



TIMEC

PEOPLE • ENERGY • SOLUTIONS

Quarterly Newsletter • December 2006

CONOCOPhillips, PONCA CITY CELEBRATES "ONE-YEAR WITH NO RECORDABLE INJURIES"



As of November 9th, TIMEC employees at the ConocoPhillips, Ponca City Refinery have worked one year without a recordable injury, completing over 280,000 man hours. The work encompassed two high intensity Turnarounds, various Capital Projects and Routine Maintenance. Through all the high stress, adverse conditions and challenging environments, the employees and supervisors have made the conscious effort to work safe and successfully achieve this milestone.

This tremendous achievement was celebrated by hosting a luncheon on Saturday, November 18th for the employees and their families at the American Legion Hall. Thanks to an excellent effort, the event was a big hit with the employees. Special recognition needs to be given to Mark Matthews, Reggie Smith, Lane Edmiston (particularly his wife), Mike Harris, and Bernie Mueggenborg for going well beyond the call of duty to make this event meaningful and fun. Special thanks to Jim Mueller, Bill and Heidi Baldwin from COP, who have given our TIMEC Team the opportunity to achieve this goal, and took the time to help us recognize this achievement.

Perhaps the most memorable moment was Mike Harris, Piping Superintendent, awarding the children of our employees with WAL-Mart gift cards. Thanks again to all who contributed to the success of this Celebration; it makes us all proud to be a part of TIMEC.



FROM THE CEO, PAT MCMAHON



About this time last year many of us were anxious about what lay ahead for us in 2006. Our budget was one of the biggest ever. The Safety Program was due a needed revitalization and we were facing some of the largest staffing challenges ever.

What a difference eleven months makes. Due in large part to the dedication of our management team and the commitment of everyone at TIMEC, we are about to complete one of the most successful years we have ever had. We are doing better than we had planned for the year in most of our performance metrics. The Safety Program has become a core value of the company. People are working safer and most importantly helping everyone around them to work safer. As always, our statistics are the best in the industry. When the year is over, I expect us again to be rated as the safest maintenance contractor in refining. There is no question we have been challenged to meet significant staffing needs all year long. In each of the last three weeks of October and the first week in November we set billable hour records, and October was the largest billable month ever.

It would be impossible to thank everyone for each of their contributions but collectively we should all be very pleased that our hard work has resulted in TIMEC being stronger and more of a leader in the industry than ever before. CONGRATULATIONS and THANK-YOU for a job very well done!

This month I will be presenting the 2007 budget to the Board of Directors. This record budget is in response to the business plans each of our customers have shared with us for next year. Most of the financial metrics will be larger than TIMEC has ever attempted. I am sure there will be many questions from the Board about how, why, who and where. The management team has done an excellent job in developing a plan for next year that considers the multi-aspects of our business and especially the ever-changing needs presented in the marketplace by our customers. I am sure that we will be challenged in many, many ways next year but I am equally confident that the employees of TIMEC will continue to rise to the needs such that the potential of 2007 is again one of the brightest we have ever faced.

Again, thank you for a great year. Please enjoy the success of this year, the upcoming holidays and the anticipation of 2007.

Think, Act and Be Safe especially during the holiday season.

-plm

FROM THE VP OF HEALTH, SAFETY AND ENVIRONMENTAL, DENNIS TRUITT

Your commitment to an injury and incident free workplace has paid off in many ways. The most rewarding and heart felt success is the fact that we have had fewer serious injuries this year by far when compared to last year and the severity of the injuries were far less than those of last year.

Some of the outstanding performance that is unfolding for 2006 is as follows:

- TIMEC Northern Region on track for a 15% reduction in total recordable incidence rate
- TIMEC Southern Region on track for a 45% reduction in total recordable incidence rate
- James-TIMEC on track for 100% reduction in total recordable incidence rate with zero recordable injuries year to date
- Worldwide Welding also on track for 100% reduction in total recordable incident rate with a 0.00 year to date, and this would be the first year ever without a recordable injury for Worldwide Welding
- TIMEC Constructors on track to finish the year at 0.00 total recordable incidence rate, which would be their second year in a row at zero recordable injuries
- PNW on track to finish the year with a 0.00 total recordable incidence rate, and this would be their 3rd year in a row with zero recordable injuries



FROM THE COO, GARY GREEN

People – the foundation of our business. As I mentioned in our last quarterly newsletter, our business is about people and providing the excellent services of those individuals to our customers each and every day. Without the people, we have extremely limited services to offer.

