facility built in the 80s, is being renovated.

In June of 2015, after TCO formally set on Phase 4 of Rotational Village Renovation Project the construction works kicked off.

"TCO partners agreed that it was time we determine a long-term strategy and plan for major reconstruction of RV," commented Bekbolat Amangeldin, manager of RV Renovation Project. "We have a clear understanding that RV must be a safe place to live and comply with all municipal standards and rules of the Republic of Kazakhstan, in order to serve as accommodation for TCO contractors' workforce.

Reconstruction of Tengiz Rotational Village is a project in the municipal infrastructure category. The plan is to replace utilities and key facilities which are TCO's property, in order to provide proper and safe living conditions for the contractors which comply with the norms of ROK. The municipal facilities and related utilities in RV include assets used for water treatment, drinking water distribution, fire water reservoirs, sewage systems, cooking gas utilities, electrical power distribution system, central heating and hot water lines.

The chief challenges of the project are associated with economic risks evaluation, identification of related environmental aspects and

assessment of their impact on the environment (including reclamation of soils and submission of report on degree of contamination), technical expertise and potential of future legal responsibility. But whatever the challenge, it can be successfully met through expert planning and effective project management. Said Sekkin Sedat, Coordination manager for RV Renovation Project, "we have already determined chief efficiency factors and set the targets which are deemed by us absolutely achievable. Now the most important thing for the project team to guarantee by all means is to comply with all the rules and

*The Tengiz Rotational Village (RV) was built in late 80s of the 20th Century as support base for upstream projects in Tengiz. The Rotational Village area of around 1300 acres is located some six miles north of Shanyrak Village and 14 miles north of TCO license area.*

*TCO first started to use RV in 1993, seeking accommodation for its employees and mostly contractors doing rotational work schedule. TCO stayed in RV until 1996 when finally moved all company employees and many contractors to TCO Village. Inside the area of Tengiz Rotational Village there are about 150 living houses organized in three micro-regions. Currently, RV provides accommodation to 5,000 employees representing 30 contractor companies.*

norms of ROK, meet the strict standard of TCO's and to optimize capital expenses necessary for utilities reconstruction. The scope of work includes the construction of a new water treatment plant and municipal services center which will accommodate above all local police department

and fire station. Also it is necessary to complete partial reconstruction of internal roads in the living areas, plus renovation of outdoor lighting. The project team has abandoned the philosophy of "must deliver" and instead adopted a new concept of safety culture where each employee believes all incidents and

injuries can be prevented, so it is a matter of awareness and dedication.

"The success of injury and incident-free performance depends on personal attitude of mine and of my colleagues. I am sure we need to make a commitment to always observe the safety rules, because our own safety, the lives and health of our colleagues and the well-being of our families is at stake. Each member of our project team has made such a commitment", - said Dmitry Zuyenok, OE/HES manager. He continued, saying with confidence that "our primary objective which we shall achieve without a doubt is to provide safe and comfortable living conditions for the employees of TCO and contractors."

By G. Trukhin.



## SAFETY - THE TOP PRIORITY

## Tough stress test



**In October of 2015, a full-scale level 3 emergency response exercise was held in Tengiz, involving mobilization of Emergency Response Management Team**

The given drill was a set of simulated emergency circumstances closely approximated to real-life emergency conditions. The purpose of the exercise was to hone a better coordination between emergency response headquarters and responder team acting on site, and also to evaluate the effectiveness of existing emergency response plan. Such drills are normally held once a year for each shift on rotation. The team in charge of developing the scenario, i.e. simulated emergency circumstances, did their best charging the play to the maximum by adding all possible complications. What occurred according to their plot was really horrible and cannot possibly happen in real life, given the level of safety at TCO and the stringent rules for contractors along with tight supervision. However, the tough drills are designed to raise the emergency preparedness to the maximum, in order to be able to meet 'impossible' challenges. This was a simulated traffic accident which took place on the crossroads where the Unity Highway crosses the road to Kara-Arna

town. According to the scenario, a big TCO bus on its regular commute hit a tank car of Maten Petroleum carrying 8 tonnes of fuel. The collision resulted in a large spill of fuel, and the engine and cabin of the tank car caught fire. The fire later spread to the bus. Fatalities were reported.

"The purpose of every drill is to support and strengthen the knowledge of theory and develop practical skills, - was the comment by OE/HES coordinator Lyubov Maslova. - The preparedness to deliver exact, prompt, well-thought-out and effective response in any crisis is what primarily constitutes the competence of our service. We use this drill not only to test out our preparedness, but also to practice and hone our skills to perfection. This exercise which essentially is a business game of a sort will take a few hours, yet will be followed by a thorough analysis of how we performed. And then we will come up with recommendations to further improve cooperation of different groups, in other words, this is what we call "accumulation of practical experience."



