

WOOD RIVER REVIEW

NOVEMBER/DECEMBER 1995

To Market, To Market



Each year in the St. Louis area, service stations displaying the Shell pecten pump some 120 million gallons of gas. That gasoline is manufactured at Wood River, but the process that moves the product from the refinery to the distribution facility, then to the station and ultimately into customers' tanks is a part of the business seldom—if ever—seen by those who make it. Just across the Mississippi, however, only a few miles away from WRMC, our St. Louis distribution and marketing partners are hard at work, ensuring there is a strong and growing demand for our products and making sure that demand is filled.

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THE ST. LOUIS PLANT

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When gasoline destined for the St. Louis market leaves Wood River, it travels in a southwesterly direction through a six-inch pipe to a place on the Mississippi River just north of downtown St. Louis. There the pipeline emerges from the ground and continues across the river, suspended underneath a railroad bridge. On the Missouri side, it goes underground again for the short distance to the St. Louis Plant, the distribution terminal for the St. Louis area.

About four months ago, Jack Bowman came to St. Louis from the Chicago area as Plant Manager for the Mid-America Complex, a trio of distribution terminals that includes the Cincinnati Plant and the Pekin Plant (in Peoria), in addition to the St. Louis Plant. He explains that Cincinnati and Pekin are distribution centers for asphalt produced at Wood River. The St. Louis facility handles light oil products—gasoline and diesel fuel. When these products come into the Plant, they go into tanks for storage. "The tanks are like a bank," he says. "The product they hold represents money for Shell."

Getting The Product To Customers

As orders from stations come in, trucks are filled at the loading rack, drawing from the tank reserve. "Here at the St. Louis Plant," says Bowman, "our employees are very committed. We serve 86 area Shell stations, making over 1,000 deliveries a month. At about 9,500 gallons per delivery, that adds up to an average of around 10 million gallons monthly."

That kind of volume keeps the Plant's eight drivers busy. Tony Candies, Kevin Cusack, Ken Grave, Doug Husemann, Eric Kase, Roger Overman, Tom Schrage and John Tucker collectively drive 250,000 miles a year to deliver orders, and Murray Franzen, Delivery Supervisor, makes sure that the entire delivery process works smoothly. Other St. Louis Plant employees supporting the distribution process include Plant Operators Gerry Eberle, Rich Nibberich and Marco Riddlespriger (a former WRMC employee), along with Margo Preston, who provides office support.

Customer-Friendly Ordering

Ordering is designed to be as easy as possible. Service station owners may place an order by simply picking up the phone, dialing a

number in Houston, then using the keypad to punch in the type and quantity of product needed and where and when it should be delivered. A computer processes the information and automatically routes it to the appropriate distribution plant, where the order prints out.

Quality Assurance

The St. Louis Plant also has responsibility for quality. After Shell gas is manufactured, two things are necessary to assure the product that reaches customers lives up to its advertising promise. The first involves handling the product in a way to prevent contamination by foreign substances, particularly water. The second involves adding substances to the product.

A special additive formula 'customizes' Shell gasoline, distinguishing it from that of its competitors, and the terminal is where the formula is introduced into the product. Precision is essential; ingredients must be added in exactly the right proportions. Bowman explains that Shell engineers continually refine and improve the additive formula to give higher performance, so it changes from year to year. "We just switched to a new formula," he says. "It's called NAP-95. Next year, it may be NAP-96."

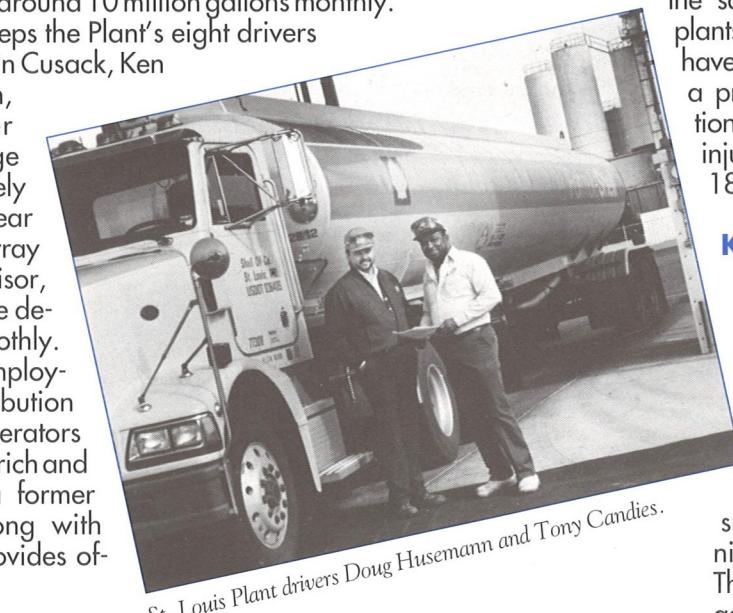
Safety

Like all Shell employees, those who work in distribution are highly conscious of safety, and Bowman is particularly proud of the safety record compiled by the three plants in the Mid-America Complex. Drivers have gone for seven years without a PVA—a preventable vehicular accident. Additionally, St. Louis hasn't had a lost time injury (LTI) for seven years. Pekin has had 18 LTI-free years, and Cincinnati, 20.

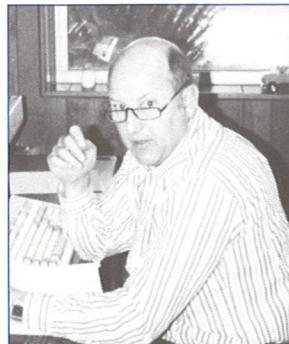
Keep The Product Moving

The viability of a manufacturing facility depends on market demand—and meeting that demand. The St. Louis Plant provides an efficient conduit between WRMC and Shell dealers, thus ensuring the gasoline we make is available to Shell customers at the pump. In addition, they supply gasoline to two other oil companies through exchange agreements. The Cincinnati Plant has six exchange agreements for asphalt, and the Pekin

Plant has three. By keeping our products moving, the Mid-America Complex serves as a vital link in the marketing chain.



St. Louis Plant drivers Doug Husemann and Tony Candies.



Left to right: Jack Bowman, Murray Franzen and Margo Preston.

MIDAMERICA MARKETING

The view from the window is cars. Lots of cars, all streaming east and west along Hwy. 40 in Chesterfield, Mo. And it's a good bet that a high percentage of those cars are humming along on Shell gas. That's a thought that pleases Terry Runnels.

The window is in Runnels' office and, as District Manager of Midamerica Marketing, he has a special reason to be interested in the contents of gas tanks. Midamerica Marketing, he explains, has the responsibility of getting more Shell gas into more cars throughout the Midamerica Retail District, which includes St. Louis, Mo.; Indianapolis, Ind.; Louisville and Lexington, Ky.; and Nashville, Tenn. "At a 12% return," he hastens to add.

Within the Midamerica Retail District are 231 direct (Shell-leased) stations. There are 86 stations in the St. Louis area alone. Of these, says Runnels, "We run ten as contract stations, and the rest are independently owned, or franchised."

Over 50% of stations have car washes, and 29 stations are now ETD ('Experience The Difference') franchises, which offer customers sparkling convenience stores, as well as Shell oil products. "The franchise end of the market is growing," says Runnels. Only last May, five area ETD grand openings were held over two weekends.

Catering To Customers

Increased sales and brand loyalty are built not only by producing top quality products, but also by extending quality to customer experience. Given this fact, a large portion of Midamerica Marketing's job involves helping dealers provide the kind of experience that makes customers want to return. That means setting standards and providing training.