Through your individual commitments and collective teaming contributions, we have achieved many milestones this year and set record after record. First, we continue to deliver outstanding service and quality performance to our customers. This allows us to continue with our long-term contracts and secure additional work even during the course of stiff competition. Next, that quality performance must be delivered with a safety-first commitment. Finally, we must recognize that it is the whole of the TIMEC family that achieves together the great success we have enjoyed. We are successful as a company because we are working together as a team.

I'd like to take a moment to recognize some of the outstanding teaming efforts in 2006. This year, we renewed significant contracts and secured more new work with existing and new customers than in any other year in our history. At the NPRA, we continued to be recognized as the top leader in our industry for our safety performance and achievements. To improve further upon our safety culture and commitment, we introduced our People 'N Safety work process this year because our people are our #1 asset and there is nothing more important than having each employee go home to their love ones free of injury and incident each and every day. As a result, we have experienced remarkable improvement and are forecasting a record year for excellent safety performance with reduced incidents and severity. The typical summer slowdown was instead met with continual work opportunities which kept our employees working longer and more consistently. This is a direct result of delivering on our growth strategy of expanding within our continuous maintenance accounts and securing new maintenance contracts in refining, as well as in new industries, i.e. DOW Chemical, Pittsburgh CA. During the month of October and into early November, week after week, we experienced the most hours worked in our history with each succeeding week surpassing the last. Total man-hours forecasted for 2006 represents a 22.5% increase over 2005.

Our collective performance has been phenomenal! Many of you are probably familiar with the expression, "Together Everyone Achieves More". No truer is that statement than can be seen with the collective TIMEC family in 2006. Working together we absolutely did see more teaming spirit, more opportunity and more success. Thank you – all of you – for your outstanding contributions this year. May you enjoy a safe and wonderful holiday season with your loved ones and let's continue the commitment and our outstanding performance in 2007!



MONTHLY SOCIALS AT THE VALLEJO (NORTHERN CALIFORNIA) OFFICE, BY BARBARA McSHERRY

The purpose of our monthly social is to increase communication with and among our office staff. In the past, there were comments that nobody knew how we were performing or what was happening within the company. In addition, many felt that safety was not a core value in the office. Our intent for these meetings has been to address both of these issues as well as to gather together in a fun environment while sharing a nice meal.

In our Vallejo office, the Committee members (Helga Bell, Charlie Clausen, Edward Bell, Dana Hernandez, Bonnie Morgan and Barbara McSherry) request suggestions from the staff for food and safety topics (we always receive some great input). For instance, an employee requested that we try Indian food. We ordered from Stara Indian Cuisine, and everyone had the opportunity to taste interesting and exotic spices in vegetarian dishes, tandoori, and curries. In keeping with the Indian theme, we covered the tables in red fabric and beautiful seasonal fruits, along with gold and silver accents, with vases of floating flowers on each table. With sitar music playing in the background, everyone on the staff was excited to attend and socialize.



At every social, Safety is always the first item on the agenda. At our "Indian Social" we had a guest speaker, a local chiropractor, who came to our luncheon to speak on safety matters. We all learned a few things and enjoyed an interesting outside speaker.

Our August social sported a Hawaiian luau theme, catered by the Hula Hut. Our staff wore their most colorful floral shirts and dresses. We had a very fun Surfboard cake for our August birthdays, and decorated the tables with fresh pineapples.

Most recently, in November, we enjoyed a Thanksgiving turkey dinner with all the trimmings. Among the anniversaries and November birthdays, of special note, we celebrated our Accounts Receivable Supervisor, Juris Guidry's 20th Anniversary with TIMEC! At this meeting, we watched two short safety film clips – one emphasized ways to avoid identity theft while at the gas station, and the other stressed fire safety relating to static electricity at the pump.