As per the Emergency Response Plan, the emergency response command center was headed by manager of TCO production Operations Gary Enk. At 8 a.m. sharp, he made an exact and laconic statement outlining the purpose and objectives of the drill, and announced the action started, bringing the emergency response plan in effect.

We need to mention the command center was equipped with a system of video monitoring covering all the plant facilities. The two large monitors hanging on the walls show the real-time picture from the site of the accident. The camcorders installed at various elevations give a totally "unbiased" coverage of the accident which allows for evaluating the situation on the spot and make the proper decision.

Now we received the report from

the site of the traffic accident which is announced by Marat Gabbasov, manager of TCO Emergency Response Team. The serious traffic accident involving fire and fatalities has been confirmed. The multi-channel video-conferencing equipment allows to monitor the response as ERT crews, the fire engines and ambulance vehicles arrive on the site. The rescue operation started, and the response teams are busy evacuating people from the vehicles and taking action to contain the fire. This is for the first time Marat Gabbasov is in charge of emergency response operation team at level 3 drill. Normally, this is responsibility of unit supervisor or section supervisor, depending on the actual area impacted by the incident. This time, however, the traffic accident occurred outside the plant area, thus ERT manager assumed control of the emergency response operation. This action plan is very concrete and addresses all issues. All personnel involved knows them as the back

of their hand. In this particular situation, though, the commander of emergency response team had to act quickly, make a preliminary evaluation of crisis, ensure prompt mobilization of resources and immediate action, establish fail-safe communications with the command center and heads of groups involved, and organize well-coordinated and exact response action. In the course of event the actions of each specific group were monitored by observers and auditors whose job was to keep a close eye on each responder, check accuracy and effectiveness of their performance and monitor coordination with respective government agencies and interaction with media. The auditors and observers were also watching the performance of para-medics and TCO Clinic to see how professionally they handled the large number of injured. This referred to the coordination of evacuation on site, including determining severity of injuries and making decisions, mobilization of air ambulance, timely regular reporting the status of the injured to level 3 emergency response command center, etc.

In other words, this exercise was designed as tough stress test of all plant personnel involved and special services in charge. We are happy to report they all passed the test to their best.

Gary Enk, in his summary of the drill, noted that the target of the exercise was successfully achieved, and the preparedness for action in extraordinary crisis conditions has been confirmed. A few points of criticism referred to technical issues. For example, so far the video-monitoring equipment is available not to all groups of responders which hampers real-time evaluation of the situation. The use of such equipment proved of strong value. Eventually, the performance of all groups involved was praised as good. A similar level 3 drill will be held in Tengiz in November of 2015 and involve the rotating-in personnel.

By Aibar Khamiev.

## ABOUT OUR HEALTH

## Stroke – There Exists a Way to Prevent It



**Altynai Maibasova,  
TCO Clinic Neurologist – Dr.**

In 2004 the World Health Organization (WHO) declared stroke a global epidemic. Nowadays this disease still remains one of the major causes of death and invalidity throughout the world, including Kazakhstan. Vascular diseases account for more than 50% of lethal outcomes and about one fifth of those affect people in their working age.

The incidence of cardiovascular diseases for the last 10 years in Kazakhstan has increased by 1,7. The morbidity rate of stroke in different regions of our country accounts for more than half of

the amount of all the diseases of nervous system. The mortality rate as a result of a stroke among RoK adult population makes 21,5% of the total rate of cardiovascular diseases and almost half of them affect people of working age, this index being twice as high as in European countries. Being the main cause of invalidity stroke causes considerable economic damage taking into account the cost of treatment and medical rehabilitation in the production sphere. Statistics shows that only 10% of individuals that suffered a stroke return to work, 53% need permanent care and 20% of individuals are unable to walk. 30% of cases are characterized by psychosomatic changes. Adopting the best practices of European countries and Russia and in view of the urgency of the problems related to stroke, specialized stroke departments have been created in all the RoK regions since 2013 on the basis of multifield medical centers for treatment of acute cerebral circulation disorders. The purpose of such centers is to save the patient's life and not to let him become an invalid. Treatment in specialized stroke

centers reduces the risk of mortality by 20% and that of invalidity – by 30%.