To assure customer convenience and reach the broadest possible market, Shell Marketing requires dealers to be open 24 hrs. a day. To make the buying experience pleasant, dealers must comply with Shell's image program, which requires that stations be neat, clean and well-maintained. They must even plant flowers. ETD stations must comply with an even more extensive set of standards.

Marketing conducts a school for all new dealers "to help them get off on the right foot," says Midamerica Marketing's Janet Debus, and ETD dealers go through a three-week, in-house training program in Houston. Once they are in operation, continued support helps assure dealers will be successful. According to Debus, dealers in training are immersed in Shell's 'You Make The Difference' (YMTD, for short) customer service philosophy, which focuses on skills to promote cus-



Midamerica Marketing's Janet Debus and Terry Runnels.

tomer satisfaction. For stations offering repair service, the 'Auto Care' training program is provided.

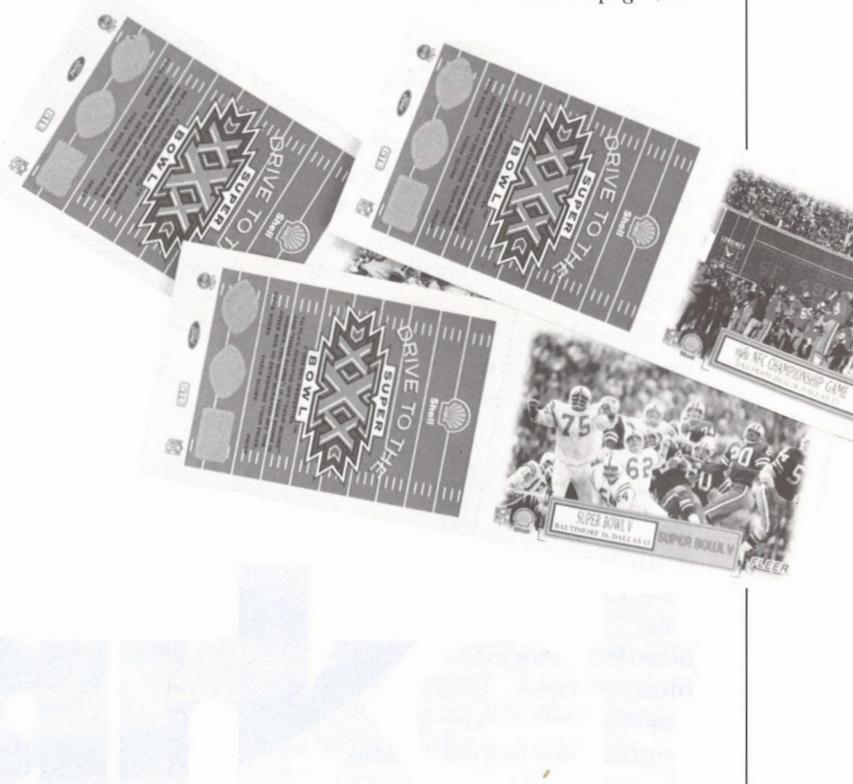
Shell On A RAMpage

When it looked—finally—as if St. Louis would be successful in getting a football team, Midamerica Marketing saw a golden opportunity. Shell has long been a corporate sponsor of the National Football League (NFL), so tying St. Louis advertising and promotion to the St. Louis Rams seemed a natural. As RAMania hit St. Louis, Shell's identification with the team could be seen all over the

area. NFL flags flew. Blue and yellow bunting was hung. There were Rams pennants, decals, balloons and pom-poms, and stations sold 23,000 miniature Rams/Shell footballs. Some stations hosted Rams player and cheerleader appearances and held prize giveaways, in addition to giving customers free game pieces for Shell's national 'Drive To The Super Bowl' sweepstakes—the first sweepstakes to use scratch-and-win playing pieces that are also Fleer football cards. The ten grand prize winners in this largest-ever Shell sports promotion will win a trip to the Super Bowl.

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To encourage dealers to make the Rams theme highly visible, Marketing held an 'Ultimate Rams Station' competition. The winner was the Shell station at 2609 Dunn Road in St. Louis, owned by Sharon and Paul Ronsick. A giant football topped the station, and customers could pet a live ram (the four-legged, wooly type).

Your Home Town Oil Company'

Have you noticed the absence of dancing cars on your tv screen? The animated cars featured in Shell's national advertising campaign danced up a storm for several months, but now they've left St. Louis. And WRMC is one of the reasons. To the marketing folks at Midamerica Marketing, the fact that Shell gasoline is manufactured right here in the area presented a unique—and more effective—direction for advertising in the St. Louis market. Thus the dancing cars have been replaced by a new image of Shell as 'Your Home Town Oil Company.'

Runnels explains that the switch in focus for advertising and promotion was prompted by the Business Model process. Midamerica Marketing and WRMC shared Business Model experiences and, as a result, have intensified the focus on our strengths in the region. "Larry Selden, who worked with Shell to implement the Business Model concept, drove home the fact that you have to look at every segment of the business differently," says Runnels. "When we looked at our district, it was apparent that St. Louis wasn't carrying its weight. Shell had a 13.5% market share in St. Louis, compared to a 27.5% share in Indianapolis." Sam Morasca, Vice President Marketing for Shell Oil Products, and Jack Gleeson, Manager Midcontinent Region-Retail, issued a challenge to boost market share in St. Louis.

In marketing, a one-approach-fits-all strategy doesn't always work. "What works in Indianapolis may not necessarily work here," says Runnels. "We recognized that, here in St. Louis, we have a lot that's positive to talk about—and the gasoline is refined so close.

We felt a more local theme, presenting Shell as a company people can identify with, would have more appeal than dancing cars. Our current campaign capitalizes on local products, locally made." And, of course, the Rams. Debus, who orchestrates Shell's promotions in the district, says the promotional tie-in with the Rams fits perfectly with the 'home town' marketing theme for the St. Louis area.

Community Involvement

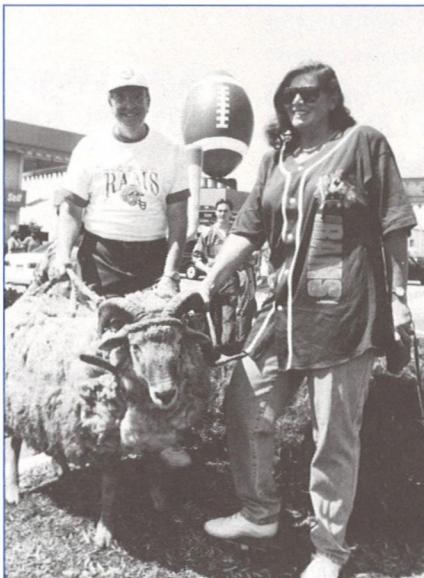
Shell's 'home town' image is also reinforced by heavy involvement in the local community through support of other sports teams, charities and community events. Before Christmas, Shell teamed with the Rams and Coca-Cola to sponsor the 'Toys for Tots' campaign. Shell is also a sponsor of the Juvenile Diabetes campaign, the V.P. Fair, the Black Expo, the St. Louis Ambush Soccer Team, the St. Louis Blues Hockey Team's Rally Towel Nights, and the Blues' charity golf tournament to raise money for the March of Dimes.

Midamerica Marketing also spearheaded Shell's current sponsorship of a Habitat for Humanity house for a low-income family in St. Louis as a joint venture with WRMC, Shell Pipeline, and the St. Louis Plant. "Habitat relies on corporations for financing more than for labor," says Debus. Nevertheless, since September, every weekend has found Shell people on the construction site. "But we can always use more volunteers," says Debus. The house should be completed in February or March.