Our staff enjoys updates on our safety performance, how our region is doing according to forecasts and targets, and organizational changes. We are informed about upcoming turnaround schedules so we can better plan our work flow. New staff members are introduced, and employee anniversaries, birthdays, and local events are announced. The SWAT (Safe Workplace Action Team) Safety Drawing is a big hit at every social. We encourage staff to submit a safety suggestion, positive observation or slogan on a "SWAT Card." These cards are randomly drawn, and the winners receive a Sears Gift Card. Some of the suggestions and slogans are very creative and the prospect of winning brings more excitement to the table.

MONTHLY SOCIALS AT THE CARSON (SOUTHERN CALIFORNIA) OFFICE, BY CYNTHIA MOORE

Southern California's "So-Cal Social" luncheon/meetings are a significant function for the Carson office group. It is a time where all come together for the purpose of obtaining corporation status and updates (delivered by an Executive officer), safety awareness (delivered by a Safety staff member), socializing and just having some good ol' fun.

The monthly luncheons are organized by a committee (Cynthia Moore, Lois Masushige, Marifi Salud, Mary Gandara and Bory Chan) who volunteer their time and efforts and go to great lengths to assure each one is a success. Food provided is from a variety of different sources and can be anything from the outdoor cooked-to-order taco feast to the catered prime rib. Decorated themes have included Cinco de Mayo, Hawaiian Luau, Spring Pastel and Halloween. Games played have been trivia, crossword, word search and scramble related to company topics.

The October 2006 Halloween luncheon this year brought lots of entertainment with a costume contest and prizes, of course! Each costume contestant had to perform a small act of his/her character and was judged on originality, presence and audience applause. The laughter was endless. Hector Polina "Charo Dancer", Tia Napoleon "Gypsy" and Henry Zarate "Jack Sparrow" were the overall winners.

November's luncheon, which marked the 17th event, was an "Office Thanksgiving" with all the trimmings. There were approximately 20 visitors from other offices that joined in on the celebration. They seemed to flock to this affair knowing that there was a welcoming crowd with a delicious meal awaiting them. Mr. Pat McMahon (CEO) and Mr. Gary Green (COO) delivered the "State of Union" address. Mr. Mahon stressed the importance of family and being with family. It was a heartfelt message to be heard. Dennis Truitt (VP of Health and Safety) discussed simple safety precautions to avoid causing static fires while refueling at the gas pump. Surprisingly, there were many who were not aware of this danger and how to safeguard themselves against possible injury. A lesson had been learned.

Although the luncheon meetings are strictly voluntary, the house is always full. With great food, important updates and the opportunity to "socialize" there is assurance in knowing the So-Cal Social will remain distinctive in everyone's minds as having been a great time for all....they'll be sure to attend every month!



Halloween Costume Winners
1st (Hector) 2nd (Tia) 3rd (Henry)



Cynthia, Tanay, Rebecca, Lois, Susan, Roseanne, Tia and Marifi in costume.



MONTHLY SOCIALS AT THE LAPORTE (GULF COAST, TEXAS) OFFICE, BY TRASHANNA EAGLETON

There's no better way to boost the spirits of employees than by inviting them to take a break from their daily task and come together for a great meal, fun and laughs. That is the intent of the monthly social that takes place in the Gulf Coast every 2nd Thursday of the month. Our social has been in effect since April 2006 and has been a success every month since.

Each social begins with a safety moment which is presented by various employees. The safety moment concludes by SWAT (Safe Workplace Action Team) recognitions. SWAT cards that have been submitted for the month are read out loud and then placed in a drawing that allows those that take the time to observe safety and recognize the importance of noting safety hazards or make recommendation for improvement, the opportunity to win a Wal-Mart gift card. Followed by our safety topic, a company update is given along with an open forum that allows the employees to question company news/rumors, safety issues, express employee concerns and in final an acknowledgment of birthdays, anniversaries and the introduction of new employees.



While each topic previously mentioned is intriguing to the team at TIMEC, Gulf Coast, the thing they just cannot wait to find out is, "what's for lunch?" How can you retain all the updates without a fulfilled stomach, right? Needless to say, the food selection and quality of food has been outstanding every month. The meals we sampled include Mexican, Italian, barbeque with all the trimmings, sandwiches/salads, peach cobbler, blueberry cobbler, cake, banana pudding, cookies and fruit.