A stroke is damage to the brain cells caused by obstruction of cerebral vessels or hemorrhage as a result of rupture of a blood vessel; it is a quickly progressing brain circulation disorder accompanied by damage of the brain tissue and cerebral dysfunction. The most typical symptoms of a stroke are as follows: sudden headache, numbness in the extremities and in the face, as a rule on one side, asymmetry of face, speech disturbance and visual disorder. Patients with such symptoms should be immediately hospitalized to stroke centers. Within 3 hours since the onset of stroke symptoms the changes in the brain are still reversible. This period of time is called "a therapeutic window" and it allows the doctor to render medical aid so that a stroke can be treated efficiently without any consequences. Ischemic stroke is caused by obstruction of vessels. As a result of it the oxygen supply to the brain is interrupted or reduced and brain cells die. To save the patient's life it is necessary to dissolve the blood

clot thus restoring blood supply to the brain. This procedure which can be performed only in the hospital is called thrombolysis. In thrombolysis medications dissolving the blood clot are administered and blood circulation in the brain is restored. Provided thrombolysis is performed within the first 3 hours after manifestation of the disease it is feasible to prevent life-long paralysis which used to be the most likely prognosis for stroke patients in the past. After the aforementioned treatment the patient can start ambulating as if he had never suffered a stroke. Of course afterwards supportive as well as rehabilitation therapy should be administered to prevent a recurrent attack. Stroke is treated throughout the Republic of Kazakhstan according to the International Diagnostics and Treatment Guidelines that specify the medications to be used, their dosage and protocol of administration. This unitary algorithm and standardized approach to treatment of strokes is of great importance. TCO Clinic doctors start treatment of the patient immediately, just on patient's admission to the Clinic. TCO Clinic has at its disposal all

the modern medications recommended by the standard treatment protocols. In case patients are brought within the first hours after the stroke and as soon as their condition is stabilized they are evacuated by aircraft from Tengiz to the Atyrau stroke center. Under the circumstances the favourable outcome of the disease depends to a great extent on the aid rendered at the pre-hospital stage that is from the moment of onset of symptoms till the delivery of the patient to TCO Clinic. TCO Clinic cardiologists and neurologists organized a workshop on International standardized protocols of diagnostics and treatment of acute cardiovascular disorders and strokes for TCO EMS personnel and Tengiz based contractor companies' medical staff. Thanks to these efforts stroke morbidity and mortality among Tengiz employees has a tendency for reduction. Consequences of stroke can be prevented. Everybody should know the symptoms of stroke to be able to do everything to deliver the patient to the nearest hospital ASAP. It can help save the people's lives and restore their health!

## TCO RSIP team received reinforcement

The team of instructors in charge of training ergonomics specialists at TCO have completed two additional sessions of Repetitive Stress Injury Prevention (RSIP), thus issuing certificates to 36 more trained Qualified Workstation Evaluators (QWEs). In early 2015, no additional training was planned, yet the demand for RSIP process has grown dramatically with the time, so many departments chose to have their staff trained to be able to respond to the needs and complaints of employees in what concerns office ergonomics. The majority of department who delegated their representatives lacked own QWEs. Among the groups which had their



specialists trained in RSIP process were RMG, SCM, IT, CDG, TFM, ML&T, the Contracting group, FGP and MCP. Two of FGP trainees came from Aktau.

The initial course involving 17 trainees was held in Tengiz. The second session was organized for the employees based at TCO Headquarters in Atyrau and gathered

19 persons. The objective of the training is not just to prepare a specialist in ergonomics able to adjust the workstation and apply special tools to meter repetitive injury. We also developed essential skills and knowledge that will allow our trainees to later raise awareness of colleagues and help them realize that ergonomics is critical part of our business environment, so it is important to be able to hear your body's complaints and respond to those in a timely manner. All our trainees are bright personalities and very positive thinking people. Thanks to their strong optimism and commitment to the common cause the training process was never boring, and the

group worked as a good team. During the training we appreciated valuable support and advice from our expert Qualified Workstation Evaluators, such as Madina Artykbayeva and Akerke Togiozova. They shared personal experience and best practices, explained the basics of office ergonomics and advised of the nuances of QWEs' job. Now all the specialists who completed training will have to pass an exam to get the certificate. The students are expected to submit their papers by a certain date. Please join me in wishing good luck to them all. We are hoping to see them soon as valuable reinforcement for our great team in charge of repetitive stress injuries prevention.

By Anna Senatorova,  
RSIP coordinator with OE/HES.