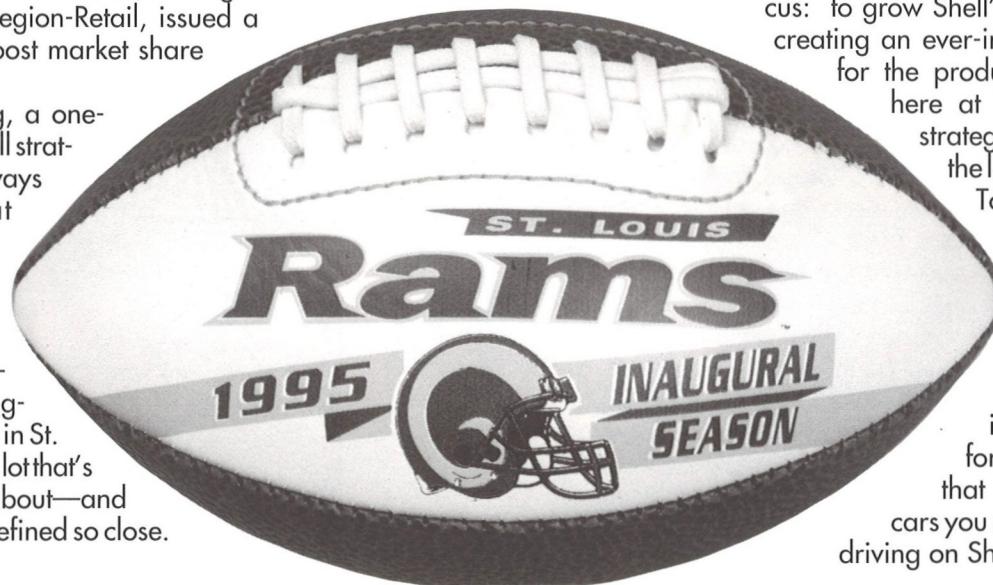
Growing Market Share

Twenty-eight people work in the Midamerica Retail District, including three Retail Managers and 10 Representatives, and they share a single focus: to grow Shell's market share by creating an ever-increasing demand for the products manufactured here at Wood River. The strategy is working. Since the launch of the 'Home Town Oil Company' campaign, sales are up.

Quality products, efficient distribution and effective marketing—it's a surefire formula for ensuring that ever more of the cars you see on the road are driving on Shell. ☺



Ultimate Rams Station owners Sharon and Paul Ronsick (with ram).





LOGISTICS SDWT TRANSITION TEAM IN STATE COMPETITION

The Logistics SDWT Transition Team represented WRMC in the 1995 Illinois Team Excellence Award Competition.

Longden was followed by Ahart, who discussed some of the radical changes involved in the transition. Under the plan, Supervisors would be absorbed into the work force, and Operators would assume many of their responsibilities. "We had to sell the ideas," he said, and the Team worked to create an "improved environment" in which Operators would "be comfortable with decision-making." Also, changes "all had to take place while keeping an eye on safety and environmental performance."

Fralinger followed, discussing some of the problems encountered in the transition and how they were resolved. "Problems began to emerge shortly after we had taken the first steps on the journey to self-direction," he said. The Team decided to ask core Operators (those who must share tools and responsibilities, but on opposing shifts) to get together to share information and work out differences. Fralinger credited Human Resources for helping provide many of the tools and skills needed to make the core Operator workshops successful. As a result, Logistics achieved its goal of self-direction while maintaining excellent performance: the best asphalt season ever and an improved safety and reliability record.

Yeager wrapped up the formal presentation by reviewing results and strategy for making change permanent. He noted that the great challenge of the Team was to accomplish a self-directed work mode after "75 years of command and control." To be successful, the Team realized old paradigms would have to be broken, and "everyone would have to take full responsibility" for performance. To accomplish this critical change, he said, "We shifted to a climate of trust and openness."

People have, for the most part, risen to the challenge. Since the implementation of self-direction, the department has "reduced costs and helped make the Complex many millions more profitable," reported Yeager.

On Sept. 20, the Logistics Self-Directed Work Team (SDWT) Transition Team traveled to the Illinois Wesleyan University campus in Bloomington to participate in the 1995 Illinois Team Excellence Award regional competition. The Team was selected by WRMC Manager Gayle Johnson to represent the Complex in this year's competition, which is sponsored annually by the Illinois Manufacturers' Association. A total of nine teams from around the state competed.

TEAMWORK

The Team is comprised of 10 members from Logistics: Jerome Ahart, Tom Fralinger, Al Funk, Scott Jenkins, Clarence Kelly, Terry Longden, Brad Reilson, Roosevelt (Rosey) Shelton, Mike Tomlanovich and Karl Yeager.

All members were involved in the 15-minute presentation. Yeager, Longden, Fralinger and Ahart were the presenters, and Shelton, the moderator. Reilson was the audio/visual technician. Funk, Jenkins, Kelly and Tomlanovich handled the question/answer portion of the program.

How did it go? "Very quickly," says Tom Fralinger. "Having to describe the Team's objectives, its work and the results within the 15-minute format presented a real challenge. We had to work together to make sure we covered everything without being redundant."

THE MOVE TO SELF-DIRECTION

Each competing team had to describe how they had achieved a goal or resolved a problem. The SDWT Transition Team focused on how they had successfully implemented self-direction in Logistics.

Longden, the first presenter, described the formation of the Team in Nov., 1993, and its mix of seven Operators and three staff persons, including the Logistics Manager. He also outlined the challenges involved and the overall approach taken in achieving their goal of eliminating first line Supervisors by Feb. 1, 1994. "We had many layers of supervisors," he told the judges, "and an organizational style not very conducive to self-direction. We turned to Human Resources for help in learning the basic principles of self-direction, teambuilding and breaking down the barriers."

RECOGNITION BY CLT

While the Team lost out in the competition to Maytag, those at WRMC familiar with the group's work and results concur that they are winners for the Complex. On Oct. 24, the team was invited by Gayle Johnson to review their presentation for the Complex Leadership Team.

Reflecting on the Team's accomplishment, Johnson says, "I think this team really exemplifies the work environment we are creating here at WRMC. In the simplest of terms, our objective is to completely evolve to a high-trust organization where every employee has an opportunity to fully realize his or her abilities. This simple strategy will be the key enabler that will make WRMC a net income leader in the tough refining business." ●

Propane Business Appreciates Customers

Oct. 25 was Propane Customer Appreciation Day—a day for demonstrating how much we value our Propane customers. The event was the culmination of a long effort to improve service in Propane.



Performing And Looking Great

For several years, ongoing problems with the automated propane rack were a source of frustration for drivers. Finally, under the leadership of Judy Bautsch, OP SET in Propane, and Dave Lewis, Engineering-Control Systems, WRMC determined to fix what was wrong.

As a first step, they called a meeting with drivers to gain a better understanding of the problems, then they went to work. In June, they regrouped with the drivers to ask, "How are we doing?" Based on drivers' feedback, the propane rack shut down for several days of further work in August. After work was completed, the Operators took over, sprucing up the area to make it more attractive.

After all the improvements, which had caused some inconveniences for customers, Marketing and Sales in Houston came up with the idea of a Customer Appreciation Day and offered to pay for it. Andy Ronald, Manager National Accounts and Rail Sales, says, "We had wanted to bring about a level of service at the rack that would make us the supplier of choice. By then, our performance problems were solved, and we presented a sharp, professional image. We thought it was time to take the next step and show customers our appreciation."