The social for the month of November was in honor of Thanksgiving. Our very own Shane Coon (Regional Health and Safety Manager) prepared the entire meal which included a smoked turkey, smoked ribs, smoked brisket, homemade corn muffins, stuffing, green bean casserole and sweet potatoes. It was absolutely delicious and a treat for all that participated!

We have quotes posted on the wall in the training room where we meet for the monthly social that really places an emphasis as to why we initiated the monthly social in LaPorte. One quote reads... "Coming together is a beginning...keeping together is progress...working together is success!"



CONSTRUCTION EXHIBITION AND CRAFT CHAMPIONSHIP

On October 27th, over 300 juniors and seniors from 15 Houston-area High Schools attended the first annual Construction Exhibition and Craft Championship at Lee College in Baytown, Texas. The goal of the event was to illustrate the career opportunities available in the construction industry. TIMEC was a sponsor for this year's event with employee representation by Mike Jankiewicz (Training), Greg Wilhite (Business Development) and Debbie Stambaugh (HR).



The students were led through a series of stations that exposed them to the entire construction and maintenance experience. Stressing safety, the initial stations focused on the proper use of a safety harness and respirators. The participants were allowed to erect various forms of scaffolding and shown the safe and proper operation of large equipment, including forklifts, backhoes and man lifts. The students were able to show their pipe-fitting skills by building a marshmallow gun out of PVC pipe and fittings. A hands-on welding lab was offered and a crane operation simulator was a huge attraction. The students also were taken through several workshops in which they were told of the financial opportunities available in the maintenance and construction industry and tips on how to interview for a job. The students had an opportunity to interact with industry professionals and craftsmen. Many of the young adults in attendance displayed their energy and desire with expressed interest in the possibility of seeking a career in the maintenance and construction industry. With the proper training, each of them would be an added value to our industry and work force.



HOLIDAY SAFETY TIPS

When you make your shopping list, don't forget to make your safety list:

- When purchasing real trees – buy fresh, keep it watered, place in a sturdy stand and avoid fire hazards
- Artificial trees should be flame retardant
- Don't connect more than 3 sets of lights on the same extension cord
- Keep cords out of walkways to prevent tripping hazards
- Be careful with glass or breakable ornaments/decorations with children
- Tinsel can be a choking hazard to small children – hang high or not at all
- Wrapping paper burned in the fire place can be toxic and there is a flash fire hazard
- Candles should be clear of all flammable items and placed in holders that will not tip over
- Smoke detectors should be installed on each floor and in/or outside each bedroom
- Test smoke alarms monthly and replace batteries annually
- Keep a charged fire extinguisher where you can easily access if needed
- Shop during daylight hours when possible, and if not, always park in well-lit areas
- Avoid carrying large packages that block your vision or make you a target for theft
- Budget your time as well as your money
- Buckle up and don't drink and drive!

Have a safe and wonderful holiday season!

HOW MANY CAN YOU FIND?

R P S A C G Q F U Z R K F P C D A R D Z
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| CELEBRATION | PARTIES |
| CHRISTMAS | POINSETTIA |
| DECORATIONS | REINDEER |
| FAMILY | SAFETY |
| GIVING | SANTA |
| HOLIDAY | STOCKINGS |
| LIGHTS | THANKS |
| NEW-YEAR | TREE |

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In an effort to distribute the quarterly newsletter, a notification will be electronically sent from TIMECNews@timec.com.

CONGRATULATIONS...

Al Kimmel has been promoted to General Manager of TIMEC Constructors in the Northern California.

Danny Phippeny has been promoted to General Manager of TIMEC Constructors in the Southern California.

Trace Hubbard will be assuming the position of Controller for Welltech Safety in the Sandy, Utah office. Trace and his family will be relocating from Northern California to Utah shortly after the first of the year.

WELCOME ...

Mark Brett, Site Manager at the Dow Pittsburg Facility for TIMEC in Northern California

Susan Moats, HR Manager for TIMEC in Carson, California

Donald Parker, Site Manager at the Valero Wilmington Refinery for TIMEC in Southern California

Cliff Warrick, Regional Health, Safety and Environmental Manager for TIMEC in Vallejo, California

Jim Price, Site Manager at the Chevron Salt Lake Refinery for TIMEC in the Rocky Mountain Region

Kenneth Evans, Jr., Training Administrator for Welltech Safety for the Southern California Region