## A mournful time of year! Its sad enchantment

flatters my vision with a parting grace... (from Alexander Pushkin)

The balmy and sunny weather of the last weekend of October made us really happy, as the members of Orleu Project steering committee in Kulsary immediately took advantage of this wonderful spell of outgoing warmer season... During the two days starting on October 24, Kulsary was hosting a master class in communal areas beautification organized as part of Eurasia Fund for Central Asia (EFCA) effort sponsored by TCO. Irina Gorbachenko, an invited municipal landscaping specialist explained and showed how to give an all new and beautiful look to the backyard area of your apartment house with own hands and with the help of smart resource recovery. Attending the master class were groups of local activists, volunteers who had previously won a grant from EFCA as support to implement mini-projects. The bidding procedure and subsequent tender held in May of 2015 which selected the best social projects and awarded grants to the winners primarily pursued the objective to maximize the engagement of the public in resolving of outstanding social issues, in particular, to encour-

age the members of community to contribute to the maintenance of common places of leisure. The residents gathered used tyres, bottles, fragments of steel pipes and more items that could be re-used for the noble purpose. TCO supported the initiative contributing heaps of used pallets its waste recovery area which appeared of value and served excellent material for the comfortable new benches manufactured by local amateur craftsmen. As a result, the new benches, the sandbox for the small children and the wooden fence securing the green area of the backyards from adjacent parking lot were strongly appreciated by all, the young and the old. It is also important to mention, the new fence will serve a good protection of the green shrubs and grass from stray cows which used to homestead these areas in search of forage. "This year, a group of active volunteers from local community representing residents of our apartment house has won a grant from EFCA as support of their beautification initiative. Ultimately, the Fund provided the materials as we did everything all by ourselves and



using own resources. We completed a renovation of communal entrance hallways, replaced the windows and the main door. After we saw our house became a totally new and beautiful look, we wanted more and decided to take care of the backyard territory. I was very happy when I heard about the master class. Looking forward to this day, we have spent quite an effort collecting used tyres, bottles, flat footballs and other waste we could re-use," – shared Gulnaz apai, an old lady and resident of Block 35 in the local micro-district of Kulsary. – We discovered we could make plenty of useful things of this waste we would otherwise dispose. We

admired what we achieved thanks to the master class. Now we enjoy a beautiful backside area behind the apartment house, the clean and safe hallways, and the good neighbors who suddenly became more caring, friendly and united. Thank you very much for your support!" As you see, simple residents of one apartment house demonstrated enthusiasm and hardworking, thus transformed a dull-looking wasteland into a pleasant-looking and multifunctional piece of communal area. The strong social value of such mini-projects consists in that the folks involved begin to strive to improve the quality of life, because

a quality lifestyle is not necessarily about a split AC system and satellite dish available in one apartment. "We are sure that the clean and safe hallways, the comfortable and fully functional benches and playgrounds are also essential part of it," – said the members of EFCA team of specialists. Local residents learned to effectively use the self-management mechanisms to resolve various community issues. For example, in 2014 participants of Orleu Project installed street lights in the courtyards of micro-district #3 in Atyrau, while volunteers of another project in September of 2015 used the grant funds to install safety railings in the hallways and humps in the access roads to the micro-district, thus enhanced safety both for the young residents and the adults. In response to request of residents' delegates of micro-district #5, another master class was organized to provide valuable guidance in the use of waste materials for beautification of communal areas. The class was attended by 18 residents.

By Azhar iskakova,  
EFCA project manager  
Photo kindly supplied  
by the author.



## Join The Kazakh Language Club!

The Kazakh Language Club has been successfully functioning in TCO HQ since April 2015. The objective of the Club is to deliver the Kazakh language to TCO employees in an informal environment through shared learning. Each club meeting is dedicated to a specific topic with many interactive exercises.

In support of Healthy Lifestyle month in October, the Kazakh Language Club hosted a topic called "Health is above all" on October 22nd. During the session



all the Club members actively participated in interactive games conducted in both Kazakh and English languages related to food, physical



exercises and other activities that help people stay healthy. It is important to mention the format of the Club sessions: it ensures the possibility of participation for all company employees, both national and expatriates, regardless of their Kazakh language proficiency level. Moreover, after each session each registered Club member receives learning materials. The uniqueness of the Club is derived from the unity of the members who are from different cultures. This shows dedication to the TCO Way, where diversity is recognized as one of the company key values. Again, we invite you to join the TCO Kazakh Language Club!

By Aziza Nazarova,  
Zhudyz Kapakova –  
Employee Development  
Specialists HR Organizational  
Capability.