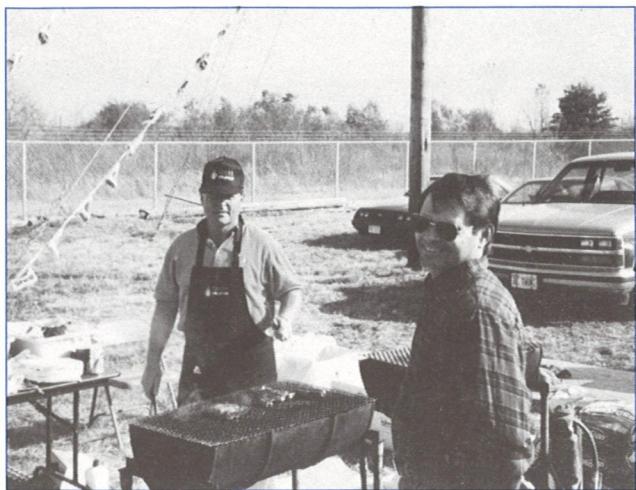
Feeding The Masses

Judy Bautsch coordinated the event at Propane East. "It was a lot of work," she says. "We aren't set up for cooking and needed grills, tents—everything. I had never done this kind of thing before, but we pulled it off with help from Carol McConnell, Gail Smay, Linda Snyder and a lot of others."

In addition to drivers and customers, all WRMC and railroad people associated with Propane were invited. "We wanted it to be a chance for everyone to meet Wood River people involved with the business," says Bautsch. "Anyone who touches Propane was invited."

Ronald and Jack Vaughn, Manager Propane Wholesale Sales, transformed into chefs-for-a-day, cooking breakfast and dinner for more than 200 people—bacon, eggs, hand-cut potatoes, Texas beans, steaks, Italian sausage and hamburgers. Bautsch recalls, "There was a van load of people here at 5:15 in the morning! We just hurried to get set up and started cooking."

Ronald, who claims he "slept very well" that night, certifies the event as a great success and is looking forward to holding a similar event in 1996. ●



Propane stages an all-day cook-a-thon.



"...we presented a sharp, professional image."



Nothing says "thanks" like good food.

When You Can't Come In From The Cold

Winter is here, and it's not always possible to spend days and evenings toasting in front of a cheery fire with a steaming cup of hot chocolate (my personal favorite for combatting sub-freezing temperatures). Going to work or just stepping outside for firewood, there are times when exposure to the cold is simply unavoidable. Or maybe you're a snow bunny...one of the legions of skiers, skaters and sledders who go into a state of rapture at the first snowflake.

But whether choice or necessity takes you into the great—and cold—outdoors, you need to be aware of the dangers and protect yourself against such winter-time risks as frostbite, hypothermia and snow-shoveling injuries.

Staying Warm (Enough)

Indoors or out, when Jack Frost comes calling, you'll stay warmer if you wear several layers of clothing. The layers trap air, which provides insulation and helps prevent escape of body heat. If you're going to be outside, avoid alcohol intake, which inhibits the body's ability to combat the cold and causes body temperature to drop more quickly. Mild hypothermia occurs when body temperature drops to between 95° and 90°. Anything below 90° is life-threatening.

The elderly are particularly susceptible to the effects of cold, so check on older neighbors and relatives when the temperature plummets. Encourage them to turn up their thermostats and dress with extra clothing, and make sure they have enough blankets on their beds.

Heeding The Danger Signals

Symptoms such as shivering, numbness, drowsiness, muscle weakness and slurred speech are all warning signals of hypothermia, telling you to come in and get warm. Remove all wet clothes immediately and warm up by wrapping yourself in blankets or extra clothing. If symptoms are severe and body temperature has dropped to the levels above, seek medical attention.

Frostbite symptoms appear when prolonged exposure to cold causes ice crystals to form in the fluid of skin tissue cells. Pain and red skin are the first indications. As frostbite advances, the skin pales, appears waxy,

and feels very cold and numb. Ultimately, the pain disappears, and blisters may form. Cover the frozen part with extra clothing or blankets, get indoors as soon as possible, then warm the frostbitten area rapidly using

warm (NOT hot) water. Do NOT use heat lamps, hot water bottles or heating pads, do NOT place the affected area near a hot stove or radiator, and do NOT break blisters.

When feeling returns, stop the warming process and get medical attention.

HINTS FOR HEALTH



Avoiding Falls

Snow and ice on walkways are "accidents waiting to happen" and should be cleared as soon as possible. Be prepared. Before nasty weather hits, stock up on salt or cinders, which help the melting process along. To give yourself extra traction, wear cleated shoes, such as golf shoes.

Getting Rid Of The White Stuff Safely

Prior to any strenuous activity (and shoveling snow certainly qualifies), you need to warm up with stretching exercises. Stretch out again when you're finished. Doing so will help avoid injury during the activity and sore muscles afterward.

Scatter salt before you shovel to avoid slipping and use a shovel with a handle length appropriate for your height. The sooner you can shovel, the better. Freshly fallen snow is lighter than snow that's been around long enough to melt and freeze. And be sure to wear flat-heeled shoes with good traction.

Place your feet apart, about shoulder width, with one foot forward for balance. Use your legs, not your back, to do the work. Bend from the knees and scoop, testing the weight of the load before you lift. Keep your back locked (never rounded), and straighten your knees as you lift. As you empty the shovel, step and turn—don't twist, which puts added strain on your back and is a primary cause of back injuries.

Finally, remind yourself often of the beauty of snow. Enjoy it for the miracle it is, but remember: with an injury, a winter wonderland loses a lot of its wonder. ●

Operating For Excellence



The Operator Surveillance Implementation Team.

Operator Surveillance

The following article is the 3rd in a series on Operations Excellence, WRMC's strategy to move Operations to 'world class' performance.

Operator Surveillance refers to Operators' monitoring of equipment for the purpose of catching equipment problems in their units before they occur or, if they do occur, before they create bigger problems. Every hour of down time is an hour of lost production (and thus lost profits) so it's easy to understand why reliability figures so prominently as an issue to be addressed under the Operations Excellence strategy. 'Excellence' demands that everything keep humming—exactly on key, never missing a beat. With that as the goal to be achieved, Operations Excellence program sponsor Tom Purves chartered the Operator Surveillance Steering Committee.

The Committee's membership, comprised of representatives from all operating units, includes: Jack Brisky from Alky and Cracking, Dick DeQuasie from Utilities, Ed Uetz from Distilling and Gas, and Bill Galbraith from Hydroprocessing. Other members include Ron Hettinger, Organizational Effectiveness & Training (OE&T); Kent Lytle, Maintenance; Bob Mills, Systems Coordinators; Tim Roff, Environmental Operations & Utilities; and Larry Sicking, Maintenance/Engineering.

Shaping The Initiative

The Committee was charged with designing the elements of the initiative and subsequently setting

them in motion and monitoring progress. According to Roff, the Committee's contribution to 'world class' performance in Operations will be "to assure we are reliable on demand to deliver products and materials to market." Toward that end, the group has channeled efforts in several directions.

One of the Committee's first tasks was to develop a Surveillance Guidebook—a

compilation of the best surveillance practices employed at Wood River and elsewhere, gathered together and presented in condensed form. To identify practices that should be included, the Committee worked closely with Operations, Engineering & Maintenance (OEM). The Guidebook is intended as a general reference resource—a starting point for developing specific guidelines for individual units.

Other priorities included knowledge-sharing and training. "We needed to find out what Operators need to know," says Roff. "We're fortunate to have some of the best Operators in Shell. They already had many excellent surveillance practices in place, so we started out ahead of the game." Committee members say that what is needed is to maximize existing expertise by sharing knowledge between units, as well as to identify new learnings that will further enhance Operators' surveillance capabilities.

In addition, the Committee realized that, as surveillance practices were reviewed in individual units and, in many instances, changed, check sheets would have to be rewritten.

The Implementation Team

To carry out this work on the unit level, the Steering Committee formed the Operator Surveillance Implementation Team. The Team is made up of Operators from each unit, including Jack Blair from Alky/Cracking; Mark Kirksey, Jack LaTemp and Don Wagnon from Hydroprocessing; Jan Stahlhut from Catalytic Cracking; Ron Houston from Distilling; Brett Miller from Environmental Operations; Jim Spink from Gas; Norm Schiller from Lubes; Scott Jenkins and Mike Tomlanovich from Logistics; and Tom Reidelberger from Utilities. T.P. Wylie represents Engineering Services, and Ron Hettinger serves

as team leader and liaison with the Steering Committee.

It is the Team's job to customize the general practices included in the Guidebook for each unit, specifying techniques and procedures to be followed and developing corresponding check sheets. The Team is also identifying training needs in each unit and developing programs to meet those needs.

"A Clearinghouse Of Knowledge"

In all, surveillance needs for 15 separate, cross-unit disciplines are being addressed—areas such as safety, tanks, pumps, compressors, PRVs and instrumentation. "Not all units are involved with every discipline," explains Team member Norm Schiller, "but a significant number of these disciplines apply in each department. This creates an ideal opportunity to share knowledge between units."

Ron Houston stresses utilization of SMEs—Subject Matter Experts. "There are people in each unit who know a great deal about a particular discipline—PRVs, furnaces, and so on. They can tell us 'This is what you should be doing'."

Tapping these resources is leading to significant improvements, and everyone on the Team can readily cite examples of the benefits of knowledge-sharing. "In Lubes," says Schiller, "we found that the way Distilling was checking pumps was better than our method. On the other hand, our safety check sheets were better. There are excellent ideas that can come from other people, but before, we never knew they were there."

Schiller sums up the role of the Team, saying, "We're functioning as a clearinghouse of knowledge, gathering the best ideas and making sure they get out to others."

The Search For New Ideas

Achieving excellence also demands taking the next step to consider new ideas not currently in practice—going beyond 'what is' to 'what can be.' This means looking at techniques and procedures from outside WRMC.

On Dec. 3, a delegation from the Implementation Team, headed by Ron Hettinger and Bill Galbraith, departed on a week-long factfinding visit to Martinez and Anacortes. The purpose was to learn what practices and equipment are being used at those locations that could be imported to improve equipment surveillance at Wood River.

The Team is also investigating new equipment-monitoring technology needed to take the Complex into the 21st century. One example is the possibility of using hand-held computers, no larger than a cellular phone, for information-gathering in the field. Such computers are reasonably priced and, on a cost-benefit basis, appear promising.

A possible application of such technology would be for capturing pump vibrations, which can give early warning of failure. Operators now have instruments for measuring vibrations, but they are the approximate size and weight of a concrete block and thus are not easily portable. "We've saved a great deal of money by measuring vibrations," says Schiller, "but temperature is an even more important measurement. If we could measure pump bearing temperatures and historically plot any increases, it would give us an even earlier warning of a bearing failure than vibration monitoring." Hand-held computers can easily measure temperatures by bar code scanning and instantly input the data.

If we pick the right computer," says Schiller, "it will speed up the time to check machinery and produce better results." He explains that, rather than try to adapt WRMC practices to existing programs, "We're going to look for a vendor willing to customize their program for our use."

Putting Excellence Into Practice

Check sheets are a means of standardizing preferred surveillance practices and ensuring their implementation. All units had existing check sheets; however, the intensive review of surveillance techniques necessitated a parallel review of check sheets. Some units have found few changes necessary, while others have virtually had to start from scratch.

In many cases, the extent of revisions depended on how long check sheets had been in use. In Distilling, for example, they had remained unchanged for a number of years. "We had to completely redo them," says Houston.

In contrast, Lubes had to do minimal modification. Schiller

explains that all their check sheets were rewritten when the Catalytic Dewaxing Unit (CDU) was started up and the Deasphalting Unit (DAU) demothballed in 1987. "So we weren't starting from square one," he says.

The Team makes the point that check sheets serve important purposes beyond ensuring that surveillance is performed on schedule, according to specification. For one thing, they provide a historical record of equipment performance. "Over time," says Schiller, "check sheets help us spot trends."

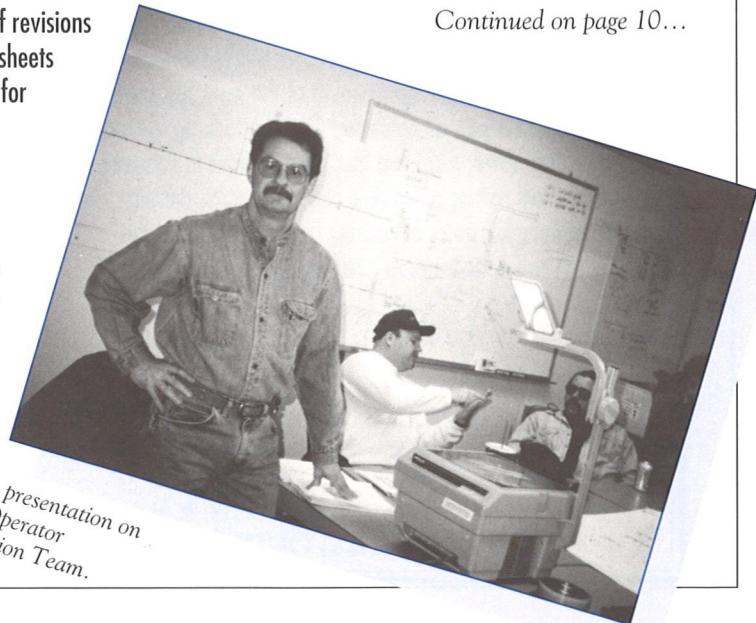
Improved check sheets will also help assure 100% compliance with legal requirements imposed by OSHA (Occupational Safety and Health Administration), DOT (Department of Transportation), and EPA (Environmental Protection Agency) and provide essential documentation that we are doing what should be done at the level of frequency required by law.

Training

With the implementation of new procedures and techniques comes the need for training, which will be addressed on a unit-by-unit basis. The Team worked with SOMs (Supervisors of Operations and Maintenance), Managers and the Operations Excellence Team working on Operator Training (previously profiled in WRR) to determine training needs and plan programs. Houston says, "We have very good Operators, and we want to make them even better. In all the years I've been at Shell, Operators have said, 'We want more training.' Now we're going to get it."

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Dan Pile, SME, gives a presentation on tank inspection for the Operator Surveillance Implementation Team.



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Far from complicating Operators' jobs, say Team members, training will simplify monitoring of equipment and enable them to do a more thorough job.

The success of training—and ultimately the success of the Operator Surveillance initiative—depends largely on attitude, which, in turn, requires a change in culture. People have to be willing to accept the challenge of new ideas and discard 'but-we've-always-done-it-this-way' thinking. Schiller and Houston both emphasize that everyone involved must realize that our competitors are doing these things and that, to be competitive, we have to do them too. Failure to do so will only hold us back.

Schiller says, "It's been my experience that, when Operators become aware of a better way of doing something, they do it. I think Operator awareness will drive this."

Nearing The Goal

No one needs to convince members of the Steering Committee or Implementation Team that bringing surveillance practices to a level of peak performance is worthwhile. Both groups relate story after story of instances in which spotting a problem early or using sophisticated techniques to identify the exact cause of a problem prevented great expense or loss of production. Bill Galbraith recalls the time at HDU-1 (Hydrotreating) when a high pressure drop was observed: "We didn't know where it was, but we were able to pinpoint the differential point by a change in sound and confirmed it by installing a pressure gauge. That enabled us to avoid a unit shutdown and save 28,000 barrels a day in lost production."

Dick DeQuasie relates that, in Utilities, Operators routinely check fans on boilers before a storm. Recently they spotted a problem with a forced draft fan. "If we hadn't caught it early, we would have had to replace the gear box," he says.

The common goal of the Steering Committee and the Implementation Team is, they say, "to make sure we're looking at the right things and to head off trouble." Those involved, in addition to performing their normal job responsibilities, have devoted many hours to reaching this goal as quickly as possible. The timeline varies by unit, with more changes needed in some than in others; however, at this point, much of the work has been completed. As a result, all operating units are looking forward to moving into 1996, confident that their changes in equipment surveillance will reduce down time and lower costs, thereby advancing Complex goals of running full and producing the best yields, with a leading cost structure. ☀

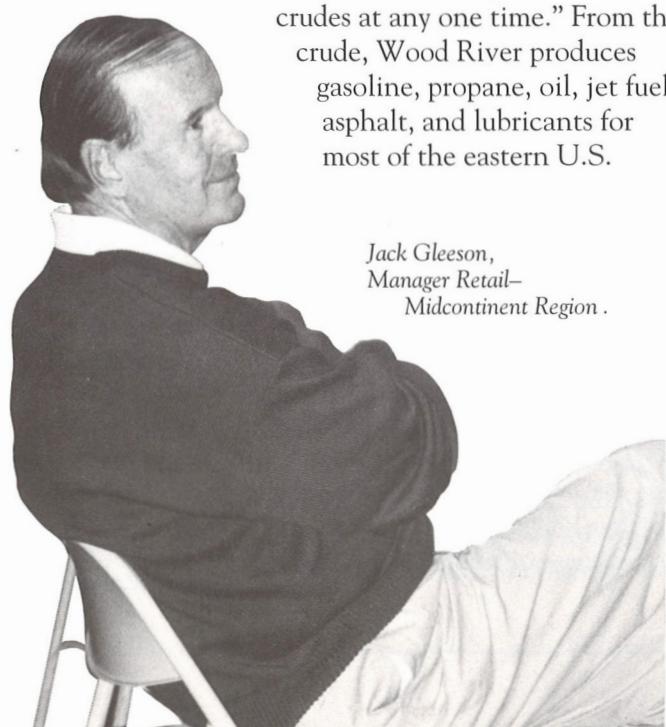
Midcontinent Managers Tour Complex

During a Leadership Conference in Houston, WRMC Manager Gayle Johnson and Jack Gleeson, Manager Retail - Midcontinent Region, discussed the possibility of the Complex hosting an event for the retail Managers who are Shell's marketing arm for the middle part of the country. Possibility became reality on Oct. 26, when the Midcontinent Managers arrived for a day at Wood River. The visiting group included Mike Cluck, Tom Dailey, Dan Dalacasa, Dana Day, Janet Debus, Jim Dillard, Steve Elam, Tom Gravlin, Wayne Hamilton, Kevin Jameson, Joe Moore, Jim Mullen, Terry Runnels, Paul Stone, Rick Thornton, Craig Walker and Larry Whittaker. Jack Gleeson was also on hand, as were Jack Bowman and Murray Franzen from the St. Louis Plant (distribution).

As Superintendent Operations Tom Purves observed, the experience was a first for many in the group, who had never before visited a refinery.

About The Complex

Following a luncheon at Kendall Hill, Purves addressed the guests, giving an overview of what goes on in the Complex. "Most of the crude we use comes from the Gulf Coast—Texas, Oklahoma, and offshore wells in Louisiana, as well as imports from the Middle East and the North Atlantic. It gets here through pipelines that run through Mississippi, Arkansas and Missouri," he told the group, adding that the Complex runs a wide range of crudes, about half light and half heavy: "We might run a blend of seven or eight different crudes at any one time." From that crude, Wood River produces gasoline, propane, oil, jet fuel, asphalt, and lubricants for most of the eastern U.S.



Jack Gleeson,
Manager Retail—
Midcontinent Region .

He also impressed the visitors with a number of interesting facts about the Complex. (See accompanying Gee Whiz! Quiz, below.)

Marketing What We Make

Gleeson also addressed the group and, for the benefit of WRMC representatives, described the scope of the Midcontinent Region marketing group, which encompasses seven districts and 14 states and includes 1,600 service stations. "There are 22 major markets in the region," he said. "That's out of 72 in the country." He explained that the greatest part of Shell sales come from major markets.

"As part of the master plan to become a premier oil company," he said, "Marketing has a significant growth initiative planned for the next five years. This plan calls for increasing net income business to \$500 million from the current \$200 million." He was optimistic about prospects for success: "If each of us does our little piece of it, this is certainly attainable."

The View From The Top

Leaving Kendall Hill in four small groups accompanied by WRMC guides, the visitors set off for a tour of the Complex. Included on the tour were the Control Rooms at Distilling/Gas and Aromatics West. Another stop was the Motor Lab and OMC Control Room. The most impressive part of the tour, perhaps, was a trip up Catalytic Cracker No. 2. The elevator slowly crawled up to the 10th floor, where the groups emerged to a breathtak-

ing view across the Complex. By that time, a fine mist was falling; even so, downtown St. Louis and the Arch were visible in the distance across the Mississippi. A few hardy souls even climbed two more flights of stairs to reach the pinnacle.

At each stop along the way, employees were waiting to greet the guests and describe the processes of the units.

The groups converged at the History Museum, where they were treated to a tour through exhibits recalling past decades at the Complex. ●



Visitors to WRMC for the Midcontinent Managers luncheon and tour are impressed with the view from Cat Cracker No. 2.

GEE WHIZ! QUIZ

How much do you know about WRMC? See how you do answering the following questions, which are based on facts included in Tom Purves' presentation for the Midcontinent Managers, Oct. 26. Answers are at the bottom of the box.

WRMC has...

1. _____ miles of pipeline.
2. _____ motors.
3. _____ pumps.
4. _____ storage tanks.
5. been refining since _____.

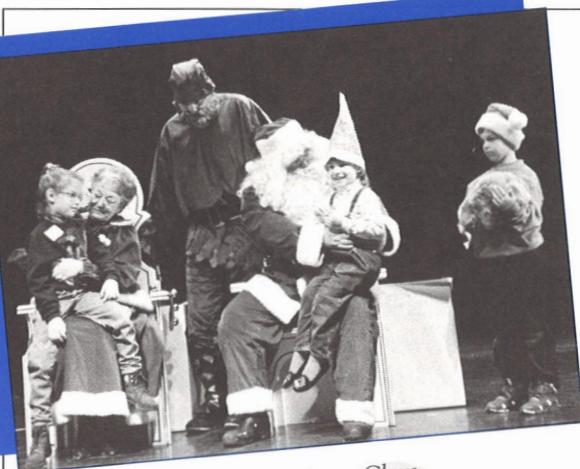
WRMC...

6. currently processes about _____ barrels of crude a day.

7. is the _____th largest refinery in the U.S.
8. currently employs _____ people.
9. covers _____ acres of land.

Each day, WRMC produces...

10. _____ MM gallons of gas.
11. _____ MM gallons of jet fuel.
12. _____ MM gallons of furnace oil, enough for _____ homes.
13. _____ quarts of lube oil.
14. _____ barrels of asphalt.



A busy day for Mr. and Mrs. Santa Claus.



A double order for Santa...

A VISIT WITH SANTA

On Sat., Dec. 9, the Christmas season officially arrived at WRMC. Braving bone-chilling temperatures, streams of children and their Shell parents and grandparents poured into the theater on the Lewis and Clark Community College campus for the annual Shell Children's Christmas Party. Never mind that it was 16 days early. As anyone could see, this was *Christmas*—complete with a blazing Christmas tree, dozens of poinsettias, and ho-ho-hos from You-Know-Who!

Christmas in Song, Dance And Magic

Two performances, the first at 9:00 a.m. and the second at 1:00 p.m., featured a wide variety of entertainment. Magician and juggler Larry Levin (better known as "The Amazing Larry") and the COCADance dance company from the Center of Contemporary Arts in St. Louis, both popular acts last year, gave return performances. New to the lineup were the Wood River High School Jazz Band and the Alton Children's Puppet Theatre. Clif Carpenter was the emcee for the program.

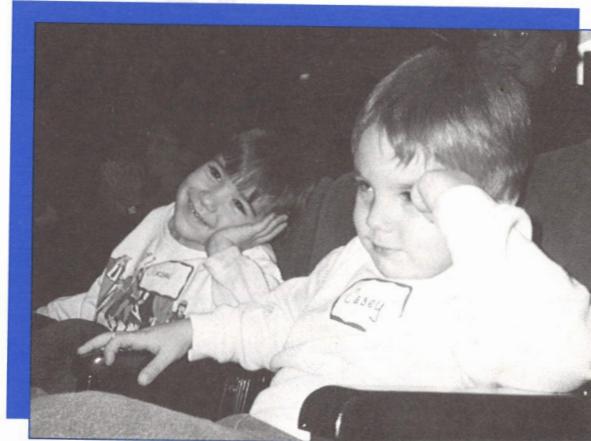
...And Santa, Of Course

Naturally, no pre-Christmas celebration would be complete without a visit with Santa, and after each performance, children scrambled to the stage to take their places in line. When their turn came, they happily climbed into the laps of Mr. and Mrs. Santa Claus, who listened to hundreds of gift wishes, carefully noting each one. With help from Santa's capable elves, each child was given candy and a teddy bear to take home.

The couple from the North almost didn't make it this year. Mr. and Mrs. Claus, known for years by grownups as Bill and Donna Jacobs, received a gift of their own that day. Early on the morning of the party, they received word that they were about to become grandparents; understandably, they rushed off to the hospital, rather than to the Lewis and Clark campus, to await the arrival of their new grandson. Christmas, however, is about nothing if not miracles, and, in the nick of time, Arland Sparks and Linda Snyder were magically transformed into Mr. and Mrs. Claus.

Thanks To Santa's Helpers

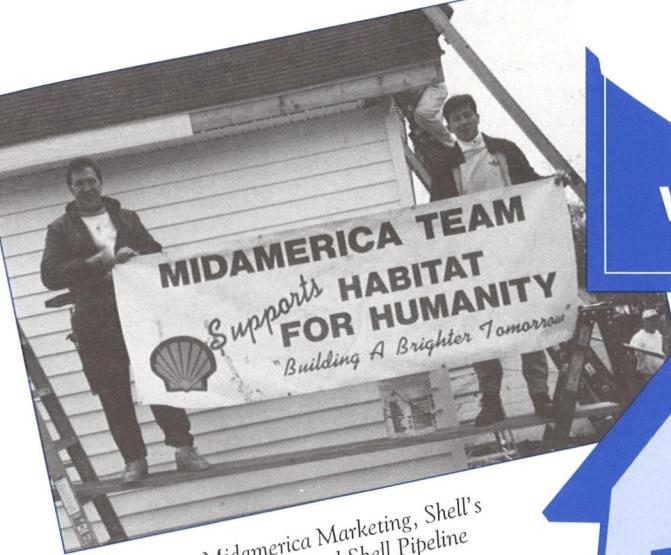
The Christmas Party takes many hours of planning and preparation, and again this year, Santa had lots of help. For a great job, thanks go to Joan Brooks, Gerard Jacquin, Mark Paproth, Sandy Porter, Dottye Taylor, Wanda Westerhold and Nancy Yarnell, in addition to those above. ☺



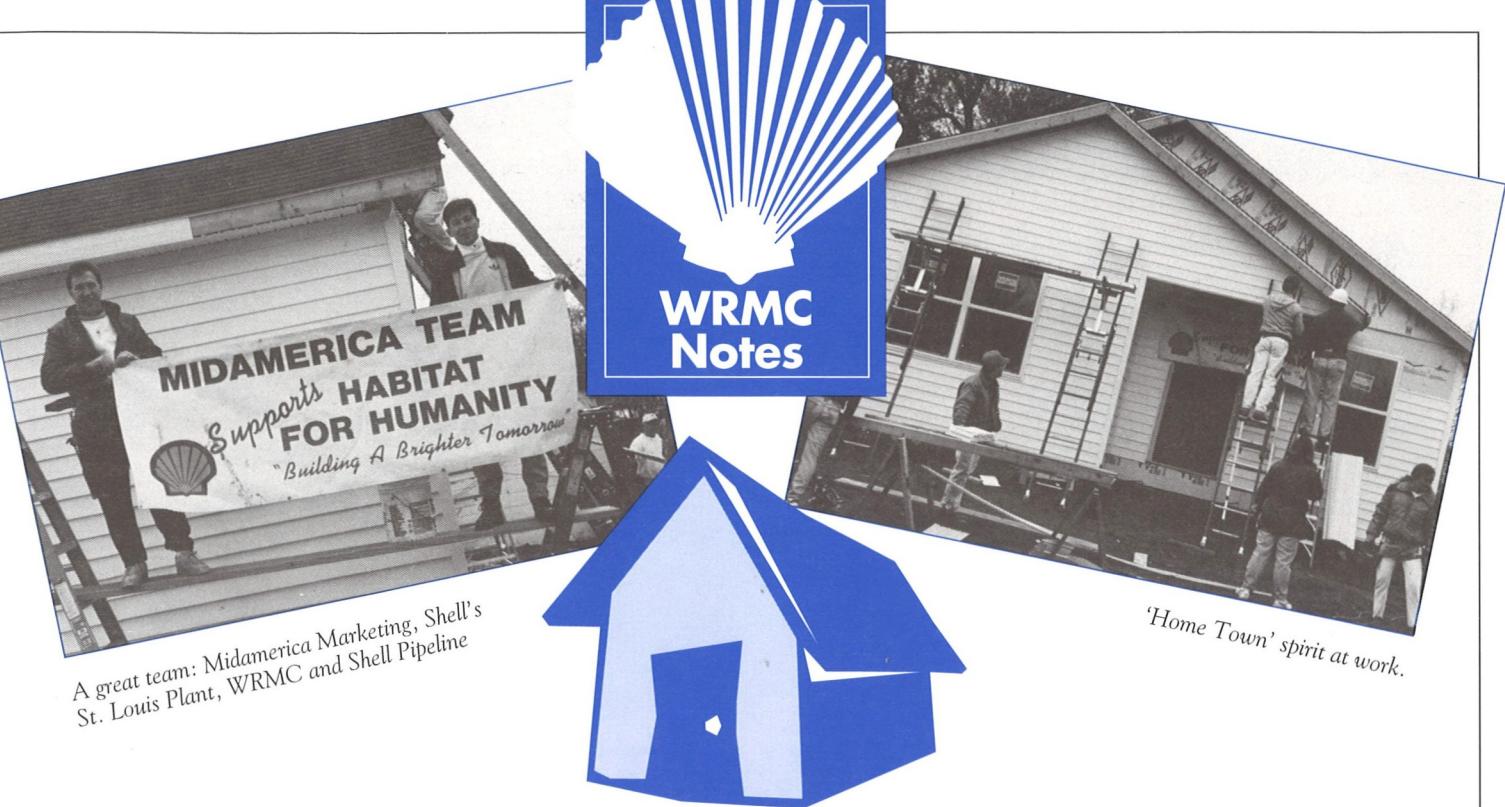
Waiting for the show to begin...



COCADance Company.



A great team: Midamerica Marketing, Shell's St. Louis Plant, WRMC and Shell Pipeline



Building A Home—And A 'Home Town' Image

Midamerica Marketing, WRMC's St. Louis-based marketing partner, was the leading force in sponsoring a Habitat for Humanity home being built in St. Louis for a low-income family. Joining in the venture with Midamerica Marketing are volunteers from Shell's St. Louis Plant (distribution), WRMC and Shell Pipeline.

Jack Gleeson, Manager Shell Marketing—Midcontinent Region, and a number of St. Louis City officials were on hand for the September groundbreaking. Approximately one month later, the framing and exterior work had been completed, and electrical and plumbing work was under way. The home should be ready for occupancy in late February.

The project is a win-win situation for everyone involved. A deserving family will have a new home of their own, and a neighborhood will be improved. In addition, Shell is strengthening and giving meaning to

its 'Home Town Oil Company' image—the marketing theme for the St. Louis area.

Volunteers Needed

The Habitat for Humanity project will continue for another two months or so, and volunteers are needed. Consider the benefits. You'll help our marketing effort by demonstrating that Shell people are 'home town' people who truly care about our community. It's a great chance to help someone else and, at the same time, learn practical construction skills from experts. And finally, volunteers report they have a lot of fun participating in the group effort.

No experience is required, and since it's an ongoing project, you can schedule volunteer days at your convenience. To volunteer, contact Nancy Yarnell, ext. 2685. ●



Jim Morgan Visits Complex

Jim Morgan, President, Shell Oil Products Company, recently spent a day touring WRMC and talking with people from all parts of the Complex. After a lunch at the Complex with about 20 people representing a number of departments, he traveled to St. Louis for a tour of Shell service stations and the Midamerica Marketing office.

Over pizza and sandwiches, Morgan fielded questions. The informal discussion ranged from opportunities for growing the company to the new Shell Learning Center in Houston. ☺



United Way Tops Goal

By anyone's measure, this year's United Way campaign was a big success. WRMC's 1995 Employee Campaign goal was \$175,000. To the delight of the campaign committee, however, when all the pledges were tallied up, they reached approximately \$182,000—with some late pledges still coming in. Contributions to the overall United Way Partnership campaign totaled \$2.1 million, exceeding the goal of \$2 million by .05%.

Pledge Amounts Up

Committee Co-Chair Larry Sicking credits the generosity of WRMC employees, retirees and Shell Pipeline employees for taking the campaign over the top. "We were especially pleased that 409 of our approximately 1,100 employees were Fair Share givers," he said. "They're the backbone of our employee campaign." Additionally, contributions from both retirees and Pipeline employees were up this year.

Shell's corporate gifts were also up. On Oct. 25, a check from Shell for \$150,000 was presented to the United Way Partnership, covering the Alton-Wood River-Edwardsville area. Another check, for \$7,000, went to the Tri-Cities United Way.

WRMC Manager Gayle Johnson observes, "This successful campaign by Shell employees demonstrates that an employee-led campaign works very well for us, and others are beginning to take notice."

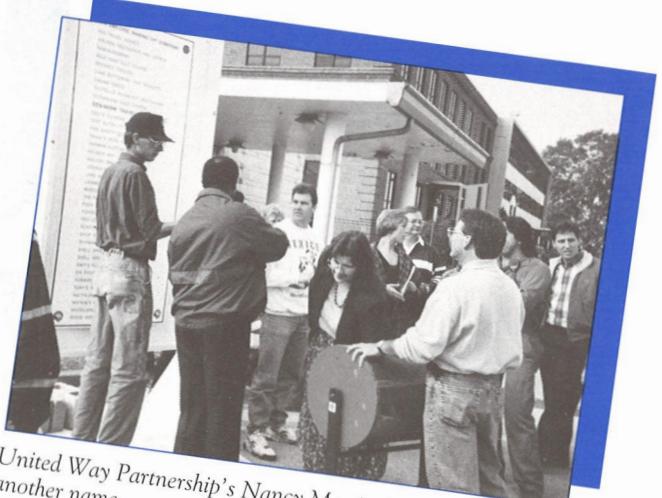
Drawing Held

The campaign culminated with a drawing held in front of the United Way campaign tote board near Main Office. Everyone who pledged was eligible to win, and dozens of prizes donated by local businesses, from airline tickets to restaurant meals, were given away. Nancy Martin, President of the United Way Partnership, was

on hand to help draw names and thank all those who helped to make this year's campaign so successful. ☺



The biggest check ever!



United Way Partnership's Nancy Martin draws another name...

Service Anniversaries

NOVEMBER

J. S. Cannon

Pipefitter 1
Maintenance/Shops
25 Years

Dianne K. Isaak

Senior Assistant
Human Resources
25 Years

Gary G. Kirby

Craneman 1
Maintenance/Shops
35 Years

Jane F. Wells

Financial Analyst
Business Services - Financial
30 Years

DECEMBER

Tom M. Reidelberger

Operator 1/Breaker
Utilities
25 Years

Tony J. Reskusich

Operator 1/Breaker
Gas
40 Years

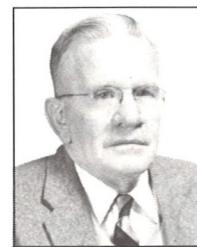
RETIREMENTS

Arlene L. Tutt

Senior Assistant
Human Resources
33 Years

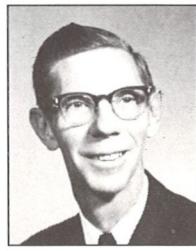


In Memoriam



Daniel Jenkins,
91, died Oct. 26.

Mr. Jenkins was an Operator First in Distilling. He retired Mar. 1, after 35 years of service.



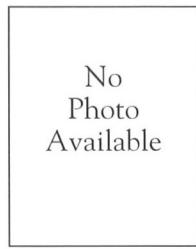
Howard Dreon,
80, died Nov. 16.

Mr. Dreon, a Pipefitter in Engineering, retired June 1, 1965. He served for 26 years.



Harold T. Sherer,
75, died Oct. 17.

Mr. Sherer, a Compounder First in Compounding, retired Oct. 1, 1980, following 39 years of service.



John Peter Eversole, 77, died Dec. 1.

Mr. Eversole was an Operator First in Utilities. He retired Mar. 1, 1979, after 26 years of service.



William Chester Ventress, 81, died Oct. 11.

Mr. Ventress, an Operator First in Utilities, retired Feb. 1, 1975. He served for 29 years.



Edward A. "Sonny" Goeglein, 49, died Dec. 10.

Mr. Goeglein retired as an Operations Foreman in Distilling/Gas on March 1, 1993. He served for 25 years.



Ira Wesley Westfall, 86, died Nov. 24.

Mr. Westfall was a Pipefitter First in Engineering. He retired April 1, 1963, following 21 years of service.



Wesley T. Hunter, 74, died Nov. 13.

Mr. Hunter, who was an Operator First in Lubricants, retired Mar. 1, 1982. He served for 30 years.

SRA Board Elected

In elections held Oct. 24-25, ballots were cast for the 1996-97 SRA board of directors. WRR congratulates the following members of the new board:

STAFF

Pat Maher—WRMC Medical
Kerry Pitt—Utilities

MAINTENANCE

Dan Callahan—Aromatics West
Dennis Mintert—Distilling

OPERATIONS

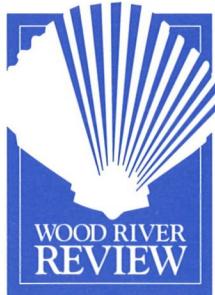
Ralph Butler—Lubes



New Year's Greetings
to all Shell employees
and retirees
from
The
Shell
History
Museum

Shell collectibles on sale at the Museum

Shell Oil Company
P.O. Box 262
Wood River, Illinois 62095



The *Wood River Review* is published
for employees, pensioners and
friends of Shell Oil Company in
Wood River, Illinois.

Editor: Sandi Sherwood
Design & Production: Inlandesign Group Inc.

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